

THE MANITOBA SECURITIES COMMISSION
MSC RULE 2005-18
(Section 149.1, *The Securities Act*)

AMENDMENTS TO
NATIONAL INSTRUMENT 62-103
THE EARLY WARNING SYSTEM AND RELATED
TAKE-OVER BID AND INSIDER REPORTING ISSUES

PART 1 – AMENDMENTS TO NATIONAL INSTRUMENT 62-103

Amendment

1.1 National Instrument 62-103 The Early Warning System and Related Take-over Bid and Insider Reporting Issues is amended by:

(a) in the definition of "**applicable provisions**" in section 1.1, striking clause (f);

(b) repealing subsection (1) of section 6.1 and substituting:

6.1(1) An entity is exempt from the early warning requirements and the obligation to report under Part 4 in connection with an increase in the securityholding percentage of the entity in a class of securities of a reporting issuer that arises without any action being taken by the entity and solely from a reduction in outstanding securities that occurs as a result of redemptions, retractions or other repurchases by the reporting issuer, that affect or are offered to all security holders of the relevant class.

(c) repealing subsection (2) of section 6.1 and substituting:

6.1(2) An entity is exempt from the early warning requirements and the obligation to report under Part 4 in connection with a decrease in the securityholding percentage of the entity in a class of securities of a reporting issuer that arises without any action being taken by the entity and solely from an increase in outstanding securities that occurs as a result of treasury issuances of securities by the reporting issuer.

(d) in Appendix A

(i) under the Alberta securities legislative reference, striking and replacing "Clause 1(f)(iii) of the Securities Act (Alberta)" with:

"Clause 1(p)(iii) of the Securities Act (Alberta)"

(ii) under the New Brunswick securities legislative reference, striking and replacing "Paragraph (b) of the definition of "primary distribution to the public" contained in section 1 of the Securities Frauds Prevention Act (New Brunswick)" with:

"Paragraph (c) of the definition of "distribution" contained in section 1(1) of the Securities Act (New Brunswick)" and

(iii) adding the following jurisdiction and securities legislative reference after Ontario:

"Quebec Subparagraph 9 of the definition of "distribution" contained in section 5 of the Securities Act (Quebec)"

(e) in Appendix B

(i) under the Alberta securities legislative reference, striking and replacing "Subsections 141(1), 141(2) and 141(3) of the Securities Act (Alberta)" with:

"Subsections 176(1), 176(2) and 176(3) of the Securities Act (Alberta)"

(ii) adding the following jurisdiction and securities legislative reference after Manitoba:

"New Brunswick Subsection 126(1) and (2) of the Securities Act (New Brunswick)"

PART 2 – EFFECTIVE DATE AND CITATION

Effective date

2.1 These amendments are effective September 14, 2005.

Citation

2.2 These Amendments may be cited as MSC Rule 2005-18.