

2004 BCSECCOM 263

Headnote

Mutual Reliance Review System for Exemptive Relief Application – relief from the requirement in NI 71-101 to send a notice of change and notice of variation to an MJDS take-over bid circular an MJDS directors’ circular to shareholders in Canada - mailing not required in the U.S. and none of the resulting changes to the circulars would reasonably be expected to affect the decision of the holders of shares to accept or reject the offer

Applicable British Columbia Provisions

National Instrument 71-101 *The Multijurisdictional Disclosure System*, ss. 12.15, 12.16 and 21.1

**IN THE MATTER OF THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUÉBEC, NOVA SCOTIA, PRINCE EDWARD ISLAND,
NEW BRUNSWICK, NEWFOUNDLAND AND LABRADOR, AND
THE TERRITORIES OF NUNAVUT, NORTHWEST TERRITORIES
AND THE YUKON**

AND

**IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF WINSTON ACQUISITION CORP., AND
CIRCUIT CITY STORES, INC.**

AND

IN THE MATTER OF INTERTAN, INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, Prince Edward Island, New Brunswick, Newfoundland and Labrador and in The Territories Of Nunavut, Northwest Territories and the Yukon (the “Jurisdictions”) has received an application from Winston Acquisition Corp. (the “Offeror”) on behalf of itself and its parent company Circuit City Stores, Inc. (“Circuit City”) and InterTAN, Inc. (“InterTAN” and, together with the Offeror

2004 BCSECCOM 263

and Circuit City, collectively referred to as the “Filer”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that

- (a) the Offeror is exempt from the requirement to send a notice of change and notice of variation to the MJDS take-over bid circular, in each case, to holders of Shares (as such term is defined below) in Canada; and
- (b) the board of directors of InterTAN is exempt from the requirement to send a notice of change to the MJDS directors’ circular, to the holders of Shares in Canada.

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS unless otherwise defined, the terms herein have the meaning set out in National Instrument 71-101 – *The Multijurisdictional Disclosure System* (“NI 71-101”);

AND WHEREAS the Filer has represented to the Decision Makers that:

1. The Offeror, a Delaware Corporation, has made an offer (the “Offer”) to purchase all outstanding shares of common stock of InterTAN (the “Shares”).
2. The Offeror is a wholly-owned subsidiary of Circuit City, a Virginia corporation.
3. The Offeror was incorporated solely for the purposes of making the Offer on behalf of Circuit City.
4. InterTAN is a U.S. issuer incorporated in the State of Delaware.
5. InterTAN is not registered or required to be registered as an investment company under the *Investment Company Act of 1940* of the United States of America.
6. InterTAN is not a commodity pool issuer.
7. The Offer is subject to Section 14(d) of the Securities Exchange Act of 1934, as amended (the “1934 Act”), and the rules and regulations promulgated thereunder, and is not exempt from the 1934 Act or such rules and regulations.

2004 BCSECCOM 263

8. The Offer has been made to all holders of the Shares in Canada and the U.S. The Offer has been made to holders resident in Canada on the same terms and conditions as it has been made to holders resident in the U.S.
9. Less than 40 percent of the Shares are held by persons or companies whose last address as shown on InterTAN's books is in Canada.
10. On April 13, 2004, the Offeror commenced the Offer by: (i)(a) filing with the United States Securities and Exchange Commission (the "SEC") a Schedule TO, an offer to purchase, a letter of transmittal and certain related materials and (b) in Canada, filing with the Decision Maker in each of the Jurisdictions through SEDAR, a MJDS take-over bid circular, which circular was prepared in accordance with U.S. federal securities laws; and (ii) mailing the offer to purchase and the letter of transmittal, together with related materials required to be sent to U.S. shareholders under applicable U.S. federal securities laws, to all holders of Shares in the United States and Canada.
11. Unless the Offer is extended in accordance with its terms, the Offer will expire on May 11, 2004.
12. The board of directors of InterTAN, having elected in accordance with section 12.5 of NI 71-101 to comply with Part 12 of NI 71-101 instead of the securities legislation otherwise applicable, prepared and filed: (i) with the SEC a Schedule 14D-9; and (ii) with the Decision Maker in each of the Jurisdictions, through SEDAR, a MJDS directors' circular, which circular was prepared in accordance with U.S. federal securities laws.
13. The Offeror received comments on the Schedule to an MJDS take-over bid circular from the SEC. The SEC instructed the Offeror to file and submit a response letter via EDGAR noting the location of any changes to the MJDS take-over bid circular.
14. InterTAN received comments on the MJDS directors' circular from the SEC. The SEC instructed InterTAN to file and submit a response letter via EDGAR noting the location of any changes to the MJDS directors' circular.
15. The Offeror filed a response letter to the SEC addressing the SEC's comments. An amendment to the Schedule TO ("Amendment No. 1") was also filed, which amended and supplemented certain sections of the MJDS take-over bid circular. The Offeror noted in its response letter the sections of the MJDS take-over bid circular that were amended and supplemented by Amendment No. 1.

2004 BCSECCOM 263

16. The Offeror issued a press release announcing that it had received Canadian antitrust clearance for its proposed acquisition of InterTan and that the U.S. Federal Trade Commission had determined that the transaction is not subject to premerger antitrust review under the U.S. Hart-Scott-Rodino Antitrust Improvements Act of 1976. A second amendment to the Schedule TO ("Amendment No. 2") was filed with the SEC attaching the press release.
17. None of the resulting changes to the MJDS take-over bid circular, individually or in the aggregate, would reasonably be expected to affect the decision of the holders of Shares to accept or reject the Offer.
18. InterTAN filed a response letter to the SEC addressing the SEC's comments on the MJDS directors' circular and noting the location of changes to the MJDS directors' circular. An amendment to the Schedule 14D-9 ("14D-9 Amendment") was also filed, which amended and supplemented certain sections of the MJDS directors' circular.
19. None of the resulting changes to the MJDS directors' circular, individually or in the aggregate, would reasonably be expected to affect the decision of the holders of Shares to accept or reject the Offer.
20. Under U.S. federal securities laws, the Offeror and InterTAN are required to file the revised Schedule TO (which amended and supplemented certain sections of the MJDS take-over bid circular) and the revised Schedule 14D-9 (i.e. the MJDS directors' circular), respectively, on EDGAR. However, when, as in this case, the changes do not constitute a material change to the information previously published, sent or given to security holders, the Offeror and InterTAN are not required under U.S. federal securities laws to disseminate the changed information to holders of Shares.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under NI 71-101 is that (i) the requirement to send to holders of Shares in Canada, a notice of change and notice of variation relating to those changes made to the MJDS take-over bid circular in Amendment No. 1 and Amendment No. 2 shall not apply to the Offeror and (ii) the requirement to send to holders of Shares in Canada, the notice of change

2004 BCSECCOM 263

relating to those changes made to the MJDS directors' circular in the 14D-9 Amendment shall not apply to the board of directors of InterTAN.

DATED May 10th, 2004.

Paul M. Moore

Suresh Thakrar