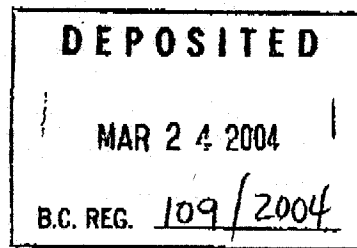


PROVINCE OF BRITISH COLUMBIA

ORDER OF THE BRITISH COLUMBIA SECURITIES COMMISSION

The British Columbia Securities Commission orders that, effective March 30, 2004, the Securities Rules, B.C. Reg. 194/97, is amended as set out in the attached Schedule.



March 23, 2004
Date

[Signature]
British Columbia Securities Commission

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section:- Securities Act, R.S.B.C. 1996, c. 418, s. 184

Other (specify):- _____

SCHEDULE

- 1 Section 1 (2) of the Securities Rules, B.C. Reg. 194/97 is amended by repealing the definitions of “Canadian public accountant’s report”, “foreign public accountant’s report”, “notice to reader”, “public accountant” and “public accountant’s report”.**
- 2 Section 2 is amended**

 - (a) in subsection (1) by striking out “Except for an issuer incorporated or organized under the laws of the United States of America or of a political division of the United States of America, “ and substituting “Unless otherwise permitted by NI 52-107,”,**
 - (b) in subsection (1) by repealing paragraph (b) and substituting the following:**
(b) financial statements accompanied by a foreign auditor’s report. ,
 - (d) in subsection (2) by striking out “If financial statements” and substituting “Unless otherwise permitted by NI 52-107, if financial statements”, and**
 - (d) by repealing subsection (3) and substituting the following:**
(3) Unless otherwise permitted by NI 52-107, if an audit is performed on an issuer’s financial statements and the auditor’s report on those financial statements is prepared in accordance with foreign GAAS, the auditor’s report must be accompanied by a statement of the auditor that describes any material differences in the form and content of the auditor’s report as compared to an auditor’s report prepared in accordance with Canadian GAAS.
- 3 Section 3 is amended**

 - (a) by repealing subsection (1) and substituting the following:**
(1) In this section,
 - (a) subsections (3), (5) and (6) do not apply if the financial statements are prepared in compliance with NI 52-107 ,
 - (b) subsections (9), (12) and (13) do not apply if the financial statements are prepared in compliance with NI 51-102, and
 - (c) subsections (4) and (14) do not apply if the financial statements are prepared in compliance with NI 52-107 and NI 51-102.

(1.1) For the purposes of subsection (2), “**joint regulatory bodies**” means the Montreal Exchange, the Toronto Stock Exchange, the TSX Venture Exchange and the Investment Dealers Association of Canada.
 - (b) in subsection (4) by striking out “103 (2)”,**
 - (c) in subsection (5) by striking out “or a public accountant’s report”,**

(d) by repealing subsection (9) and substituting the following:

- (9) A schedule or note to financial statements must contain, if the period or date presented is a financial year or a financial year end, and the issuer is an investment issuer, an analysis of shares, bonds, debentures and other investments held by the issuer at the end of its financial year showing separately
- (a) the name of each issuer of the securities held,
 - (b) the class or designation of each security held,
 - (c) the number of each class of shares or aggregate face value of each class of other securities held, and
 - (d) the cost and market value of each class of securities held and, if the carrying value is other than average cost, the basis of valuation. ,

(e) by repealing subsections (10) and (11), and

(f) in subsection (12) by striking out “the financial statements required to be filed by the Act or the regulations” and substituting “the financial statements required to be filed by the Act or the regulations, other than interim financial statements of an exchange issuer filed under section 144.”.

5 Section 120 (2) (h) is repealed.