

**ALBERTA SECURITIES COMMISSION  
NOTICE 62-701  
IMPELEMENTATION OF ZIMMERMAN RULE AMENDMENTS**

On February 14, 2001, the Commission gave final approval to amendments to the Alberta Securities Commission Rules (the "Rules") relating to the prescribed time periods for conducting take-over bids and issuer bids (the "Zimmerman Rule Amendments") that were first published in the ASC Weekly Summary for the week ending October 30, 1998 at (1998) 7 ASCS 3955. It is intended that the consequential rule amendments will come into effect March 31, 2001 concurrently with the proclamation of sections 5, 6 and 7 of the Securities Amendment Act, 1998 relating to the conduct of take-over bids and issuer bids.

The full text of the consequential amendments to the Rules is attached as Appendix "A" to this Notice. Interested parties can also access the notice and attached appendix on the Commission's website located at [www.abertasecurities.com](http://www.abertasecurities.com). The Commission received no submissions in response to the October 30, 1998 request for comments.

**Background**

The *Securities Amendment Act, 1998* received royal assent on December 9, 1998 and was proclaimed into effect on March 1, 1999, with the exception of sections 5 to 7 relating to the conduct of take-over bids (the "Zimmerman Act Amendments"). A number of consequential amendments to the Rules, other than those relating to the Zimmerman amendments, were also proclaimed into force effective March 1, 1999.

Proclamation of sections 5 to 7 of the *Securities Amendment Act, 1998* has been deferred awaiting passage of the Zimmerman amendments in the other seven jurisdictions with provisions in their securities legislation governing the conduct of take-over and issuer bids. At this date the Zimmerman amendments have been passed in British Columbia, Saskatchewan and Ontario. The Zimmerman amendments are under consideration by the Quebec National Assembly and are anticipated to be introduced in Manitoba, Newfoundland and Nova Scotia later this year. Issuers and their counsel are directed to *CSA Notice 62-301* that is being published in this edition of the Weekly Summary for details of the implementation of the Zimmerman amendments in the eight jurisdictions with take-over bid and issuer bid provisions in their securities legislation.

Commission approval of the Zimmerman Rule Amendments was also deferred to permit the Zimmerman Act Amendments and the Zimmerman Rule Amendments to be brought into force at the same time.

**Summary of Proposed Rule Amendments**

The Zimmerman Rule Amendments should be read in conjunction with the proposed amendments to sections 135, 138 and 140 of the Securities Act contained in the *Securities Amendment Act, 1998* as the prescribed time periods applicable to issuer and take-over bids will now be found in the Rules. The prescribed time periods include

- c the minimum deposit period and corresponding period of time when an offeror cannot take up securities deposited under a bid will be extended from 21 days to 35 days
- c while the 10 day minimum time period under which a bid must stay open after a notice of change or variation remains unchanged, the requirement that the securities be paid for, as opposed to merely taken up, prior to an extension where all of the conditions have been satisfied will be deleted
- c if there has been a change to the information in a bid circular, or there has been a variation in the terms of a bid, security holders will have 10 days from the date of the notice of change or variation

within which to withdraw their securities deposited under a bid

- c the time for payment after securities are taken up will be extended from 3 calendar days to 3 business days and if the securities are not paid for within 3 business days, the depositing security holder will acquire the right to withdraw the securities
- c the time for delivery of a directors' circular will be extended from 10 days to 15 days from the date the bid is received
- c offerors will have the option to commence their bid by publishing an advertisement in a daily newspaper, provided they deliver the bid to security holders within 2 business days of obtaining a list of security holders from the target company

**Comments**

Questions relating to the Zimmerman Act Amendments or the Zimmerman Rule Amendments may be directed to:

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Dated February 14, 2001

**Appendix “A”**

WITHDRAWN PER ASC NOTICE DATED 16 NOV 2007

**Amendments to the Alberta Securities Commission Rules  
Relating to the Conduct of Take-Over Bids and Issuer Bids**

(Effective March 31, 2001)

1. The Rules are amended by adding the following after section 181.92

**Time Periods**

181.93 For the purpose of

- (a) both of sections 135(c) and (d) of the Act, the period of time referred to in those provisions shall be 35 days;
- (b) section 135(e)(ii) of the Act, the period of time referred to in that provision from the date of a notice of change or variation under section 137 or 137.1 of the Act shall be 10 days;
- (c) section 135(e)(iii) of the Act, the period of time referred to in that provision shall be 3 business days after being taken up;
- (d) section 135(k) of the Act, the period of time referred to in that provision after the expiry of the bid shall be 10 days;
- (e) section 135(l) of the Act, the period of time referred to in that provision after the taking up of the securities deposited under the bid shall be 3 business days;
- (f) section 135(m) of the Act, the period of time referred to in that provision after the deposit of the securities under the bid shall be 10 days;
- (g) section 138(1) of the Act, the period of time referred to in that provision shall be 15 days after the date of the bid;
- (h) section 138(4) of the Act, the period of time referred to in that provision shall be 7 days before the scheduled expiration of the period during which securities may be deposited under the bid; and
- (i) section 140(7)(c) of the Act, the period of time referred to in that provision shall be 2 business days after the offeror's receipt of the list of holders of securities referred to in section 135.