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Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief for wholly-owned subsidiary from continuous disclosure requirements, subject to certain conditions

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 85(1), 91, 117(2) and 119

Securities Rules, B.C. Reg. 194/97, ss. 144, 145 and 184

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, ONTARIO, QUÉBEC, NOVA SCOTIA, AND NEWFOUNDLAND AND LABRADOR

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF TRIZEC HAHN CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (collectively, the "Jurisdictions") has received an application of Trizec Hahn Corporation (the "Corporation") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirements of the Legislation, as and where applicable, (a) to file and deliver interim and annual financial statements, to file an information circular or an annual filing in lieu of an information circular, to issue a press release and file a report upon the occurrence of a material change and to file and deliver an annual report (collectively, the "Continuous Disclosure Requirements"), and (b) to file and deliver an annual information form and to file and deliver annual and interim management discussion and analysis (collectively, the "Additional Continuous Disclosure Requirements") shall not apply to the Corporation;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

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AND WHEREAS the Corporation has represented to the Decision Makers as follows:

1. The Corporation is a corporation existing under the provisions of the Business Corporations Act (Ontario).
2. The Corporation is a reporting issuer under the Legislation in good standing in each of the Jurisdictions.
3. As of December 15, 2002, the Corporation had issued and outstanding:
 - (a) US\$275 million principal amount of 3% Exchangeable Debentures due January 29, 2021 exchangeable for common shares ("Barrick Shares") of Barrick Gold Corporation ("Barrick") and issued by Horsham Corporation (as predecessor to the Corporation) pursuant to a trust indenture dated January 29, 1996 (the "3% Debentures");
 - (b) US\$204.408 million principal amount of Floating Rate Debentures due March 12, 2024 exchangeable for Barrick Shares and issued by the Corporation pursuant to a trust indenture dated March 12, 1999;
 - (c) US\$204.408 million principal amount of Floating Rate Debentures due March 12, 2024 exchangeable for Barrick Shares and issued by the Corporation pursuant to a trust indenture dated March 17, 1999 (together with the debentures referred to in subparagraph (b) above, the "1999 Debentures" and, collectively with 3% Debentures, herein referred to as the "Exchangeable Debentures"); and
 - (d) 149,805,947 subordinate voting shares.
4. As a result of a plan of arrangement (the "Arrangement") of the Corporation which became effective on May 8, 2002 (the "Effective Date"), the Corporation became a wholly-owned subsidiary of Trizec Canada Inc. ("Trizec Canada"). All of the shares of the Corporation are held, directly or indirectly through wholly-owned subsidiaries, by Trizec Canada which is a reporting issuer in each of the Jurisdictions with its subordinate voting shares listed on the Toronto Stock Exchange.
5. Except for the payment of interest, the Corporation's obligations under the Exchangeable Debentures can be fully satisfied by the delivery by the Corporation of Barrick Shares to the holders of the Exchangeable Debentures (the "Debenture Holders"). Barrick is also a reporting issuer in each of the Jurisdictions.

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6. The Corporation has deposited with CIBC Mellon Inc., as trustee on behalf of the Debenture Holders, 21,428,580 Barrick Shares as collateral for its exchange obligations with respect to the 1999 Debentures and 8,870,978 Barrick Shares as collateral for its exchange obligations with respect to the 3% Debentures. This represents all of the Barrick Shares owned by the Corporation.
7. The trust indentures dated January 29, 1996, March 12, 1999, and March 17, 1999, do not require the Corporation to deliver interim or annual financial statements to Debenture Holders.
8. Under the Arrangement, Trizec Canada and certain wholly-owned subsidiaries acquired all of the Corporation's outstanding subordinate voting shares and multiple voting shares from their holders in exchange for subordinate voting shares and multiple voting shares of Trizec Canada or shares of common stock of Trizec Properties, Inc. ("Trizec Properties") (some of which were represented by exchange certificates exchangeable for underlying shares of common stock of Trizec Properties).
9. Trizec Canada carries on no operations other than through the Corporation. The sole material asset of Trizec Canada is all of the outstanding shares of the Corporation and, as a result, the assets, liabilities and operations of Trizec Canada, on a consolidated basis, are in all material respects the same as the assets, liabilities and operations of the Corporation.
10. The Corporation holds its interest in all of its U.S. assets, including office properties and retail/entertainment properties, indirectly through Trizec Properties and its subsidiaries. Trizec Properties became a publicly-traded real estate investment trust listed on the New York Stock Exchange on the Effective Date. As a result of the Arrangement, Trizec Canada, through its wholly-owned subsidiaries, including the Corporation, holds 40% of the shares of common stock of Trizec Properties, representing one share of common stock of Trizec Properties for each share of Trizec Canada outstanding on the Effective Date. The Corporation's former shareholders acquired a direct interest (through direct holdings of common stock of Trizec Properties) or indirect interest (through holdings of shares of Trizec Canada) in Trizec Properties as a result of the Arrangement.
11. Trizec Canada and Trizec Properties are both reporting issuers in all of the Jurisdictions where such concept exists. Trizec Properties is a "U.S. issuer" as defined in National Instrument 71-101 and is, therefore, eligible to use the multi-jurisdictional disclosure system.

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12. No securities of the Corporation are listed or posted for trading on any stock exchange except the 3% Debentures which are listed on the Toronto Stock Exchange.
13. The principal asset of Trizec Canada and of the Corporation is the interest in Trizec Properties. Any material change in the affairs of the Corporation will be a material change in the affairs of Trizec Canada and, as such, will be disclosed to the public in accordance with Trizec Canada's continuous disclosure obligations.
14. The Corporation has no current intention to issue any equity securities or any additional debt securities to the public.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker;

AND WHEREAS 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 Continuous Disclosure Requirements shall not apply to the Corporation for so long as:

- (a) Trizec Canada is a publicly-traded share company and complies with all of the Continuous Disclosure Requirements;
- (b) Trizec Canada remains the direct or indirect beneficial owner of all of the issued and outstanding voting and equity securities of the Corporation;
- (c) Trizec Canada continues to have no assets or liabilities, other than its holding of all of the outstanding voting and equity securities of the Corporation, of more than a nominal value having regard to the total value of Trizec Canada;
- (d) the Corporation complies with the requirement of the Legislation that a reporting issuer or the equivalent issue a press release and file a report upon the occurrence of a material change for any material change in the affairs of the Corporation that is not also a material change in the affairs of Trizec Canada; and

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- (e) the Corporation does not issue any equity securities or any additional debt securities to the public.

DATED this 7th day of January, 2003.

Robert W. Korthals

Mary Theresa McLeod

THE FURTHER DECISION of the Decision Makers under the Legislation is that the Additional Continuous Disclosure Requirements shall not apply to the Corporation for so long as:

- (a) Trizec Canada is a publicly-traded share company and complies with all of the Additional Continuous Disclosure Requirements;
- (b) Trizec Canada remains the direct or indirect beneficial owner of all of the issued and outstanding voting and equity securities of the Corporation;
- (c) Trizec Canada continues to have no assets or liabilities, other than its holding of all of the outstanding voting and equity securities of the Corporation, of more than a nominal value having regard to the total value of Trizec Canada; and
- (d) the Corporation does not issue any equity securities or any additional debt securities to the public.

DATED this 7th day of January, 2003.

John Hughes
Manager, Continuous Disclosure