

2008 BCSECCOM 395

April 18, 2008

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – *Securities Act*, ss. 11(1) and 169(4) – Confidentiality - An issuer wants to keep certain information in a news release confidential - A person whose information appears in the record would be unduly prejudiced by disclosure of the information; the information would not be material to an investor

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 11(1) and 169(4) - confidentiality

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan, Manitoba, Ontario,
Quebec, New Brunswick, Nova Scotia, Prince Edward Island
and Newfoundland and Labrador
(the Jurisdictions)

and

In the Matter of
the Mutual Reliance Review System for Exemptive Relief Applications

and

In the Matter of
Hanwei Energy Services Corp.
(Hanwei)

MRRS Decision Document

Background

- ¶ 1 The local securities regulatory authority or regulator (each a Decision Maker) in each of the Jurisdictions has received an application from Hanwei for a decision under the securities legislation of the Jurisdictions (the Legislation) that
- (a) certain portions of a news release (the Filed Release) relating to a licensing agreement between Hanwei and Aerodyn Energiesysteme GmbH (Aerodyn) be held in confidence for an indefinite period by the Decision Makers, to the extent permitted by law;

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- (b) Hanwei be permitted to replace the Filed Release currently filed on the System for Electronic Document Analysis and Retrieval (SEDAR) with a version thereof in which provisions containing commercially sensitive information have been redacted (the Redacted Release); and
- (c) the application as well as any decision document issued in respect thereof be held in confidence for sixty days following the date of the decision document, to the extent permitted by law (collectively, the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the British Columbia Securities Commission is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

- ¶ 2 Defined terms contained in National Instrument 14-101 - *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

- ¶ 3 This decision is based on the following facts represented by Hanwei:
- 1. Hanwei is a corporation organized under the laws of British Columbia, with offices in Vancouver, British Columbia;
 - 2. Hanwei's common shares are listed on the Toronto Stock Exchange;
 - 3. Hanwei manufactures products for the oil, coal power and wind power industries in China and the Asia region;
 - 4. Hanwei is a reporting issuer (or the equivalent) in each of the Jurisdictions and is not in default of any requirement of the Legislation;
 - 5. on February 6, 2008, Hanwei announced a licensing agreement with Aerodyn;
 - 6. the Filed Release that was filed on SEDAR in connection with the announcement contained commercially sensitive information about the license fee and the overall value of the licensing agreement;

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7. the licensing agreement contains a confidentiality provision that restricts the information which can be published about the licensing agreement;
8. Hanwei believes that failure to remove the Filed Release from SEDAR will jeopardize the business relationship between it and Aerodyn and may expose it to litigation;
9. Hanwei has produced a Redacted Release, in which the commercially sensitive information has been removed and wishes to substitute the Redacted Release on SEDAR for the Filed Release;
10. Hanwei will request CDS Inc. to instruct the subscribers to the SEDAR-SCRIBE service to delete the Filed Release from their files;
11. Aerodyn has consented to the content of the Redacted Release;
12. the information deleted from the Redacted Release does not contain information in relation to the licensing agreement, Hanwei or its securities that would be material to an investor;
13. Hanwei is required to file a copy of the licensing agreement under section 12.2 of National Instrument 51-102 (as amended) and is permitted to file a redacted version of the licensing agreement.

Decision

- ¶ 4 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 the Legislation is that the Requested Relief is granted, provided that Hanwei files on SEDAR promptly upon receipt of the decision document a copy of the Redacted Release that will be made public by the Decision Makers and posted on www.sedar.com.

Martin Eady, CA
Director, Corporate Finance
British Columbia Securities Commission