

## ANNEX B

### **Proposed Amendments to National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues***

1. ***National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* is amended by this Instrument.***

2. ***Section 1.1 is amended in subsection (1)***

(a) ***by replacing the definition of “equity security” with the following:***

“equity security” has the meaning ascribed to that term in section 1.1 of NI 62-104;

(b) ***by repealing the definition of “news release”,***

(c) ***in the definition of “NI 62-104” by replacing “Take-Over Bids and Issuer Bids” with “Take-Over Bids, Issuer Bids and the Early Warning System”, and***

(d) ***by replacing the definition of “significant change in a related financial instrument position” with the following:***

“significant change in a related financial instrument position” means, in relation to an entity and a related financial instrument that involves, directly or indirectly, a security of a reporting issuer, any change in the entity’s interest in, or right or obligation associated with, the related financial instrument if the change has a similar economic effect to an increase or decrease in the entity’s securityholding percentage in a class of voting or equity securities of the reporting issuer in respect of which the entity would be required to file a report under the early warning requirements or, if the entity is relying on the exemption in section 4.1, Part 4;

3. ***Section 4.3 is amended by adding the following subsection:***

(5) If an eligible institutional investor that is not relying on the exemption in section 4.1, including, for greater certainty, an eligible institutional investor that was but is no longer disqualified under section 4.2 from filing reports under this Part, intends to file reports under this Part for the reporting issuer, the eligible institutional investor shall

(a) promptly issue and file a news release that includes a statement that the eligible institutional investor is eligible to file reports under this Part and that it intends to do so for the reporting issuer; and

(b) file a report in accordance with paragraph 4.5(a)..

**4. Section 4.5 is amended by replacing paragraph (c) with the following:**

(c) within 10 days after the end of the month in which the securityholding percentage of the eligible institutional investor in a class of voting or equity securities of the reporting issuer, as at the end of the month, increased or decreased past

- (i) 12.5 percent of the outstanding securities of the class, or
- (ii) each 2.5 percent threshold in excess of 12.5 percent of the outstanding securities of the class; and.

**5. Form 62-103F1 Required Disclosure under the Early Warning Requirements is amended**

**(a) by replacing the Instruction under Item 2 with the following:**

**INSTRUCTIONS**

- (i) *If the acquiror is a corporation, partnership, trust, fund, association, syndicate, organization or organized group of persons, provide its name, the address of its head office, its jurisdiction of incorporation or organization, and its principal business.*
  - (ii) *If the acquiror is neither an individual nor a reporting issuer, provide the name of each person or company that controls, within the meaning of section 1.4 of NI 62-104, the acquiror.,*
- (b) in section 3.6 of Item 3 by adding “in, and economic exposure to, the issuer” after “impact on the acquiror’s securityholdings”, and**
- (c) in section 3.8 of Item 3 by adding “and its impact on the acquiror’s economic exposure to the issuer” after “material terms of the agreement, arrangement or understanding”.**

**6. Form 62-103F2 Required Disclosure by an Eligible Institutional Investor under Section 4.3 is amended in Item 3**

- (a) in section 3.5 by adding “in, and economic exposure to, the issuer” after “impact on the eligible institutional investor’s securityholdings”, and**
- (b) in section 3.7 by adding “and its impact on the eligible institutional investor’s economic exposure to the issuer” after “material terms of the agreement, arrangement or understanding”.**

**7. Form 62-103F3 Required Disclosure by an Eligible Institutional Investor under Part 4 is amended in Item 3**

- (a) in section 3.5 by adding “in, and economic exposure to, the issuer” after “impact on the eligible institutional investor’s security holdings”, and**

(b) *in section 3.7 by adding* “and its impact on the eligible institutional investor’s economic exposure to the issuer” *after* “material terms of the agreement, arrangement or understanding”.

8. (1) This Instrument comes into force on [x].
- (2) In Saskatchewan, despite subsection (1), if these regulations are filed with the Registrar of Regulations after [x], these regulations come into force on the day on which they are filed with the Registrar of Regulations.