

**THE MANITOBA SECURITIES COMMISSION**  
**MSC RULE 2006-8**  
(Section 149.1, *The Securities Act*)

**AMENDMENTS TO**

**FORM 51-102F1 MANAGEMENT’S DISCUSSION AND ANALYSIS,  
FORM 51-102F2 ANNUAL INFORMATION FORM,  
FORM 51-102F3 MATERIAL CHANGE REPORT,  
FORM 51-102F4 BUSINESS ACQUISITION REPORT,  
FORM 51-102F5 INFORMATION CIRCULAR, AND  
FORM 51-102F6 STATEMENT OF EXECUTIVE COMPENSATION**

*1. Form 51-102F1 Management’s Discussion and Analysis, Form 51-102F2 Annual Information Form, Form 51-102F3 Material Change Report, Form 51-102F4 Business Acquisition Report, Form 51-102F5 Information Circular, and Form 51-102F6 Statement of Executive Compensation are amended by this Instrument.*

*2. Form 51-102F1 Management’s Discussion and Analysis is amended by,*

*a. repealing the heading “General Instructions and Interpretation” to Part 1 and substituting “General Provisions”,*

*b. after paragraph (o) to Part 1, adding the following:*

**(p) Available Prior Period Information**

If you have not presented comparative financial information in your financial statements, in your MD&A you must provide prior period information relating to results of operations that is available.

*c. in Instruction (ii) to section 1.2,*

*i. adding “reflects the overall health of the company and” after “ includes your company’s financial position”, and*

*ii. striking out “and capital resources.” and substituting “, capital resources and solvency. A discussion of financial condition should include important trends and risks that have affected the financial statements, and trends and risks that are reasonably likely to affect them in the future.”,*

*d. in section 1.5,*

*i. at the end of instruction (iii)(I), striking out “and”,*

*ii. at the end of instruction (iii)(J), striking out “.” and substituting “; and”, and*

iii. after instruction (iii)(J), adding the following:

*(K) if you have an equity investee that is significant to your company, the nature of the investment and significance to your company.*

e. in paragraph 1.6(h),

i. striking out “anticipated” and substituting “significant risk of”,

ii. in subparagraph (ii), striking out “during the most recently completed financial year”, and

iii. adding “or address the risk” after “cure the default or arrears”,

f. in section 1.10, adding “If your company has filed separate MD&A for its fourth quarter, you may satisfy this requirement by incorporating that MD&A by reference.” after “business and dispositions of business segments.”,

g. repealing paragraph 1.12(c),

h. after section 1.12,

i. striking out the heading “Instruction” and substituting “Instructions”,

ii. numbering the paragraph under the heading “Instructions” as paragraph (i), and

iii. adding the following after paragraph (i) under the heading “Instructions”:

*(ii) As part of your description of each critical accounting estimate, in addition to qualitative disclosure, you should provide quantitative disclosure when quantitative information is reasonably available and would provide material information for investors. Similarly, in your discussion of assumptions underlying an accounting estimate that relates to matters highly uncertain at the time the estimate was made, you should provide quantitative disclosure when it is reasonably available and it would provide material information for investors. For example, quantitative information may include a sensitivity analysis or disclosure of the upper and lower ends of the range of estimates from which the recorded estimate was selected.*

i. in paragraph 1.15(b),

i. adding “, if applicable” after “National Instrument 51-102”,

ii. at the end of subparagraph (b)(i), striking out “and”,

iii. at the end of subparagraph (b)(ii), striking out “.” and substituting “; and”, and

iv. adding the following after subparagraph (b)(ii):

(iii) Section 5.7 – Additional Disclosure for Reporting Issuers with Significant Equity Investees. , and

*j. in the instructions after section 2.2,*

*i. in paragraph (i), striking out “not an annual” and substituting “an interim”,*

*ii. in paragraph (i), adding “Base the disclosure, except the disclosure for section 1.3, on your interim financial statements. Since you do not have to update the disclosure required in section 1.3 in your interim MD&A, your first MD&A will provide disclosure under section 1.3 based on your annual financial statements.” after “in your first MD&A.”, and*

*iii adding the following after paragraph (v):*

*(vi) In your interim MD&A, update the summary of quarterly results in section 1.5 by providing summary information for the eight most recently completed quarters.*

*(vii) Your annual MD&A may not include all the information in Item 1 if you were a venture issuer as at the end of your last financial year. If you ceased to be a venture issuer during your interim period, you do not have to restate the MD&A you previously filed. Instead, provide the disclosure for the additional sections in Item 1 that you were exempt from as a venture issuer in the next interim MD&A you file. Base your disclosure for those sections on your interim financial statements.*

*3. Form 51-102F2 Annual Information Form is amended by,*

*a. repealing the heading “General Instructions and Interpretation” to Part 1 and substituting “General Provisions”,*

*b. in paragraph 1(d), adding “and section 12.2” after “with Item 10”;*

*c. in paragraph 1(f), adding “, including any documents incorporated by reference into the document or excerpt,” before “under your SEDAR profile”,*

*d. repealing section 4.2 and substituting the following:*

**4.2 Significant Acquisitions**

Disclose any significant acquisition completed by your company during its most recently completed financial year for which disclosure is required under Part 8 of National Instrument 51-102, by providing a brief summary of the significant acquisition and stating whether your company has filed a Form 51-102F4 in respect of the acquisition.

*e. preceding subsection 5.1(2), striking out the heading “Bankruptcy, etc” and substituting “Bankruptcy and Similar Procedures”,*

*f. in subsection 5.1(2), striking out “and up to the date of the AIF” and substituting “or during or proposed for the current financial year”,*

*g. repealing paragraph 5.5(1)(c),*

*h. in subsection 5.5(2), striking out “paragraphs (1)(a) and (1)(b) above” and substituting “subsection (1)”,*

*i. adding the following after subsection 5.5(3):*

(4) **Material Changes** – To the extent not reflected in the information disclosed in response to subsection (1), disclose the information contemplated by Part 6 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* in respect of material changes that occurred after your company’s most recently completed financial year-end.

*j. in section 7.3,*

*i. striking out “one or more ratings, including provisional ratings, has been received” and substituting “you have asked for and received a stability rating, or if you receive any other kind of rating, including a provisional rating,”,*

*ii. adding “approved” after “has been received from one or more”,*

*iii. in paragraph (a), adding “or stability rating” after “a provisional rating”, and*

*iv. in paragraph (f), adding “or a stability rating” after “a security rating”,*

*k. after subsection 10.2(3),*

*i. striking out the heading “Instruction” and substituting “Instructions”,*

*ii. numbering the paragraph under the heading “Instructions” as paragraph (i), and*

*iii. adding the following after paragraph (i) under the heading “Instructions”:*

(ii) A management cease trade order is “a cease trade or similar order” for the purposes of subparagraph 10.2(1)(a)(i) and so must be disclosed, whether or not the director, executive officer or shareholder was named in the order.

(iii) A late filing fee, such as a filing fee that applies to the late filing of an insider report, is not a “penalty or sanction” for the purposes of section 10.2.

*l. repealing the heading “Legal Proceedings” to Item 12 and substituting “Legal Proceedings and Regulatory Actions”,*

*m. adding the heading “Legal Proceedings” to section 12.1,*

*n. in section 12.1, striking out “Describe any legal proceedings to which your company is a party or of which any of its property is the subject and any such proceedings known to your company to be contemplated, including” and substituting “Describe any legal proceedings your company is or was a party to, or that any of its property is or was the subject of, during*

your financial year. Describe any such legal proceedings your company knows are contemplated. Include”, and

*o. adding the following after the Instruction after section 12.1:*

## **12.2 Regulatory Actions**

Describe any

(a) penalties or sanctions imposed against your company by a court relating to securities legislation or by a securities regulatory authority during your financial year,

(b) any other penalties or sanctions imposed by a court or regulatory body against your company that would likely be considered important to a reasonable investor in making an investment decision, and

(c) settlement agreements your company entered into with a court relating to securities legislation or with a securities regulatory authority during your financial year.

*4. Form 51-102F3 Material Change Report is amended by*

*a. repealing the heading “General Instructions and Interpretation” to Part 1 and substituting “General Provisions”, and*

*b. in Item 5,*

*i. numbering the paragraph under the heading for Item 5 as section 5.1,*

*ii. adding the heading “Full Description of Material Change” to section 5.1,*

*iii. adding the following after section 5.1:*

## **5.2 Disclosure for Restructuring Transactions**

This item applies to a material change report filed in respect of the closing of a restructuring transaction under which securities are to be changed, exchanged, issued or distributed. This item does not apply if, in respect of the transaction, your company sent an information circular to its securityholders or filed a prospectus or a securities exchange takeover bid circular.

Include the disclosure for each entity that resulted from the restructuring transaction, if your company has an interest in that entity, required by section 14.2 of Form 51-102F5. You may satisfy the requirement to include this disclosure by incorporating the information by reference to another document.

*iv. striking out the heading “Instruction” and substituting “Instructions”,*

*v. numbering the paragraph under the heading “Instructions” as paragraph (i), and*

*vi. adding the following after paragraph (i) under the heading “Instructions”:*

(ii) If you incorporate information by reference to another document, clearly identify the referenced document or any excerpt from it. Unless you have already filed the referenced document or excerpt, you must file it with the material change report. You must also disclose that the document is on SEDAR at [www.sedar.com](http://www.sedar.com).

*5. Form 51-102F4 Business Acquisition Report is amended by*

*a. repealing the heading “General Instructions and Interpretation” to Part 1 and substituting “General Provisions”, and*

*b. in paragraph 1(d),*

*i. striking out “, other than the financial statements or other information required by Item 3,”*

*ii. adding “you have already filed” after “Unless”,*

*iii. striking out “has already been filed” and substituting “, including any documents incorporated by reference into the document or excerpt”, and*

*iv. adding “You must also disclose that the document is on SEDAR at [www.sedar.com](http://www.sedar.com).” after “file it with this Report.”.*

*6. Form 51-102F5 Information Circular is amended by*

*a. repealing the heading “General Instructions and Interpretation” to Part 1 and substituting “General Provisions”,*

*b. in paragraph 1(c), adding “including any documents incorporated by reference into the document or excerpt,” after “document or excerpt”,*

*c. in section 7.1, adding “(a “proposed director”)” after “nominated for election as a director”,*

*d. adding the following after section 7.2:*

7.2.1 Describe the penalties or sanctions imposed and the grounds on which they were imposed, or the terms of the settlement agreement and the circumstances that gave rise to the settlement agreement, if a proposed director has been subject to

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

7.2.2 Despite section 7.2.1, no disclosure is required of a settlement agreement entered into before December 31, 2000 unless the disclosure would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director.

#### *INSTRUCTIONS*

*(i) The disclosure required by sections 7.2 and 7.2.1 also applies to any personal holding companies of the proposed director.*

*(ii) A management cease trade order is “a cease trade or similar order” for the purposes of paragraph 7.2(a)(i) and so must be disclosed, whether or not the proposed director was named in the order.*

*(iii) A late filing fee, such as a filing fee that applies to the late filing of an insider report, is not a “penalty or sanction” for the purposes of section 7.2.1.*

*e. repealing Item 8, and substituting the following:*

#### **Item 8 Executive Compensation**

If you are sending this information circular in connection with a meeting

(a) that is an annual general meeting,

(b) at which the company’s directors are to be elected, or

(c) at which the company’s securityholders will be asked to vote on a matter relating to executive compensation,

include a completed Form 51-102F6 *Statement of Executive Compensation*.,

*f. in section 9.1,*

*i. adding the heading “Equity Compensation Plan Information”,*

*ii. renumbering section 9.1 as subsection 9.1(2), and*

*iii. preceding subsection 9.1(2), adding the following:*

(1) Provide the information in subsection (2) if you are sending this information circular in connection with a meeting

(a) that is an annual general meeting,

(b) at which the company's directors are to be elected, or

(c) at which the company's securityholders will be asked to vote on a matter relating to executive compensation or a transaction that involves the company issuing securities.

*g. in section 10.3, striking out "You do not need to disclose information required by this Item for any indebtedness that has been entirely repaid on or before the date of the information circular or for routine indebtedness" and substituting the following:*

You do not need to disclose information required by this Item

(a) if you are not sending this information circular in connection with a meeting

(i) that is an annual general meeting,

(ii) at which the company's directors are to be elected, or

(iii) at which the company's securityholders will be asked to vote on a matter relating to executive compensation,

(b) for any indebtedness that has been entirely repaid on or before the date of the information circular, or

(c) for routine indebtedness.

*h. repealing section 14.2 and substituting the following:*

14.2 If the action to be taken is in respect of a significant acquisition as determined under Part 8 of National Instrument 51-102 under which securities of the acquired business are being exchanged for the company's securities, or in respect of a restructuring transaction under which securities are to be changed, exchanged, issued or distributed, include disclosure for

(a) the company, if the company has not filed all documents required under National Instrument 51-102,

(b) the business being acquired, if the matter is a significant acquisition,

(c) each entity, other than the company, whose securities are being changed, exchanged, issued or distributed, if

(i) the matter is a restructuring transaction, and

(ii) the company's current securityholders will have an interest in that entity after the restructuring transaction is completed, and



(d) each entity that would result from the significant acquisition or restructuring transaction, if the company's securityholders will have an interest in that entity after the significant acquisition or restructuring transaction is completed.

The disclosure must be the disclosure (including financial statements) prescribed by the form of prospectus, other than a short form prospectus under National Instrument 44-101 *Short Form Prospectus Distributions*, that the entity would be eligible to use for a distribution of securities in the jurisdiction.

*i. in section 14.5,*

*i. striking out* "Section 14.2 does not apply to an information circular that is prepared" *and substituting* "A company satisfies section 14.2 if it prepares an information circular",

*ii. adding* ", " *after* "connection with a Qualifying Transaction",

*iii. striking out* "(as such terms" *and substituting* ", or in connection with a Reverse Take-Over (as Qualifying Transaction, CPC and Reverse Take-Over",

*iv. striking out* "policy on Capital Pool Companies" *and substituting* "policies", *and*

*v. adding* "or Reverse Take-Over" *after* "in respect of that Qualifying Transaction", *and*

*j. adding the following after section 14.5:*

#### **INSTRUCTION**

*For the purposes of section 14.2, a securityholder will not be considered to have an interest in an entity after an acquisition or restructuring transaction is completed if the securityholder will only hold a redeemable security that is immediately redeemed for cash.*

7. *Form 51-102F6 Statement of Executive Compensation is amended by*

*a. repealing the heading* "General Instructions and Interpretation" *to Item 1 and substituting* "General Provisions",

*b. in section 1.1,*

*i. adding* ", whatever the source," *after* "disclosure of all compensation", *and*

*ii. adding* "The particular requirements in this Form should be interpreted with regard to this purpose, the definition of "executive officer" in the Instrument, and in a manner that gives priority to substance over form." *after* "unincorporated business entities.",

*c. in paragraph 1.4(e), striking out the second sentence and substituting the following:*

Also, the company must include in the appropriate compensation category any compensation paid under an understanding, arrangement or agreement existing among

(i) any of

(A) the company,

(B) its subsidiaries, or

(C) an officer or director of the company or its subsidiary, and

(ii) another entity,

for the purpose of the entity compensating the officer or director for employment services or office.

If the company's executive management is employed or retained by an external management company (including a subsidiary, affiliate or associate) and the company has entered into an understanding, arrangement or agreement of any kind for the provision of executive management services by the external management company to the company directly or indirectly, the company must disclose any compensation payable

(iii) directly by the company to any persons employed or retained by the external management company who are acting as executive officers and directors of the company; and

(iv) by the external management company to such persons that is attributable to services rendered to the company directly or indirectly.

*d. in paragraph 1.4(f), striking out "primary", and*

*e. adding the following as paragraph (g):*

(g) **Allocation of Compensation** – If the company's executive management is provided through an external management company, and the external management company has other clients in addition to the company, the company must disclose either,

(i) the portion of the compensation paid to the officer or director by the external management company that can be attributed to services rendered to the company; or

(ii) the entire compensation paid by the external management company to the officer or director.

If the company does allocate the compensation paid to the officer or director, it should disclose the basis for the allocation. , *and*

*f. in paragraph 2.1 1.(a) relating to column (e), adding "or Québec Pension Plan" after "CPP".*

*8. This amendment comes into force December 29, 2006.*