

**GENERAL RULING/ORDER 71-801
MULTIJURISDICTIONAL DISCLOSURE SYSTEM**

IN THE MATTER OF
THE SECURITIES ACT, 1988

AND

IN THE MATTER OF *THE SECURITIES REGULATIONS*

AND

IN THE MATTER OF THE
MULTIJURISDICTIONAL DISCLOSURE SYSTEM

ORDER

WHEREAS an application has been received by the Saskatchewan Securities Commission (the "Commissions") from the staff of the Commission pursuant to:

1. Subsection 160(1) of *The Securities Act, 1988* (the "Act") for an order with respect to:
 - (a) distributions of securities effected in compliance with National Instrument 71-101 The Multijurisdictional Disclosure System ("NI 71-101")(the "MJDS");
 - (b) certifying financial statements pursuant to section 86 and 87 of the Act; and
 - (c) preparing and delivering Annual Information Forms and Management's Discussion and Analysis of Financial Conditions and Results of Operations;
2. Clause 113(2)(c) of the Act for an order with respect to take-over bids and issuer bids effected in compliance with the MJDS; and
3. Subsection 158(3) for an order revoking General Ruling Order 71-101 Multi Jurisdictional Disclosure System dated July 3, 1991.

AND WHEREAS it has been represented to the Commission that:

1. The Commission has made a Commission Regulation adopting NI 71-101 which came into force on August 23, 2000;

2. NI 71-101 presumes that issues of securities in compliance with the national instrument will be exempted from certain requirements of the Act and *The Securities Regulations* (the “Regulations”); and
3. Providing exemptions to issuers who comply with NI 71-101 will remove unnecessary obstacles to certain cross-border securities transactions;

AND WHEREAS each term used in this Order that is defined or interpreted in Part 1 of NI 71-101 has the meaning ascribed to it in that Part;

AND WHEREAS the Commission is satisfied that in the circumstances there is adequate justification for making this Order and that it would not be prejudicial to the public interest to do so;

IT IS HEREBY ORDERED pursuant to section 160 of the Act that the following provisions of the Act do not apply to a distribution of securities made by MJDS prospectus in accordance with NI 71-101:

1. Subsection 62(1), insofar as that subsection concerns the form, content and circumstances of filing an amendment to a preliminary prospectus or prospectus;
2. Subsections 66(1) and 67(1); and
3. Section 71, insofar as that section limits the duration of the distribution of securities under a MJDS prospectus in relation to an offering under rule 415 of the Securities Act of 1933 of the United States;

AND IT IS FURTHER ORDERED, pursuant to clause 113(2)(c) of the Act subject to sections 1 to 5 below, that sections 103 to 107 and section 109 of the Act do not apply to a bid that is made in accordance with Part 12 of NI 71-101:

1. Subsection 103(6) of the Act applies if security holders of the offeree issuer whose last address as shown on the books of the issuer is in Canada, as determined in accordance with subsections 12.1(2) through (4) of NI 71-101, hold 20 percent or more of a class of securities that is the subject of the bid;
2. Subsection 104(2) of the Act applies except the requirement that the offeror deliver the bid to all holders of securities that before the expiry of the bid are convertible into securities of the class that is subject to the bid who are in Saskatchewan;
3. Subsections 107(1), 107(3), 107(7) and 109(1) of the Act apply;

4. The requirement in subsection 107(2) to deliver a notice of change to every person or company to whom the circular was required to be delivered and whose securities were not taken up at the date of the occurrence of the change applies;
5. The requirement in subsection 107(4) to deliver a notice of variation to every person or company to whom the circular was required to be delivered and whose securities were not taken up at the date of the variation applies;

AND IT IS FURTHER pursuant to clause 113(2)(c) of the Act that section 146 of the Regulations that requires a valuation of the offeree issuer in a MJDS take-over bid circular in respect of an insider bid or in a MJDS issuer bid circular do not apply unless security holders of the offeree issuer whose last address as shown on the books of the issuer is in Canada, as determined in accordance with subsection 12.1(2) through (4) of NI 71-101, hold 20 percent or more of a class of securities that is the subject of the bid.

AND IT IS FURTHER ORDERED pursuant to clause 113(2)(c) of the Act that subject to sections 1 to 3 below, section 108, other than subsection 108(3), and section 109, other than subsection 109(3), do not apply to directors and individual directors and officers of an offeree issuer, the securities of which are the subject of a take-over bid made in accordance with Part 12 of NI 71-101:

1. Subsection 108(1) applies except the requirement that the board of directors of the offeree issuer deliver the directors' circular to all holders of securities that before the expiry of the bid are convertible into securities of the class that is subject to the bid who are in Saskatchewan;
2. The requirement in subsection 108(6) to deliver a notice of change to every person or company to whom the circular was required to be delivered and whose securities were not taken up at the date of the occurrence of the change applies; and
3. Subsection 108(7) applies except the requirement that board of directors of the offeree issuer deliver the individual director's or officer's circular or notice of change thereto to all holders of securities that before the expiry of the bid are convertible into securities of the class that is subject to the bid who are in Saskatchewan.

AND IT IS FURTHER ORDERED pursuant to section 160 that the obligations under section 86 and 87 of the Act to certify financial statements as required by the Regulations do not apply to financial statements filed under section 15.1 of NI 71-101.

AND IT IS FURTHER ORDERED pursuant to section 160 that the provisions of Saskatchewan securities legislation that require a reporting issuer to prepare, deliver and file an Annual Information Form and Management's Discussion and Analysis of Financial Conditions and Results of Operations do

not apply to a reporting issuer that files an annual report and quarterly report and sends an annual report in accordance with section 15.2 of NI 71-101.

AND IT IS FURTHER ORDERED pursuant to subsection 158(3) that General Ruling Order 71-101 Multi Jurisdictional Disclosure System dated July 3, 1991 is revoked.

Dated at Regina, Saskatchewan this 23rd day of August, 2000.

“Marcel de la Gorgendiere” _____

Marcel de la Gorgendière, Q.C.

Chairperson