

# 2007 BCSECCOM 41

December 15, 2006

## **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Securities Act s. 114(2) Issuer Bids - Exemption from the formal issuer bid requirements in Part 13 of the Act - An issuer wants to complete an issuer bid that meets some, but not all, of the conditions of the exemption set out in s. 99(e) of the Act (exemption for a bid through the facilities of a recognized exchange) - The bid and future bids will be made through both an exchange recognized for the purposes of s. 99(e) of the Act and another exchange that is not recognized for this purpose; the bid and future bids will comply with the normal course issuer bid requirements of the exchange recognized for this purposes and will be permitted under the rules of the other exchange

## **Applicable British Columbia Provisions**

*Securities Act*, R.S.B.C. 1996, c. 418, ss. 99(e), 114(2)

In the Matter of  
the Securities Legislation of  
British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New  
Brunswick, Nova Scotia and Newfoundland and Labrador  
(the Jurisdictions)

and

In the Matter of  
the Mutual Reliance Review System for Exemptive Relief Applications

and

In the Matter of  
Talisman Energy Inc.  
(the Filer)

## MRRS Decision Document

## **Background**

1. The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the requirements contained in the Legislation relating to issuer bids (the Issuer Bid Requirements) shall not apply to purchases of the Filer's common shares (the Common Shares) made by the Filer through the facilities of the

## 2007 BCSECCOM 41

New York Stock Exchange pursuant to the Amended Bid (as defined below) or any Future Bids (as defined below) (the Requested Relief).

2. Under the Mutual Reliance Review System for Exemptive Relief Applications (the MRRS):
  - 2.1 the Alberta Securities Commission is the principal regulator for this application; and
  - 2.2 this MRRS Decision Document evidences the decision of each Decision Maker.

### **Interpretation**

3. Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

### **Representations**

4. This decision is based on the following facts represented by the Filer:
  - 4.1 The Filer is a corporation incorporated under the *Canada Business Corporations Act*.
  - 4.2 The Filer's head office is located in Calgary, Alberta.
  - 4.3 The Filer is a reporting issuer in all of the jurisdictions of Canada that incorporate such a concept in their legislation and the Filer is not in default of any requirements of the applicable securities legislation in any of the jurisdictions of Canada in which it is a reporting issuer.
  - 4.4 The Filer is an SEC registrant under the 1934 Act.
  - 4.5 As at September 30, 2006, the Filer had approximately 1,090,367,180 Common Shares issued and outstanding.
  - 4.6 The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the TSX) and the New York Stock Exchange (the NYSE).
  - 4.7 For a number of years, the Filer has annually filed the necessary documents in order to permit it to make normal course issuer bid purchases of up to 5% of its issued and outstanding Common Shares through the facilities of the TSX.

## 2007 BCSECCOM 41

- 4.8 The Filer currently anticipates that it will continue to make the necessary filings on an annual basis in order to be able to make purchases of its Common Shares through either the facilities of the TSX or the facilities of both the TSX and the NYSE.
- 4.9 The Filer wishes to amend its current normal course issuer bid to enable it to purchase up to 10% of the public float of Common Shares and to provide that purchases may be made through the facilities of both the TSX and the NYSE (the Amended Bid).
- 4.10 The by-laws, regulations and policies of the TSX allow normal course issuer bid purchases of up to 10% of the public float to be made through the facilities of the TSX over the course of a year (the TSX NCIB Rules).
- 4.11 Purchases of Common Shares made through the facilities of the TSX in accordance with the TSX NCIB Rules are exempt from the Issuer Bid Requirements pursuant to the "recognized stock exchange exemption" contained in the Legislation (the Recognized Stock Exchange Exemption) while purchases through the facilities of the NYSE are not exempt pursuant to such exemption because the Decision Makers recognize the TSX as a "recognized stock exchange" for the purpose of the Recognized Stock Exchange Exemption but not the NYSE.
- 4.12 No other exemptions exist under the Legislation that would otherwise permit the Filer to make purchases through the NYSE where the purchases exceed the 5% limitation in the "normal course issuer bid" exemption contained in the Legislation (the NCIB Exemption).
- 4.13 Purchases of Common Shares by the Filer of up to 10% of the public float on the TSX and the NYSE would be permitted under the rules of the NYSE and under U.S. federal securities law.
- 4.14 The Filer anticipates that it may in future, through renewal normal course issuer bids, make purchases of its Common Shares through the facilities of both the TSX and NYSE pursuant to the TSX NCIB Rules where the purchases exceed the 5% limit in the NCIB Exemption (the Future Bids).

### **Decision**

- 5. Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the decision has been met.

## **2007 BCSECCOM 41**

6. The decision of the Decision Makers pursuant to the Legislation is that the Requested Relief is granted provided that the purchases of Common Shares made through the facilities of the NYSE are part of a normal course issuer bid that complies with the TSX NCIB Rules.

Glenda A. Campbell, QC, Vice-Chair  
Alberta Securities Commission

James A. Millard, QC, Member  
Alberta Securities Commission