

2006 BCSECCOM 486

July 25, 2006

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Securities Act s. 169 Confidentiality - An issuer wants to keep certain information in a material change report confidential - The issuer filed a confidential material change report that included information it is required to keep confidential; the confidential information itself is not material; the issuer has publicly disclosed the substance of the material change; the issuer will file a public version of the material change report with the confidential information redacted

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 169(4)

National Instrument 51-102, ss. 7.1(1) and (5)

In the Matter of
the Securities Legislation of
British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, 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
Calian Technologies Ltd.
(the Filer)

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) for a decision under the Legislation that certain portions of a material change report dated December 15, 2005 (the Confidential Report) filed on a confidential basis with the Decision Makers be held in confidence by the Decision Makers for an indefinite period to the extent permitted by law (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is incorporated under the *Canada Business Corporations Act*.
2. The registered and head office of the Filer is located in the City of Ottawa, Ontario.
3. The Filer's Common Shares are listed and posted for trading on the Toronto Stock Exchange under the symbol "CTY".
4. The Filer is a "reporting issuer" or the equivalent in each of the Jurisdictions and is not in default of any of the requirements of the securities legislation of any of the Jurisdictions.
5. On December 15, 2005, on behalf of the Filer, legal counsel for the Filer filed the Confidential Report with each of the Decision Makers under National Instrument 51-102 – *Continuous Disclosure Obligations*.
6. The Confidential Report related to a possible non-renewal of a material, but ordinary course, contract of the Filer and disclosed, among other things, the name of the Filer's customer under such contract (the Customer).
7. On December 21, 2005, the Filer issued a press release (the Press Release) generally disclosing the nature and substance of the information disclosed in the Confidential Report but without disclosing the name of the Customer.
8. On December 22, 2005, the Filer filed on SEDAR a material change report on Form 51-102F3 with respect to the information contained in the Press Release (the Non-Confidential Report), which Non-Confidential Report also did not disclose the name of the Customer.

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9. The Filer believes that disclosure of the identity of the Customer (the Confidential Information) would be prejudicial to the interests of the Filer and would violate confidentiality/non-disclosure provisions contained in the Filer's contract with the Customer.
10. The Confidential Information constitutes intimate financial and business information of the Filer and the desirability of avoiding disclosure of such Confidential Information in the interests of the Filer outweighs the desirability of adhering to the principle that material filed with the Decision Makers be available to the public for inspection.
11. The Confidential Information relates to a contract of the Filer entered into in the ordinary course of the Filer's business and, consequently, is not information in relation to the Filer that would be required to be disclosed as a "material contract" in any annual information form or prospectus of the Filer.
12. The Confidential Information does not constitute a 'material fact' as such term is defined under the Legislation.
13. It would not be prejudicial to the public interest for the Confidential Information to be held in confidence indefinitely.
14. The Filer has provided the Decision Makers with a copy of the Confidential Report with the Confidential Information marked so as to be unreadable (the Redacted Report).

Decision

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, within 2 business days of the date hereof, the Filer files on the System for Electronic Document Analysis and Retrieval a copy of the Redacted Report that will be made public by the Decision Makers and posted on www.sedar.com.

Susan Wolburgh Jenah
Vice-Chair
Ontario Securities Commission

Harold P. Hands
Commissioner
Ontario Securities Commission