



**SECURITIES ACT (CANADIAN ISSUERS EMPLOYEE STOCK
PURCHASE PLANS) EXEMPTION NOTICE 1997**

PURSUANT to the Securities Act 1978, the Securities Commission gives the following notice.

NOTICE

1. Title and commencement—(1) This notice may be cited as the Securities Act (Canadian Issuers Employee Stock Purchase Plans) Exemption Notice 1997.

(2) This notice comes into force on the day after the date of its notification in the *Gazette*.

2. Interpretation—(1) In this notice, unless the context otherwise requires,—

“The Act” means the Securities Act 1978:

“Canadian issuer” means a company—

(a) That is incorporated under the laws of Canada; and

(b) That has its common stock listed on a recognised stock exchange in Canada:

“Employee stock purchase plan” means a plan established by a Canadian issuer or by any of its subsidiaries whereby employees of the Canadian issuer or any subsidiary may acquire specified equity securities:

“The Regulations” means the Securities Regulations 1983:

“Specified equity securities” means common stock or rights or options to acquire common stock in a Canadian issuer:

“U.S. information memorandum” means a document or documents endorsed to record registration under the Securities Act 1933 of the United States of America containing the information required by the Form S-8 registration statement filed with the Securities and Exchange Commission, updated as necessary, together with a written statement—

(a) Specifying the documents that are incorporated by reference in the Form S-8 registration statement; and

(b) Advising the person to whom the offer is made that the documents so incorporated are available on request made either orally or in writing by that person.

(2) Any term or expression that is not defined in this notice, but that is defined in the Act or the Regulations, has the meaning given to it by the Act or the Regulations.

3. Certain companies exempted from compliance with Part II of the Securities Act 1978—(1) Every—

- (a) Canadian issuer; and
- (b) Subsidiary of a Canadian issuer; and
- (c) Holder of specified equity securities previously allotted by a Canadian issuer with a view to their being offered for sale or transferred to employees of the Canadian issuer or any of its subsidiaries; and
- (d) Person acting on behalf of a person referred to in paragraph (a) or paragraph (b) or paragraph (c)—

is exempted from compliance with the provisions of Part II of the Act in respect of any offer of specified equity securities made pursuant to the terms of an employee stock purchase plan to any person who is, when the offer is made, an employee of the Canadian issuer or any of its subsidiaries.

(2) That exemption is subject to the conditions that, before subscription for the specified equity securities, the Canadian issuer has delivered to the person to whom the offer is made—

(a) A document that—

- (i) Contains an offer of the specified equity securities; and
- (ii) Contains a description of the employee stock purchase plan and its terms and conditions, which is identical to the description of the employee stock purchase plan and its terms and conditions contained in either—

(A) The Canadian registered prospectus relating to the specified equity securities; or

(B) The U.S. information memorandum; and

(iii) Contains, or is accompanied by, a statement that a copy of either—

(A) The Canadian registered prospectus relating to the specified equity securities; or

(B) The U.S. information memorandum—

is available on request; and

(b) A copy of the current rules of the employee stock purchase plan; and

(c) A copy of the most recent annual report of the Canadian issuer.

Dated at Wellington this 13th day of March 1997.

The Common Seal of the Securities Commission was affixed in the presence of:

[L.S.]

E. H. ABERNETHY,
Chairman.

EXPLANATORY NOTE

This note is not part of the notice, but is intended to indicate its general effect.

This notice, which comes into force on the day after the date of its notification in the *Gazette*, exempts every—

- (a) Canadian issuer; and
- (b) Subsidiary of a Canadian issuer; and
- (b) Holder of specified equity securities that have previously been allotted by a Canadian issuer with a view to their being offered for sale or transferred to employees of those issuers,—

subject to conditions, from compliance with Part II of the Securities Act 1978 in respect of offers of specified equity securities made pursuant to an employee stock purchase plan to an employee of the Canadian issuer or to an employee of any of its subsidiaries.

Issued under the authority of the Acts and Regulations Publication Act 1989.

Date of notification in *Gazette*: 20 March 1997.

This notice is administered in the Securities Commission.