

News Release

**For Immediate Release
September 6, 2001**

**New On-Line Insider Reporting System Provides Benefits To All Market
Participants**

Vancouver – Beginning this November, insider reports will be filed electronically over a new, secure Internet-based system, providing greater convenience to market participants and more timely information to investors about insider transactions.

National Instrument 55-102 -The System for Electronic Disclosure by Insiders (SEDI) takes effect October 29, 2001. Under the National Instrument, insiders will be required to file insider reports electronically beginning November 13, 2001 and the public will be able to access these reports as of this date.

"With the introduction of SEDI, insider reports will be publicly available on a more timely basis," said Doug Hyndman, Chair of the Canadian Securities Administrators (CSA), the umbrella organization representing the 13 provincial and territorial securities commissions. "Insiders will be able to file their reports on SEDI 24 hours a day, seven days a week."

By filing through SEDI, an insider will satisfy the securities legislation of all CSA jurisdictions that have insider-reporting requirements.

Filing deadlines will be harmonized in all jurisdictions and all insiders will be required to report trades within 10 days of the transaction.

The National Instrument will introduce the following significant changes to the current system:

Investors

- Investors will be able to get insider reports 24 hours a day, seven days a week, at no charge;
- Investors will be able to access reports such as:
 - a weekly summary for all reporting issuers;
 - the details of individual transactions by insiders;
 - a list of registered insiders for each SEDI issuer; and
 - an issuer "event history", which includes a stock dividend, stock split, consolidation, amalgamation, reorganization, merger or other similar event.

Insiders

- SEDI will provide a higher level of convenience for insiders, who need file only one report to comply with all provincial regulations, and can file 24 hours a day, seven days a week, subject to maintenance requirements;
- Insiders will not be required to pay any filing fees;
- Starting with reports due on or after November 13, 2001, all insiders of "SEDI issuers" will be required to file their insider reports on SEDI (the National Instrument defines SEDI issuers to mean reporting issuers, other than mutual funds, that are required to file disclosure documents in electronic format through SEDAR – essentially all Canadian public companies); the electronic reports that must be filed are substantially the same as the current paper reports;
- Individual insiders, representatives of company insiders or authorized agents acting on behalf of these insiders will first be required to register to use SEDI; while SEDI will be available for registration beginning October 29, 2001, insiders and their representatives or agents are encouraged to register only a few days in advance of their first filing;
- After registering, insiders will be required to file electronic profiles, with information identifying the insiders and their relationship to one or more SEDI issuers before they will be able to file insider reports on SEDI;

Public Companies

- SEDI issuers should ensure that their existing SEDAR profile is accurate and complete on or before October 26, 2001;
- SEDI issuers will be required to register and provide information related to their outstanding securities beginning October 29, 2001. Existing issuers will have five business days to fulfil this obligation. Any firm that becomes a reporting issuer after October 29, 2001 will have three business days to comply;
- SEDI issuers will have a new obligation to file a report in SEDI one day after the occurrence of an "issuer event," which includes a stock dividend, stock split, consolidation, amalgamation, reorganization, merger or other similar event; this information will be used by insiders to update information about their insider holdings.

The \$12.2 million SEDI system was developed for the CSA by CDS Inc. (a subsidiary of the Canadian Depository for Securities, Ltd.), which also developed and operates SEDAR. Development costs and on-going operational costs will be recouped by an

increase to the existing continuous disclosure fee applied to all reporting issuers that are required to file through SEDAR.

Information sessions will be held at the following locations to help issuers and insiders understand and comply with their electronic reporting requirements:

- **Toronto – October 15**
- **Calgary – October 22**
- **Vancouver – October 23**
- **Montreal – October 24**

For information on these sessions, check your local securities commission's Web site. Other jurisdictions are also considering public information sessions.

The National Instrument, and the accompanying Notice, Forms and Companion Policy are available on the following websites:

Alberta Securities Commission www.albertasecurities.com

British Columbia Securities Commission www.bcsc.bc.ca

Commission des valeurs mobilières du Québec www.cvmq.com

Ontario Securities Commission www.osc.gov.on.ca

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