

(3) Subsection (1) does not apply to prevent an insider of a company

- (a) from selling any securities of the company on which he holds an option to purchase, if, immediately after selling those securities short, he takes and carries through any necessary steps to exercise his option and deliver the securities so sold; or
- (b) from selling any securities of the company in respect of which he holds other securities convertible into the securities sold short, if, immediately after selling those securities short, he takes and carries through any necessary steps to convert the other securities and deliver the securities so sold.

(4) Every insider who contravenes subsection (1) or (2) is guilty of an offence and is liable on summary conviction to a fine not exceeding one thousand dollars or to imprisonment for a term not exceeding six months or to both.

(5) A contravention of subsection (1) or (2) does not affect the title to securities.

(6) In this Act, a "put option" or "put" is an option made out to bearer, or otherwise made or intended to be transferable, to deliver a specified number or amount of securities at a specified price within a specified time; and a "call option" or "call" is an option made out to bearer, or otherwise made or intended to be transferable, to demand delivery of a specified number or amount of securities at a specified price within a specified time but does not include an option to purchase or otherwise acquire securities that are to be issued by the company that issues the option."

Clause 8

Strike out line 4 on page 22 and substitute the following therefor:

"102. Subject to section 103, and in the absence of other provi—"

Strike out lines 12 to 32 both inclusive on page 22 and substitute the following therefor:

"103. (1) The directors of a company may, by resolution, fix a record date for determining the shareholders who will be entitled to vote at meetings of shareholders, which record date shall not be more than thirty days before the date of the meeting of shareholders.

(2) A notice of the record date fixed under subsection (1) shall be given, at least fourteen days before the record date so fixed,

(a) to each shareholder, in the manner required by subsection (3) for the giving of the notice of the time and place for holding a meeting of shareholders, or

(b) by advertisement in a daily newspaper in the location where the company has its head office and each location in Canada where it has a transfer agent.

(3) Notice of the time and place for holding any meeting of shareholders shall be given by sending the notice to each shareholder entitled to vote at the meeting through the post, in a prepaid wrapper of letter, not less than fourteen days or more than sixty days before the date of the meeting, to his latest address as shown on the books of the company.