

Blanket Order No. 51-508

IN THE MATTER OF THE *SECURITIES ACT*, R.S.N.S. 1989,  
CHAPTER 418, AS AMENDED

-AND-

IN THE MATTER OF  
EXEMPTIONS FROM MULTILATERAL INSTRUMENT 51-105  
*ISSUERS QUOTED IN THE U.S. OVER-THE-COUNTER MARKETS*

ORDER  
(SECTIONS 151 AND 151A)

WHEREAS

1. Terms defined in the *Securities Act*, R.S.N.S. 1989, Chapter 418, as amended (the Act), National Instrument 14-101 *Definitions* or Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets* (MI 51-105) have the same meaning in this order.
2. In this order:
  - (a) “designated exchange” means any of NASDAQ OMX; Borsa Italiana, MTA Tier; London Stock Exchange, except AIM; Hong Kong Stock Exchange; Deutsche Börse, except the Quotation Board and the Entry Standard tier; Xetra, Prime Standard and General Standard tiers; SIX Swiss Exchange; Bourse de Luxembourg, except Euro MTF; Tokyo Stock Exchange, 1<sup>st</sup> Section and 2<sup>nd</sup> Section; Shanghai Stock Exchange; The Stock Exchange of Thailand, except The Market for Alternative Investment (mai); National Stock Exchange of India; Bombay Stock Exchange; Osaka Stock Exchange; Korea Exchange; and Singapore Exchange; and
  - (b) “permitted client” means a permitted client as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.
3. Under section 3 of MI 51-105, an issuer that has issued a class of OTC-quoted securities and that does not have a class of securities listed or quoted on certain specified exchanges is a reporting issuer in Nova Scotia in certain circumstances.
4. The exemptions from MI 51-105 provided by Blanket Order No. 51-506 Exemptions from Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets* (Blanket Order 51-506) do not fully address unnecessary and unintended constraints on private placements to institutional investors.
5. The Commission is of the opinion that to order relief from the application of Nova Scotia securities laws in these circumstances is not prejudicial to the public interest.

IT IS ORDERED, pursuant to section 151 of the Act, that Blanket Order 51-506 is revoked.

AND IT IS ORDERED, pursuant to subsection 151A(1) of the Act, that an OTC issuer is exempt from section 3 of MI 51-105 if it would otherwise apply only by reason of the OTC issuer carrying on promotional activities in or from Nova Scotia or distributing a security to a person or company in Nova Scotia (or both), provided that:

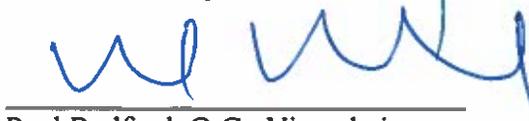
- (a) the OTC issuer has securities listed on a designated exchange; or
- (b) the OTC issuer does not have any class of securities listed on an exchange or quoted on a quotation and trade reporting system other than non-convertible debt securities; or
- (c) all of the following apply:
  - (i) the distribution is exempt from the prospectus requirement;
  - (ii) the promotional activities in or from Nova Scotia are directed only at permitted clients; and
  - (iii) each person or company in Nova Scotia to which the OTC issuer distributes a security is a permitted client.

Dated at Halifax, Nova Scotia, this 29<sup>th</sup> day of July, 2015.

NOVA SCOTIA SECURITIES COMMISSION



Sarah P. Bradley, Chair



Paul Radford, Q.C., Vice-chair