

MSC NOTICE 2001-7

Implementation of the Zimmerman Amendments in Manitoba Take-over and Issuer Bids Blanket Order

The commission has issued Blanket Order No. 3276 dated March 28, 2001 (attached) governing the conduct of take-over bids and issuer bids. The order will be available to an offeror conducting a take-over or issuer bid commencing on or after March 31, 2001.

On May 13, 1996 a committee of the Investment Dealers Association of Canada commissioned to review take-over and issuer bid time limits issued its report setting out 14 recommendations. The Canadian Securities Administrators (the "CSA") agreed to adopt the recommendations and established a committee to develop uniform wording for amendments in the eight jurisdictions with take-over and issuer bid legislation.

The first legislative amendments were passed in Alberta and British Columbia in 1998. The Zimmerman Amendments were passed in Ontario and Saskatchewan in 1999. The British Columbia, Alberta, Saskatchewan and Ontario Securities Commissions have asked their respective governments to proclaim the Zimmerman Amendments so that they can come into effect March 31, 2001. Like Manitoba, the Nova Scotia and Newfoundland Securities Commissions intend to implement the Zimmerman Amendments by way of blanket order, effective March 31, 2001. Quebec has the Zimmerman Amendments under consideration. Please consult the CVMQ web site at www.cvmq.com for their Notice regarding the status of the Zimmerman amendments in Quebec.

The Zimmerman Amendments are basically an extension of take-over bid time limits from 21 days to 35 days. The changes provide a comprehensive approach to the notice and delivery provisions particularly in the area of advertisement of take-over bids.

In Manitoba, pursuant to subsection 20(1) of The Securities Act (Manitoba), C.C.S.M., c.50 (the "Act"), the order exempts an offeror from the legislative requirements in clauses 86(b), (c), (d), (j), subsection 90(1), and section 91 of the Act provided that the offeror comply with certain conditions listed in the order.

Questions regarding implementation of the Zimmerman Amendments may be directed to:

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The Manitoba Securities Commission
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