

(i) the reporting insider is not a control person of the issuer; and

(ii) the reporting insider does not have or share investment control over the securities of the reporting issuer.

## **PART 10** **DISCRETIONARY EXEMPTIONS**

### **10.1. Exemptions from this Regulation**

(1) The regulator or securities regulatory authority may grant an exemption from this Regulation, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) Despite subsection (1), in Ontario only the regulator may grant such an exemption.

(3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of Regulation 14-101 respecting Definitions, adopted by the Commission des valeurs mobilières du Québec pursuant to decision No. 2001-C-0274 dated June 12, 2001, opposite the name of the local jurisdiction.

## **PART 11** **EFFECTIVE DATE AND TRANSITION**

**11.1. Effective Date** – This Regulation comes into force on April 30, 2010.

### **11.2. Transition**

(1) Despite sections 3.3 and 3.4, a reporting insider may file an insider report required by either of those sections within 10 days of a change described in those sections if the change relates to a transaction that occurred on or before October 31, 2010.

(2) Despite section 4.1, a reporting insider may file an insider report required under that section within 10 days of an event described in that section if the event relates to a transaction that occurred on or before October 31, 2010.

(3) Despite paragraph 5.4(2)(a), a reporting insider may file an insider report required under that paragraph within 10 days of a disposition or transfer described in that paragraph if the disposition or transfer occurred on or before October 31, 2010.

(4) Despite paragraph 6.4(2)(a), a reporting insider may file an insider report required under that paragraph within 10 days of a disposition or transfer described in that paragraph if the disposition or transfer occurred on or before September October 31, 2010.

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## **M.O., 2010**

### **Order number V-1.1-2010-08 of the Minister of Finance, April 7, 2010**

Securities Act  
(R.S.Q., c. V-1.1)

CONCERNING concordant regulations to Regulation 55-104 respecting insider reporting requirements and exemptions under the Securities Act

WHEREAS subparagraphs 1, 2, 3, 8, 11, 20.1, 21, 22 and 34 of section 331.1 of the Securities Act (R.S.Q., c. V-1.1) stipulate that the Autorité des marchés financiers may make regulations concerning the matters referred to in those paragraphs;

WHEREAS the third and fourth paragraphs of section 331.2 of the said Act stipulate that a draft regulation shall be published in the Bulletin de l'Autorité des marchés financiers, accompanied with the notice required under section 10 of the Regulations Act (R.S.Q., c. R-18.1) and may not be submitted for approval or be made before 30 days have elapsed since its publication;

WHEREAS the first and fifth paragraphs of the said section stipulate that every regulation made under section 331.1 must be approved, with or without amendment, by the Minister of Finance and comes into force on the date of its publication in the *Gazette officielle du Québec* or any later date specified in the regulation;

WHEREAS the following regulations have been approved by the Minister of Finance or made by the Autorité des marchés financiers:

— Regulation 11-102 respecting passport system approved by ministerial order no. 2008-04 dated March 4, 2008;

— Regulation 14-101 respecting definitions by decision no. 2001-C-0274 dated June 12, 2001;

— Regulation 55-101 respecting insider reporting exemptions approved by ministerial order no. 2005-26 dated November 30, 2005;

— Regulation 55-103 respecting insider reporting for certain derivative transactions (equity monetization) approved by ministerial order no. 2005-27 dated November 30, 2005;

— Regulation 62-103 respecting the early warning system and related take-over bid and insider reporting issues by decision no. 2003-C-0109 dated March 18, 2003;

WHEREAS the government, by order-in-council no. 660-83 of March 30, 1983, enacted the Securities Regulation (1983, *G.O.* 2, 1269);

WHEREAS there is cause to amend or repeal those regulations;

WHEREAS the following draft regulations were published in the Bulletin de l'Autorité des marchés financiers, volume 5, no. 50 of December 19, 2008:

— Regulation to amend Regulation 11-102 respecting passport system;

— Regulation to amend Regulation 14-101 respecting definitions;

— Regulation to repeal Regulation 55-101 respecting insider reporting exemptions;

— Regulation to repeal Regulation 55-103 respecting insider reporting for certain derivative transactions (equity monetization);

— Regulation to amend Regulation 62-103 respecting the early warning system and related take-over bid and insider reporting issues;

WHEREAS the draft Regulation to amend the Securities Regulation was published in the Bulletin de l'Autorité des marchés financiers, volume 7, no. 3 of January 22, 2010;

WHEREAS those draft regulations were made by the Autorité des marchés financiers by decision no. 2010-PDG-0051 dated March 19, 2010;

WHEREAS there is cause to approve those regulations without amendment;

CONSEQUENTLY, the Minister of Finance approves without amendment the following regulations appended hereto:

— Regulation to amend Regulation 11-102 respecting passport system;

— Regulation to amend Regulation 14-101 respecting definitions;

— Regulation to repeal Regulation 55-101 respecting insider reporting exemptions;

— Regulation to repeal Regulation 55-103 respecting insider reporting for certain derivative transactions (equity monetization);

— Regulation to amend Regulation 62-103 respecting the early warning system and related take-over bid and insider reporting issues;

— Regulation to amend the Securities Regulation.

April 7, 2010

RAYMOND BACHAND,  
*Minister of Finance*

## **Regulation to amend Regulation 11-102 respecting passport system\***

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1, par. (20.1))

**1.** Appendix D of Regulation 11-102 respecting Passport System is amended:

\* Regulation 11-102 respecting Passport System, approved by Ministerial Order No. 2008-04 dated March 4, 2008 (2008, *G.O.* 2, 787), was amended solely by the regulation to amend this regulation approved by Ministerial Order No. 2009-03 dated September 9, 2009 (2009, *G.O.* 2, 4731A).

(1) by replacing the rows that refer to Regulation 55-103 respecting Insider Reporting for Certain Derivative Transactions (Equity Monetization) with the following:

Provision	BC	AB	SK	MB	Que	NS	NB	PEI	NL	YK	NWT	Nun	ON
Insider reporting requirements							Regulation 55-104 (except as noted below)						Regulation 55-104 (except as noted below)
Primary insider reporting requirement							Part 3 of Regulation 55-104						s.107

(2) by replacing all of the rows under the subheading “Insider Reporting” with the following:

Provision	BC	AB	SK	MB	Que	NS	NB	PEI	NL	YK	NWT	Nun	ON
<b>Insider Reporting</b>													
Insider reporting requirements	s. 87	s. 182	s. 116	s. 109	s. 89.3, 96 to 98	s. 113	s.135	s. 1 of Local Rule 55-501	s. 108	s. 1 of Local Rule 55-501	s. 2 of Local Rule 55-501	s.1 of Local Rule 55-501	s. 107

**2.** Appendix E of the Regulation is amended by replacing “- Regulation 55-103 respecting Insider Reporting for Certain Derivative Transactions (Equity Monetization) approved by Ministerial Order no. 2005-27 dated December 14, 2005;” with “- Regulation 55-104 respecting Insider Reporting Requirements and Exemptions approved by Ministerial Order no. 2010-07 dated April 7, 2010;”.

**3.** This Regulation comes into force on April 30, 2010.

## Regulation to amend Regulation 14-101 respecting definitions\*

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1, par. (34))

**1.** Paragraph (3) of Section 1.1 of Regulation 14-101 respecting Definitions is amended by replacing the definition of “insider reporting requirement” with the following:

““insider reporting requirement” means

(a) a requirement to file insider reports under Parts 3 and 4 of Regulation 55-104 respecting Insider Reporting Requirements and Exemptions;

(b) a requirement to file insider reports under any provisions of Canadian securities legislation substantially similar to Parts 3 and 4 of Regulation 55-104 respecting Insider Reporting Requirements and Exemptions approved by Ministerial Order No. 2010-07 dated April 7, 2010; and

(c) a requirement to file an insider profile under National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI) adopted by the Commission des valeurs mobilières du Québec pursuant to decision no. 2003-C-0069 dated March 3, 2003.”.

**2.** This Regulation comes into force on April 30, 2010.

## Regulation to repeal Regulation 55-101 respecting insider reporting exemptions\*

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1, par. (1), (2), (3), (11), (20.1) and (34))

**1.** Regulation 55-101 respecting Insider Reporting Exemptions is repealed.

**2.** This Regulation comes into force on April 30, 2010.

\* National Instrument 14-101, Definitions, adopted on June 12, 2001 pursuant to decision No. 2001-C-0274 and published in the Supplement to the Bulletin of the Commission des valeurs mobilières du Québec, vol. 32, No. 27, dated July 29, 2001, was amended solely by regulations to amend this regulation approved by Ministerial Orders No. 2008-06 dated March 4, 2008 (2008, G.O. 2, 726) and No. 2009-03 dated September 9, 2009 (2009, G.O. 2, 4731A).

\* Regulation 55-101 respecting Insider Reporting Exemptions, approved by Ministerial Order No. 2005-26 dated on November 30, 2005 (2005, G.O. 2, 5234), was amended solely by the regulation to amend this regulation approved by Ministerial Order No. 2007-06 dated August 23, 2007 (2007 G.O. 2, 2504).

## Regulation to repeal Regulation 55-103 respecting insider reporting for certain derivative transactions (equity monetization)\*

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (2), (3), (11), (20.1) and (34))

**1.** Regulation 55-103 respecting Insider Reporting for Certain Derivative Transactions (Equity Monetization) is repealed.

**2.** This Regulation comes into force on April 30, 2010.

## Regulation to amend Regulation 62-103 respecting the early warning system and related take-over bid and insider reporting issues\*

Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (8), (11), (21), (22) and (34))

**1.** Paragraph (1) of section 1.1 of Regulation 62-103 respecting The Early Warning System and Related Take-Over Bid and Insider Reporting Issues is amended:

(1) by adding the following definition after the definition of “private mutual fund”:

““related financial instrument” has the meaning ascribed to that term in Regulation 55-104 respecting insider Reporting Requirements and Exemptions approved by Ministerial Order no. 2010-07 dated April 7, 2010;”;

(2) by adding the following definition after the definition of “securityholding percentage”:

““significant change in a related financial instrument position” means, in relation to an entity and a related financial instrument that involves, directly or indirectly,

\* Regulation 55-103 respecting Insider Reporting for Certain Derivative Transactions (Equity Monetization), approved by Ministerial Order No. 2005-27 dated November 30, 2005 (*G.O. 2, 5239*), has not been amended since its approval.

\* Regulation 62-103 respecting the Early Warning System and Related Take-over Bid and Insider Reporting Issues, adopted on March 18, 2003 pursuant to decision No. 2003-C-0109 and published in the Supplement to the Bulletin of the Commission des valeurs mobilières du Québec, volume 34, No. 19, dated May 16, 2003, was amended by the regulations to amend this regulation approved by Ministerial Orders No. 2005-04 dated May 19, 2005 (2005, *G.O. 2, 1496*), No. 2005-22 dated August 17, 2005 (2005, *G.O. 2, 3643*) and No. 2008-03 dated January 22, 2008 (2008, *G.O. 2, 561*).

a security of a reporting issuer, any change in the entity’s interest in, or rights or obligations associated with, the related financial instrument if the change has a similar economic effect to an increase or decrease in the entity’s securityholding percentage in a class of voting or equity securities of the reporting issuer by 2.5 percent or more;”.

**2.** Section 9.1 of the Regulation is amended:

(1) in paragraph (1):

(a) by replacing, in the opening sentence, “(3) and (4),” with “(3), (3.1) and (4),”;

(b) by replacing, in subparagraph (a) of the French text, the words “pourcentage actuel de participation” with the words “pourcentage de participation actuel”;

(c) by adding the following subparagraph after subparagraph (a):

“(a.1) the report referred to in paragraph (a) discloses, in addition to any other required disclosure,

(i) the eligible institutional investor’s interest in any related financial instrument involving a security of the reporting issuer that is not otherwise reflected in the current securityholding percentage of the eligible institutional investor; and

(ii) the material terms of the related financial instrument;”;

(2) by adding the following subsection after paragraph (3):

“(3.1) Despite subsection (1), an eligible institutional investor that is filing reports under the early warning requirements or Part 4 for a reporting issuer may rely upon the exemption contained in subsection (1) only if the eligible institutional investor treats a significant change in a related financial instrument position as a change in a material fact for the purposes of securities legislation pertaining to the early warning requirements or section 4.6 of this Regulation.”.

**3.** Appendix A of the Regulation is amended:

(1) by replacing “Clause 1(b.1)(iii) of the *Securities Act* (Prince Edward Island)” with “Subclause (iii) of the definition of “distribution” contained in clause 1(k) of the *Securities Act* (Prince Edward Island)”;

(2) by adding the following after “(Newfoundland)”:

“NORTHWEST TERRITORIES Paragraph (c) of the definition of “distribution” contained in subsection 1(1) of the *Securities Act* (Northwest Territories)”;

(3) by adding the following after “(Saskatchewan)”:

“YUKON            Paragraph (c) of the definition of  
TERRITORY      “distribution” contained in  
                         subsection 1(1) of the *Securities Act*  
                         (Yukon Territory)”.

**4.** Appendix D of the Regulation is amended:

(1) opposite the words “PRINCE EDWARD ISLAND”, by replacing “Sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids” and substituting “Section 11 of the Securities Act (Prince Edward Island) and sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids”;

(2) opposite the words “NORTHWEST TERRITORIES”, by replacing “Sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids” with “Section 11 of the Securities Act (Northwest Territories) and sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids”;

(3) opposite the words “YUKON TERRITORY”, by replacing “Sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids” with “Section 11 of the Securities Act (Yukon Territory) and sections 1.8 and 1.9 of Regulation 62-104 respecting Take-Over Bids and Issuer Bids”.

**5.** This Regulation comes into force on April 30, 2010.

## **Regulation to amend the Securities Regulation\***

Securities Act  
(R.S.Q., c. V-1.1, s. 331.1, pars. (1), (2), (8),  
(11) and (20.1))

**1.** Sections 171 to 174 of the Securities Regulation are repealed.

**2.** This Regulation comes into force on April 30, 2010.

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\* The Securities Regulation, enacted by Order-in-Council No. 660-83 dated March 30, 1983 (1983, *G.O.* 2, 1269), was last amended by the Regulation approved by Ministerial Order No. 2009-05 dated September 9, 2009 (2009, *G.O.* 2, 3362A). For previous amendments, refer to the *Tableau des modifications et Index sommaire*, Éditeur officiel du Québec, 2009, updated to November 1, 2009.