

Local Policy 3.18

Disclosure Of Executive Compensation

Date: November 6, 1985

Revised: December 1, 1993

Various Forms of the Regulations under The Securities Act require the disclosure of compensation paid to officers and directors of an Issuer. These Forms have recently been amended in Ontario so as to expand the level of disclosure concerning executive compensation. The result of the amendments that have been made to the Regulations in Ontario is that the disclosure requirements in that Province differ from those in Manitoba. To provide for uniformity of disclosure, the Commission has issued a blanket order (No. 393) dated December 1, 1993 which permits Issuers to comply with the disclosure requirements concerning executive compensation in Manitoba by meeting those now in place in Ontario.

The order is effective December 1, 1993 and applies to all Issuers who may be required to comply with the filing requirements in Ontario or who may wish to voluntarily meet the more comprehensive disclosure requirements in Ontario.

A copy of Commission Order No. 393 dated December 1, 1993 is attached.

This Policy Statement replaces Local Policy No. 3.18 issued November 6, 1985, which has now been repealed.

Order 393

Date: December 1, 1993

In The Matter Of The Securities Act and Form 9, Form 9A, Form 11, Form 12 and Form 13 of Manitoba Regulation 491/88R Being a Regulation Under the Securities Act

Whereas:

(A) Form 9 (Information Required In Prospectus Of Industrial Company), Form 9A (Information Required In Prospectus Of Finance Company), Form 11 (Information Required In Prospectus Of Mining Company), Form 12 (Information Required In Prospectus Of Mutual Fund Company) and Form 13 (Information Circular) (collectively, the "Forms") to Securities Regulation M.R. 491/88R, as amended (the "Regulation"), to The Securities Act (the "Act") require the disclosure of remuneration of officers and directors of a person or company (the "Issuer") in a manner prescribed by the Forms;

(B) The corresponding forms of Regulations 1015 of the Revised Regulations of Ontario, 1990 (the "Ontario Regulations") made under the Securities Act (Ontario) have been amended effective October 31, 1993 by Ontario Regulation 638/93 (the "Ontario Amendments");

(C) The Ontario Amendments change the requirements of disclosure of remuneration of executive officers in all prospectuses, annual filings, and information circular to require more extensive disclosure of executive compensation and indebtedness of senior officers;

(D) For the sake of uniformity, The Manitoba Securities Commission (the "Commission") wishes to enable Issuers who may be required to comply with the filing requirements set forth in the Ontario Regulation or who may wish to voluntarily meet those expanded disclosure provisions, in Manitoba or elsewhere to do so without being in violation of the Act;

(E) The Commission is of the opinion that it would not be prejudicial to the public interest to make this order.

It Is Ordered

1. THAT, pursuant to section 20 of the Act, an Issuer filing a preliminary prospectus and prospectus pursuant to section 37 of the Act or a prospectus pursuant to section 56 of the Act is exempted from:

(a) providing the disclosure required by Items 16 and 17 of Form 9 of the Regulation, provided that the preliminary prospectus and prospectus contains the disclosure prescribed by Items 22 and 23 of Form 12 of the Ontario Regulation;

(b) providing the disclosure required by Items 20 and 21 of Form 9A of the Regulation, provided that the preliminary prospectus and prospectus contains the disclosure prescribed by Items 26 and 27 of Form 13 of the Ontario Regulation;

(c) providing the disclosure required by Items 16 and 17 of Form 11 of the Regulation, provided that the preliminary prospectus and prospectus contains the disclosure prescribed by Items 22 and 23 of Form 14 of the Ontario Regulation;

(d) providing the disclosure required by Item 17 of Form 12 of the Regulation, provided that the preliminary prospectus and prospectus contains the disclosure prescribed by Items 19 and 20 of Form 15 of the Ontario Regulation.

2. THAT, pursuant to section 20 of the Act, a person or corporation soliciting proxies of security holders of an Issuer that is subject to Part X of the Act is exempted from providing the disclosure required by Item 6 of Form 13 of the Regulation, provided that the Information Circular contains the disclosure required by Item 7 of Form 30 of the Ontario Regulation.

3. THAT Order No. 374/85 of the Commission dated November 6, 1985 is revoked.

BY ORDER OF THE COMMISSION