

Ontario Securities Commission

Rule 71-801

Unofficial consolidation current to 2016-05-09.

This document is not an official statement of law or policy and should be used for reference purposes only.

Any forms referenced in this document are available separately on the Ontario Securities Commission website.

RULE 71-801

IMPLEMENTING THE MULTIJURISDICTIONAL DISCLOSURE SYSTEM

Contents

Part 1 Definitions

Definitions

Part 2 MJDS Prospectus Distributions

Preliminary MJDS Prospectus and MJDS Prospectus
Underwriters' Options

Part 3 Bids For Securities of U.S. Issuers

Application of the Act and regulations to bids
Application of the Act and regulations to MJDS directors' circulars and MJDS
individual director's or officer's circulars

Part 4 Financial Reporting and Proxies and Proxy Solicitation

Certification of Financial Statements
AIF and MD and A

Part 5 Form

Submission to Jurisdiction and Appointment of Agent for Service of Process

Part 6 Effective Date

Effective Date

PART 1 DEFINITIONS

Definitions

1.1 (1) Each term used in this Rule that is defined or interpreted in Part 1 of NI 71-101 has the meaning ascribed to it in that Part.

(2) In this Rule "NI 71-101" means "National Instrument 71-101 *The Multijurisdictional Disclosure System*".

(3) In this Rule, "NI 62-104" means "National Instrument 62-104 *Take-Over Bids and Issuers Bids*".

PART 2 MJDS PROSPECTUS DISTRIBUTIONS

Preliminary MJDS Prospectus and MJDS Prospectus

2.1 (1) The following provisions of the Act do not apply to a distribution of securities made by MJDS prospectus in accordance with NI 71-101

- (a) subsection 57(1), insofar as that section concerns the form, content and circumstances of filing of an amendment to a preliminary prospectus or prospectus;
- (b) subsection 57(2), insofar as that subsection specifies the time period that must elapse before the distribution of additional securities may be proceeded with;
- (c) subsections 58(1) and 59(1); and
- (d) section 62, insofar as that section limits the duration of the distribution of securities under a MJDS prospectus in relation to a rule 415 offering.

(2) Despite subsection 65(1) of the Act, the waiting period between the issuance by the Director of a receipt for a preliminary MJDS prospectus and the issuance by the Director of a receipt for a MJDS prospectus may be less than ten days.

(3) National Instrument 41-101 *General Prospectus Requirements* does not apply to a distribution of securities under NI 71-101.

Underwriters' Options

2.2 Rule 48-502 Over-Allotment Options and Underwriters' Compensation does not apply to an underwriter of securities of a U.S. issuer distributed in Canada and the U.S. in accordance with NI 71-101.

PART 3 BIDS FOR SECURITIES OF U.S. ISSUERS

Application of the Act and regulations to bids

3.1 (1) The following provisions of NI 62-104 do not apply to a bid made in compliance with Part 12 of NI 71-101:

- (a) sections 1.6, 2.1 to 2.3, and 2.5 to 2.7, clause 2.8(b), subsections 2.10(2), (3) and (4), subsections 2.11(1.1) and (5), subsections 2.12(1.1), (3), (3.1), (4), (5), and (6), sections 2.13 to 2.16, 2.23 to 2.34; and
- (b) section 2.4 unless security holders of the offeree issuer whose last address as shown on the books of the issuer is in Canada, as determined in accordance with subsections 12.1(2) through (4) of NI 71-101, hold 20% or more of a class of securities that is the subject of the bid;

(2) The following provisions of NI 62-104 apply to a bid made in compliance with Part 12 of NI 71-101:

- (a) clause 2.8(a), section 2.9, subsections 2.10(1), 2.11 (2), (3) and (4), and subsection 2.12(2);
- (b) subsection 2.11(1), except the requirement to send a notice of change to each holder of securities that, before the expiry of the deposit period referred to in the bid, are convertible into securities of the class that is subject to the bid who are in Ontario; and
- (c) subsection 2.12(1), except the requirement to send a notice of variation to each holder of securities that, before the expiry of the deposit period referred to in the bid, are convertible into securities of the class that is subject to the bid who are in Ontario.

Application of the Act and regulations to MJDS directors' circulars and MJDS individual director's or officer's circulars

3.2 (1) Subsections 2.17(2), and (3), sections 2.18 and 2.19, subsection 2.20(6) and sections 2.21 and 2.22 do not apply to the directors or the individual directors or officers of an offeree issuer who elect to comply with Part 12 of NI 71-101 instead of provisions of NI 62-104 otherwise applicable in preparation of a directors' circular or individual director's or officer's circular for a take-over bid made for securities of the offeree issuer under Part 12 of NI 71-101.

(2) The following provisions of NI 62-104 apply to the directors or the individual directors or officers of an offeree issuer who elect to comply with Part 12 of NI 71-101 instead of provisions of NI 62-104 otherwise applicable in preparation of a directors' circular or individual director's or officer's circular for a take-over bid made for securities of the offeree issuer under Part 12 of NI 71-101:

- (a) subsections 2.17(1) and 2.20(1), except the requirement to send a directors' circular or an individual director's or officer's circular to each holder of securities that, before the expiry of the deposit period referred to in the bid, are convertible into securities of the class that is subject to the bid who are in Ontario;
- (b) subsections 2.18(1) and 2.20(2), except the requirement to send notice of change to holders of securities that, before the expiry of the deposit period referred to in the bid, are convertible into securities of the class that is subject to the bid who are in Ontario;
- (c) subsections 2.20(4) and (5), except the requirement to send a copy of an individual director's or officer's circular and a notice of change to holders of securities that, before the expiry of the deposit period referred to in the bid, are convertible into securities of the class that is subject to the bid who are in Ontario; and
- (d) subsections 2.17(4), 2.18(2), 2.20(3) and (7).

PART 4
FINANCIAL REPORTING AND PROXIES AND PROXY SOLICITATION

Certification of Financial Statements

4.1 The obligations under sections 77 and 78 of the Act to certify financial statements as required by the regulations do not apply to financial statements filed under section 15.1 of NI 71-101.

AIF and MD and A

4.2 Rule 51-501 AIF and MD&A does not apply to a reporting issuer that files an annual report and quarterly report and sends an annual report in accordance with section 15.2 of NI 71-101.

PART 5
FORM

Submission to Jurisdiction and Appointment of Agent for Service of Process

5.1 A submission to jurisdiction and appointment of agent for service of process required under section 6.9, paragraph 12.10(1)(e), or subparagraph 19.1(b)(iii) of NI 71-101 shall be prepared in accordance with Form 71-101F1.

PART 6
EFFECTIVE DATE

Effective Date

6.1 The Rule comes into force on November 1, 1998