

# ALBERTA SECURITIES COMMISSION

## NOTICE

### **Repeals and Amendments to Alberta Securities Laws Related to Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids***

**November 16, 2007**

#### **Overview**

On November 14, 2007 the Alberta Securities Commission (ASC) approved certain repeals and consequential amendments to Alberta securities laws in conjunction with the approval of Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids* (MI 62-104) and related consequential amendments to certain national instruments to come into effect on February 1, 2008. Other members of the Canadian Securities Administrators (CSA) are adopting similar consequential amendments to their local securities legislation.

#### **Background**

On April 28, 2006, the ASC published for a 90-day comment period a local ASC Notice outlining the proposed repeals and consequential amendments to Alberta securities laws. The ASC received no written submissions on the proposed repeals and consequential amendments.

MI 62-104 is designed to create a harmonized take-over bid and issuer bid regime in all jurisdictions of Canada except Ontario. Ontario will harmonize its take-over bid and issuer bid regime with the jurisdictions through amendments to Part XX of the *Securities Act* (Ontario) and OSC Rule 62-504 *Take-Over Bids and Issuer Bids*.

#### **Amendments to the Alberta Securities Act (Bill 25)**

To facilitate full implementation of MI 62-104 in Alberta, the Alberta Government has passed, but not yet proclaimed at the publication date of this notice, provisions of the *Securities Amendment Act, 2006* (Bill 25) that will repeal Part 14 of the *Securities Act* (Alberta) and the substitution of general provisions that set out the key definitions and concepts, mandate adherence to the rules governing take-over bids and issuer bids and set out certain powers of the ASC and the courts. The amendments related to take-over bids and issuer bids will come into force on February 1, 2008.

#### **Summary of Amendments to Alberta Securities Laws**

This notice identifies the repeals and consequential amendments to Alberta securities laws that will come into effect on February 1, 2008. The text of the repeals and amendments to Alberta Securities Laws are set out in the attached Schedules A and B.

- repeal Part 13 of the ASC Rules (General) - The majority of the take-over and issuer bid requirements, restrictions and exemptions contained in Part 13 of the ASC Rules (General) are carried over into MI 62-104. The one exception is the valuation definitions and requirements in sections 170 and 171 of the ASC Rules that have not been incorporated in MI 62-104. We consider the decision as to whether a valuation is

appropriate ought to lie with the directors of an offeror or offeree issuer (or an independent committee), as the case may be, as part of their fiduciary duties as directors.

- Repeal of Forms 31 to 34 inclusive and their replacement with Forms 62-104F1 to F5 inclusive.
- repeal ASC Notice 4 *Take-Over Bids, Amalgamations, Mergers and Arrangements*.
- repeal ASC Notice 62-701 *Implementation of Zimmerman Rule Amendments Relating to the Conduct of Take-over Bids and Issuer Bids*.
- amend and update the recognition order attached as Appendix 1 to ASC Notice 21-701 *Recognition of Exchanges for the purposes of various provisions of Alberta Securities Law*.

### **Comments or Questions**

If you have any questions regarding this notice, please contact:

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## **SCHEDULE A**

### **Amendments to Alberta Securities Commission Rules (General)**

#### **PART 1      AMENDMENTS**

##### **1.1      Alberta Securities Commission Rules (General) are amended by this instrument:**

- (a)      Part 13 of Alberta Securities Commission Rules (General) *is repealed*;
- (b)      Form 31 *Take-Over Bid Circular is repealed and the following is substituted:*  
Form 62-104F1;
- (c)      Form 32 *Directors' Circular is repealed and the following is substituted:*  
Form 62-104F3;
- (d)      Form 33 *Director's or Officer's Circular is repealed and the following is substituted:* Form 62-104F4; and
- (e)      Form 34 *Issuer Bid Circular is repealed and the following is substituted:*  
Form 62-104F2.

#### **PART 2      EFFECTIVE DATE**

##### **2.1      These amendments are effective February 1, 2008**

## **SCHEDULE B**

### **Amendments to Alberta Securities Commission Notices**

#### **PART 1      AMENDMENTS**

- 1.1**      Alberta Securities Commission Notice 4 *Take-Over Bids, Amalgamations, Mergers and Arrangements is repealed.*
- 1.2**      Alberta Securities Commission Notice 62-701 *Implementation of Zimmerman Rule Amendments Relating to the Conduct of Take-over Bids is repealed.*
- 1.3**      Alberta Securities Commission Notice 21-701 *In Recognition of exchanges for purpose of various provisions of Alberta Securities Law* is amended as follows by this instrument:
- (a)      *in Appendix 1,*
- (i)      *by repealing* “s.132(1)(a)”,
- (ii)      *by repealing* “s.133(e)” *and substituting* “s. 4.8(2) of MI 62-104”, and
- (iii)      *in the previous reference to* “s. 133(e)” *by striking out* “Canadian Venture Exchange Inc.” *and substituting* “TSX Venture Exchange”.

#### **PART 2      EFFECTIVE DATE**

- 2.1**      These amendments are effective February 1, 2008.