

## Appendix D

### Proposed Amendments to National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* and Companion Policy

#### Schedule D-1

#### Proposed Amendment Instrument for National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*

*Although this amendment instrument amends section headers in National Instrument 71-102, section headers do not form part of the instrument and are inserted for ease of reference only.*

1. *National Instrument 71-102 Continuous Disclosure and Other Exemptions Relating to Foreign Issuers is amended by this instrument.*
2. *Section 1.1 is amended by*
  - (a) *in the definition of “AIF”, striking out “Form 10-KSB”,*
  - (b) *adding the following definition of “financial statements”:*

“financial statements” has the same meaning as in section 1.1 of National Instrument 51-102 *Continuous Disclosure Obligations*;
  - (c) *repealing the definition of “inter-dealer bond broker” and substituting the following:*

“inter-dealer bond broker” means a person or company that is approved by the Investment Industry Regulatory Organization of Canada under its Rule 36 *Inter-Dealer Bond Brokerage Systems*, as amended, and is subject to its Rule 36 and its Rule 2100 *Inter-Dealer Bond Brokerage Systems*, as amended;
  - (d) *in the definition of “MD&A”, striking out “or Item 303 of Regulation S-B”,*
  - (e) *in the definition of “NI 52-107”, striking out “Acceptable Accounting Principles, Auditing Standards and Reporting Currency” and substituting “Acceptable Accounting Principles and Auditing Standards”, and*
  - (f) *in the definition of “transition year”, adding “a” after “means the financial year of”.*

3. *Section 1.3 is amended by striking out “operating results are” and substituting “financial performance is”.*
4. *Section 4.3 is amended by*
  - (a) *in the preamble, striking out “its interim financial statements, and annual”,*
  - (b) *in paragraph (a), striking out “interim financial statements, annual”,*
  - (c) *in paragraph (b), striking out “interim financial statements and annual”, and*
  - (d) *in paragraph (c), striking out “interim financial statements, annual”.*
5. *Subparagraph 4.7(2)(b) is amended by striking out “, Form 10-KSB”.*
6. *Section 4.9 is amended by striking out “results of operations” and substituting “financial performance”.*
7. *Section 4.14 is repealed and the following substituted:*

#### **4.14 Business Combinations and Related Party Transactions**

Securities legislation requirements relating to business combinations and related party transactions in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* do not apply to an SEC foreign issuer carrying out a business combination or related party transaction if the total number of equity securities of the SEC foreign issuer owned, directly or indirectly, by residents of Canada, does not exceed 20 per cent, on a diluted basis, of the total number of equity securities of the SEC foreign issuer.

8. *Section 5.4 is amended by*
  - (a) *in the preamble, striking out “its interim financial statements, annual”,*
  - (b) *in paragraph (a), striking out “interim financial statements, annual”, and*
  - (c) *in paragraph (b), striking out “interim financial statements, annual”.*
9. *Section 5.10 is amended by striking out “results of operations” and substituting “financial performance”.*
10. *Section 5.15 is repealed and the following substituted:*

#### **5.15 Business Combinations and Related Party Transactions**

Securities legislation requirements relating to business combinations and related party transactions in Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions do not apply to a designated foreign issuer carrying out a business combination or related party transaction.

**11. *Part 6 is repealed.***

**12. *Part 7 is amended by adding the following after section 7.1:***

7.2 Despite section 7.1, the amendments to this Instrument which came into force on January 1, 2011 only apply to periods relating to financial years beginning on or after January 1, 2011.

**13. *This instrument only applies to periods relating to financial years beginning on or after January 1, 2011.***

**14. *This instrument comes into force on January 1, 2011.***

## Schedule D-2

### Proposed Amendments to Companion Policy 71-102CP *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*

1. *Companion Policy 71-102CP Continuous Disclosure and Other Exemptions Relating to Foreign Issuers is amended.*
2. *Subsection 1.2(3) is amended by striking out “Acceptable Accounting Principles, Auditing Standards and Reporting Currency” and substituting “Acceptable Accounting Principles and Auditing Standards”.*
3. *Section 2.1 is amended by*
  - (a) *in the preamble, striking out “, other than the relief for “foreign transition issuers” in Part 6,” and*
  - (b) *in the last paragraph, striking out “and paragraph (d) of the definition of “foreign transition issuer” in section 6.2 of the Instrument”.*
4. *Section 4.1 is amended by striking out “Form 20 on SEDAR” and substituting “Form 20F on SEDAR”.*
5. *Section 6.4 is amended by*
  - (a) *in paragraph (a), striking out “applicable in jurisdictions other than Alberta, British Columbia and Manitoba”, and*
  - (b) *in paragraph (c),*
    - (i) *striking out “Multilateral” and substituting “National”, and*
    - (ii) *striking out “or BC Instrument 52-509 Audit Committees”.*
6. *The following is added after Part 7:*

**PART 8      TRANSITION**

**8.1      Transition**

The amendments to this Policy which came into effect on January 1, 2011 only apply to periods relating to financial years beginning on or after January 1, 2011.
7. *These amendments only apply to periods relating to financial years beginning on or after January 1, 2011.*

8. *These amendments become effective on January 1, 2011.*