

Rule 71-801

Implementing the Multijurisdictional Disclosure System under National Instrument 71-101

PART 1 INTERPRETATION AND APPLICATION

1.1 Interpretation

In this Rule,

- (a) “**Act**” means the *Securities Act*,
- (b) “**Securities Rules**” means B.C. Reg. 194/97,
- (c) “**NI 71-101**” means National Instrument 71-101 entitled “The Multijurisdictional Disclosure System”,
- (c.1) “**MI 62-104**” means Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*,
- (d) a term that is defined or interpreted in the Act has the meaning ascribed to it in the Act,
- (e) a term that is defined or interpreted in Part 1 of NI 71-101 has the meaning ascribed to it in that Part,
- (f) a term that is defined or interpreted in National Instrument 14-101 entitled “Definitions” has the meaning ascribed to it in that Instrument, and
- (g) a term that is defined or interpreted in MI 62-104 has the meaning ascribed to it in that Instrument.

1.2 Application

The exemptions established under this Rule are in addition to those established under NI 71-101.

PART 2 MJDS PROSPECTUS DISTRIBUTIONS

2.1 Preliminary MJDS Prospectus and MJDS Prospectus

The following provisions of the Act and Securities Rules do not apply to a distribution of securities made by MJDS prospectus in compliance with NI 71-101:

- (a) section 66 of the Act provided any amendment to the preliminary prospectus prepared under NI 71-101 is sent to each recipient of the preliminary prospectus according to the record maintained under section 80 of the Act;
- (b) sections 67, 68 and 69 of the Act;
- (c) section 70 of the Act if the distribution of securities under a MJDS prospectus is in relation to a rule 415 offering;
- (d) [Repealed];
- (e) Division 2 of Part 9 of the Securities Rules.

PART 3 BIDS FOR SECURITIES OF U.S. ISSUERS

3.1 Application of the regulations to bids –

- (1) Subject to subsection (2), the following provisions of MI 62-104 do not apply to a bid made in compliance with Part 12 of NI 71-101:
 - (a) sections 2.2, 2.3, 2.7, 2.9, 2.13, 2.23, 2.24, 2.25, 2.27 to 2.32, 2.34 and 3.2,
 - (b) subsections 2.10(3), 2.10(4), 2.11(4), 2.12(2), 2.12(3), 2.12(4), 2.12(5), 2.26(1), 2.26(2), 2.26(3) and 3.3(1),
 - (c) section 2.4, 2.5 and subsection 2.26(4), unless 20 percent or more of each class of securities that is subject to the bid is held by persons whose last address as shown on the books of the issuer is in Canada, as determined in accordance with subsections 12.1(2), (3) and (4) of NI 71-101,
 - (d) section 2.8, but only to the extent that the offeror need not deliver the bid to holders of securities that, before the expiry of the bid, are convertible into securities of the class that is subject to the bid and whose last address as shown on the books of the offeree issuer is in British Columbia, and
 - (e) the requirement in subsection 2.10(1) that a bid circular be in the required form.

- (2) Despite subsection (1), an offeror under a bid must file a copy of any bid circular, notice of change, and notice of variation on the day the bid circular, notice of change or notice of variation, as applicable, is sent, or as soon as practicable after that.

3.2 Application of the Act and MI 62-104 in respect of MJDS directors' circulars and MJDS individual director's or officer's circulars –

- (1) Subject to subsection (2), the following provisions of the Act and MI 62-104 do not apply to directors or individual directors or officers that elect to comply with U.S. federal securities law under Part 12 of NI 71-101 in preparing a directors' circular or individual director's or officer's circular in relation to a take-over bid made for securities of the offeree issuer under Part 12 of NI 71-101:
 - (a) section 99 of the Act,
 - (b) section 2.19 of MI 62-104, and
 - (c) subsections 2.17(2), 2.17(3), 2.17(4), 2.18(2), 2.20(2), 2.20(3), 2.20(4), 2.20(5), 2.20(6) and 2.20(7) of MI 62-104.
- (2) Despite subsection (1), a director, and an individual director or officer must file a copy of any directors' circular, individual director's or officer's circular, notice of change, and notice of variation on the day the circular, notice of change or notice of variation, as applicable, is sent, or as soon as practicable after that.

PART 4 FINANCIAL REPORTING

4.1 Filing and Sending of Financial Statements

The following provisions of the Securities Rules do not apply to a U.S. issuer that has a class of securities registered under section 12 of the 1934 Act or is required to file reports under section 15 (d) of the 1934 Act and is in compliance with that requirement:

- (a) subsections 2 (2), (3), (4);
- (b) subsections 3 (12), and (13);
- (c) section 149 (b);
- (d) section 152.

PART 5 EFFECTIVE DATE

5.1 Effective Date

This Rule comes into force on November 1, 1998.

[Amended February 1, 2008]