

## Notice

### **National Policy 62-203** *Take-Over Bids and Issuer Bids*

**November 16, 2007**

#### **Introduction**

We, the Canadian Securities Administrators, have developed Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids* (MI 62-104) and related forms to harmonize and consolidate take-over bid and issuer bid regimes nationally. In Ontario, the government is seeking to achieve the same harmonization and modernization effect through proposed amendments to Part XX - Take-Over Bids and Issuer Bids of the *Securities Act* (Ontario) (Part XX) and by adoption of Ontario Securities Commission Rule 62-504 *Take-Over Bids and Issuer Bids* (Rule 62-504).

National Policy 62-203 *Take-Over Bids and Issuer Bids* (the Policy) contains explanations and discussions of MI 62-104, Part XX, and Rule 62-504 (together, the Bid Regime). We expect the Policy will be adopted in all jurisdictions.

Provided all necessary ministerial approvals are obtained, the Bid Regime and the Policy will come into effect on February 1, 2008. Concurrent with the adoption of the Policy, we intend to revoke National Policy 62-201 *Bids Made Only in Certain Jurisdictions*, and withdraw CSA Staff Notice 62-303 *Identifying the Offeror in a Take-over Bid*, the substance of which will largely be found in the Policy.

#### **Substance and Purpose**

This Policy outlines how the provincial and territorial securities regulatory authorities interpret or apply certain provisions of the Bid Regime and provides guidance on the conduct of parties involved in a bid.

#### **Summary of the Policy**

The Policy provides guidance concerning:

- (i) varying terms after a bid has been commenced,
- (ii) interpretation of the prohibition against collateral agreements,
- (iii) independent committees for the purposes of the collateral agreement exceptions,
- (iv) independent committee's determination of equivalent value, and
- (v) redacting or omitting filed information.

We have removed the guidance on "determination of shareholdings" previously provided in the proposed Companion Policy published for comment on April 28, 2006 because we are of the

view that it is up to the bidder to determine whether it has taken all necessary steps to determine whether its bid falls within the relevant exemption.

### **Questions**

Please refer your questions to any of:

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