

**Nova Scotia Securities Commission**

**Rule 62-103(Amendment)  
Amendments to National Instrument 62-103  
The Early Warning System and Related Take-over Bid and  
Insider Reporting Issues**

**-And-**

**Amendments to National Instrument 62-103  
The Early Warning System and Related Take-over Bid and  
Insider Reporting Issues**

WHEREAS:

1. Pursuant to section 150 of the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended (the "Act"), the Nova Scotia Securities Commission (the "Commission") has power to make rules subject to compliance with the requirements of the Act;
2. Amendments to National Instrument 62-103 The Early Warning System and Related Take-over Bid and Insider Reporting Issues, a copy of which is attached hereto and is hereinafter called the "Rule", has been made a rule by one or more of the Canadian securities regulatory authorities; and
3. The Commission is of the opinion that the attainment of the purpose of the Act is advanced by this Instrument.

NOW THEREFORE the Commission hereby:

- (a) pursuant to the authority contained in section 150 of the Act and subject to compliance with the requirements of section 150A of the Act, approves the Rule and makes the same a rule of the Commission; and
- (b) declares that the rule approved and made pursuant to clause (a) shall take effect on **September 14, 2005**, unless the Governor-in-Council disapproves the rule or returns it to the Commission in accordance with subsection 150A(3) of the Act in which event the rule shall not become effective until the rule is approved by the Governor-in-Council.

IN WITNESS WHEREOF this Instrument has been signed by the Chair and Vice-Chair of the Commission, being the members of the Commission prescribed by the Chair pursuant to subsection 15(3) of the Act to attend the hearing of this matter and the quorum with respect to this matter, on the 29 day of June, 2005.

"H. Leslie O'Brien"  
H. Leslie O'Brien

"R. Daren Baxter"  
R. Daren Baxter

Attachments

**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**

**1.1 Amendment** - 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:
  - (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:
  - (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**

**2.1      Effective Date** - These amendments are effective September 14, 2005.