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February 10, 2012

Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203
Process for Exemptive Relief Applications in Multiple Jurisdictions

Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*, Part 6 - Offeror issuer needs relief from certain disclosure requirements for the takeover bid circular - The issuer is a foreign issuer and is not a reporting issuer in Canada; the issuer is not required under its home jurisdiction's laws to prepare certain financial statements; the bid circular will include the financial statements the issuer is required to prepare under the laws of its home jurisdiction; if the bid is successful, the issuer will either comply with National Instrument 51-102 *Continuous Disclosure Obligations*, or will rely on exemptions from NI 51-102 in National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*

National Instrument 45-102 *Resale of Securities*, s. 3.1 - Offeror issuer wants relief to rely on s. 2.11 of NI 45-102 in connection with a securities exchange take-over bid despite not being a reporting issuer on the date the securities of the offeree issuer were first taken up under the take-over bid - Due to the definitions of "reporting issuer" and the operation of section 2.11 of NI 45-102, Canadian shareholders will be subject to a four month seasoning period in certain jurisdictions and not in others; all shareholders of the target will receive the same prospectus level disclosure about the offeror in the take-over bid circular; the take-over bid circular will be filed on SEDAR

Applicable Legislative Provisions

Multilateral Instrument 62-104, Part 6
National Instrument 45-102, s. 3.1

In the Matter of
the Securities Legislation of
British Columbia and Ontario
(the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

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In the Matter of
Myriad Group AG
(the Filer)

Decision

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation):

1. that the requirement to include:

(a) the Third Quarter Financial Statements (as defined below); and

(b) the Third Quarter Pro Forma Statements (as defined below);

not apply (the Financial Statement Relief) in connection with the proposed securities exchange take-over bid (the Offer) by the Filer for all of the issued and outstanding ordinary shares of Synchronica plc (Synchronica); and

2. for an exemption from the prospectus requirement (the First Trade Relief) as it relates to the first trade of ordinary shares of the Filer (the Myriad Shares) distributed in connection with the Offer (including those that may be distributed pursuant to any compulsory acquisition described in the Circular) in each of the Non-Reporting Issuer Jurisdictions (as defined below).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

(a) the British Columbia Securities Commission is the principal regulator for this application;

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Quebec, Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, Nunavut, Yukon and the Northwest Territories; and

(c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

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Interpretation

- ¶ 2 Terms defined in National Instrument 14-101 *Definitions* or MI 11-102 have the same meanings if used in this decision, unless otherwise defined herein.

Representations

- ¶ 3 This decision is based on the following facts represented by the Filer:
1. the Filer is a Swiss joint stock company incorporated under Swiss law and its head office, principal place of business and legal address is Selnaustrasse 28, 8001 Zurich, Switzerland; the Filer is a software company that provides software solutions and services for the mobile phone and consumer electronics industries;
 2. the Filer's share capital is comprised of 49,140,515 registered shares with a nominal value of CHF 0.10 each;
 3. the Myriad Shares are listed on the Main Standard of SIX Swiss Exchange under the symbol "MYRN";
 4. the Filer is not currently a reporting issuer under the securities legislation in any jurisdiction; the Filer is not in default of securities legislation in any jurisdiction;
 5. as a result of the Offer, and by virtue of the definitions of reporting issuer contained in securities legislation, the Filer will become a reporting issuer (i) in Quebec and Newfoundland and Labrador (the Reporting Issuer Jurisdictions) upon the filing of the Circular (as defined below), and (ii) in British Columbia, upon first taking up and paying for ordinary shares of Synchronica (the Synchronica Shares) under the Offer - the Filer will not become a reporting issuer in the remaining jurisdictions as a result of filing the Circular or any subsequent take-up and payment of Synchronica Shares;
 6. Synchronica is a company incorporated under the Companies Act 2006 of England and Wales and its registered office and principal place of business is located at Mount Pleasant House, Lonsdale Gardens, Royal Tunbridge Wells, United Kingdom; Synchronica is a developer of next generation mobile messaging solutions based on open industry standards;
 7. Synchronica's share capital consists of ordinary shares without restrictions on transfer of which, based on public information, 158,707,089 Synchronica Shares were issued and outstanding as of November 3, 2011;

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8. the Synchronica Shares are admitted for trading on AIM, a market of the London Stock Exchange under the symbol “SYNC” and are also listed and posted for trading on the TSX Venture Exchange under the symbol “SYN”;
9. based on publicly available information, we believe that Synchronica has also issued and outstanding the following securities that are convertible or exercisable for Synchronica Shares:
 - (a) warrants to acquire an aggregate of approximately 68,227,656 Synchronica Shares;
 - (b) options to acquire approximately 3,587,456 Synchronica Shares; and
 - (c) compensation options to acquire approximately 879,000 Synchronica Shares;(collectively, the Convertible Securities);
10. Synchronica is a reporting issuer in each of the Provinces of British Columbia, Alberta and Quebec;
11. on January 3, 2012, Synchronica publicly announced that it had received an approach from the Filer regarding a possible offer by the Filer for Synchronica; in accordance with the City Code on Takeovers and Mergers in the United Kingdom (the Code), the Filer must, by no later than 5:00 p.m. (London time) on January 31, 2012, either announce a firm intention to make an offer for Synchronica in accordance with the Code or announce that it does not intend to make an offer (the Announcement);
12. on January 31, 2012, the Filer announced its intention to make the Offer and accordingly, the Filer will be required under the Code to make a formal offer to Synchronica shareholders within 28 days following the date of the Announcement;
13. under the Offer, holders of Synchronica Shares will receive 4.67 Myriad Shares for every 100 Synchronica Shares held, subject to the terms and conditions of the Offer;
14. based on publicly available information regarding Synchronica Shares held by Canadian residents as at January 25, 2012, it is anticipated that, subsequent to the distribution of the Myriad Shares pursuant to the Offer, Canadian residents will own, directly or indirectly, approximately 4-6% of the outstanding Myriad Shares;

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15. the Filer intends to distribute a securities exchange take-over bid circular (the Circular) to all of the shareholders of Synchronica which will describe the Offer by the Filer to purchase all of the issued and outstanding Synchronica Shares;
16. the Offer will only be made to holders of Synchronica Shares and will provide that each shareholder of Synchronica will be entitled to receive consideration in the form of Myriad Shares for Synchronica Shares, subject to the terms and conditions of the Offer; the Filer will be obliged under UK takeover rules to make an offer in due course to purchase any Convertible Securities which are in the money;
17. the Filer will commence the Offer by mailing the Circular, together with all related documents, to holders of Synchronica Shares whose last address on the books of Synchronica is shown as being in Canada, which Circular will describe, among other things, the terms and conditions of the Offer - the Filer will also file the Circular on the System for Electronic Document Analysis and Retrieval (SEDAR);
18. since the consideration that will be offered for the purchase of Synchronica Shares is Myriad Shares, the form requirements for a take-over bid circular in the Jurisdictions requires the Filer to include in the Circular disclosure as prescribed by the form of prospectus appropriate for the Filer (collectively, the Form Requirements);
19. pursuant to the Form Requirements, the Filer must include unaudited interim financial statements of the Filer for the period ended September 30, 2011 and the related management's discussion and analysis (the Third Quarter Financial Statements) in the Circular;
20. under applicable Swiss laws, the Filer's most recently completed interim financial statements are for the Filer's six month period ended June 30, 2011 and they have been prepared pursuant to applicable Swiss laws in compliance with International Financial Reporting Standards (IFRS); third quarter financial statements are not required in Switzerland; therefore, the Filer has not prepared third quarter financial statements for dissemination to the public and is not in a position to include interim financial statements and management's discussion and analysis for the Filer's third quarter, or any other quarterly period, in the Circular;
21. as of the date hereof, the Filer is a designated foreign issuer as such term is defined in National Instrument 52-107 *Acceptable Accounting Principles and*

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Auditing Standards (NI 52-107) and National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*, and it is anticipated that the Filer will continue to be a designated foreign issuer subsequent to the distribution of Myriad Shares pursuant to the Offer;

22. the Offer constitutes a “significant probable acquisition of a business” under the Form Requirements; consequently, pursuant to the Form Requirements, the Filer is also required to include in the Circular the following financial disclosure in connection with the proposed acquisition of Synchronica:
 - (a) an unaudited pro forma statement of financial position of the Filer as at September 30, 2011 to give effect to the acquisition of Synchronica as if it had taken place as at September 30, 2011;
 - (b) an unaudited pro forma income statement of the Filer for (i) the year ended December 31, 2010 and (ii) the nine months ended September 30, 2011, each to give effect to the acquisition of Synchronica as if it had taken place on January 1, 2010, being the beginning of the most recently completed financial year of the Filer for which audited financial statements are included in the Circular; and
 - (c) pro forma earnings per share based on the pro forma statement of income prepared;(collectively, the Third Quarter Pro Forma Statements);
23. the Circular will contain the following financial statements:
 - (a) the Filer’s audited financial statements for the years ended December 31, 2008, 2009 and 2010 and management’s discussion and analysis for the related periods; and
 - (b) the Filer’s unaudited financial statements for the six month period ended June 30, 2011 and management’s discussion and analysis for the related period;(collectively, the Financial Statements);
24. the Circular will also contain the following pro forma statements in connection with the acquisition of Synchronica:

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- (a) an unaudited pro forma statement of financial position of the Filer as at June 30, 2011 to give effect to the acquisition of Synchronica as if it had taken place as at June 30, 2011;
 - (b) an unaudited pro forma income statement of the Filer for (i) the year ended December 31, 2010 and (ii) the six months ended June 30, 2011, each to give effect to the acquisition of Synchronica as if it had taken place on January 1, 2010, being the beginning of the most recently completed financial year of the Filer for which audited financial statements are included in the Circular; and
 - (c) pro forma earnings per share based on the pro forma statement of income prepared;
- (collectively, the Pro Forma Statements);
- 25. the distribution of the Myriad Shares will be exempt from the prospectus requirements in all jurisdictions pursuant to exemptions under National Instrument 45-106 *Prospectus and Registration Exemptions*;
 - 26. the first trade of Myriad Shares issued to shareholders of Synchronica in the jurisdictions will be subject to Section 2.6 of National Instrument 45-102 *Resale of Securities* (NI 45-102), with the result that such Myriad Shares will be subject to a four-month seasoning period following Myriad becoming a reporting issuer, unless an exemption from the requirements of that section is available;
 - 27. pursuant to Section 2.11 of NI 45-102, first trades that would otherwise be subject to Section 2.6 of NI 45-102 are exempt from the seasoning period provided that, among other things, a securities exchange take-over bid circular relating to the distribution of the security was filed by the offeror on SEDAR and the offeror was a reporting issuer on the date the securities of the offeree issuer were first taken up under the bid;
 - 28. the differences between the definitions of “reporting issuer” in the jurisdictions and the operation of Section 2.11 of NI 45-102 will result in: (i) shareholders of Synchronica in the Reporting Issuer Jurisdictions receiving Myriad Shares that are freely-tradeable (however, shareholders of Synchronica in British Columbia will only receive Myriad Shares that are freely-tradeable if Myriad takes up and pays for the Synchronica Shares it first takes up under the Offer on the same day, which is not expected to occur) and (ii) shareholders of Synchronica in the remaining jurisdictions receiving Myriad Shares that are subject to a four month seasoning period; and

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29. following the completion of the Offer, the financial reports, proxy materials and other materials currently distributed to the holders of Myriad Shares pursuant to the securities laws of Switzerland will be provided to the holders of Myriad Shares resident in Canada in accordance with applicable securities laws in the jurisdictions.

Decisions

¶ 4 Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Makers to make the decision.

The decision of the Decision Makers under the Legislation is that:

1. the Financial Statement Relief is granted, provided that the Circular includes:
 - (a) the Financial Statements, and
 - (b) the Pro Forma Statements; and
2. the First Trade Relief is granted provided that such trades are not a control distribution as defined in the Legislation.

Martin Eady, CA
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British Columbia Securities Commission