



IN THE MATTER OF THE *SECURITIES ACT*  
S.Nu. 2008, c.12

*Registration Exemption for Trades in Connection with  
Certain Prospectus-Exempt Distributions*

BLANKET ORDER 32-501

WHEREAS National Instrument 31-103 *Registration Requirements and Exemptions* (NI 31-103) classifies a registrant who trades in securities distributed under an exemption from the prospectus requirement as an Exempt Market Dealer;

AND WHEREAS NI 31-103 prescribes conditions of registration and other requirements and restrictions applicable to an Exempt Market Dealer;

AND WHEREAS National Instrument 45-106 *Prospectus and Registration Exemptions* exempts from the prospectus requirement certain distributions made in reliance on section 2.3 (to *accredited investors*), section 2.5 (to *family, friends and business associates*), section 2.9 (under an *offering memorandum*) or section 2.10 (*minimum investment amount*) (each of the foregoing distributions being referred to as a Prospectus-Exempt Distribution);

AND WHEREAS the Superintendent has determined that limited blanket relief from the requirement to register as an Exempt Market Dealer for a trade in a security in connection with a Prospectus-Exempt Distribution would not be prejudicial to the public interest;

IT IS ORDERED THAT:

1. Terms defined in the *Securities Act* or in National Instrument 14-101 *Definitions* have the same meaning in this Order.
2. The dealer registration requirement does not apply to a trade in a security by a person in connection with a Prospectus-Exempt Distribution, provided that:
  - (a) the person is not registered or required to be registered under provincial or territorial securities legislation;
  - (b) the person is not registered or required to be registered under the securities legislation of a foreign jurisdiction;
  - (c) prior to the trade, the person does not advise, recommend or otherwise represent to the purchaser that the security being traded is suitable for the purchaser, with regard to the purchaser's

- (i) investment needs and objectives
  - (ii) financial circumstances, or
  - (iii) risk tolerance;
- (d) at or before the time at which the purchaser enters into an agreement to purchase the security, the person obtains from the purchaser a signed Risk Acknowledgement Form in the form prescribed in Appendix A;
- (e) the person has not provided financial services to the purchaser other than in connection with a Prospectus-Exempt Distribution;
- (f) the person does not hold or have access to the purchaser's assets; and
- (g) the person has filed with the Superintendent a current information report in the form prescribed in Appendix B, or has filed an update of a previously filed information report, on or before the 10<sup>th</sup> day after the Prospectus-Exempt Distribution.

3. This order takes effect on:

DATED at Iqaluit in Nunavut this 22<sup>nd</sup> day of July 2010.



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Louis L. Arki  
Superintendent of Securities

Appendix A

RISK ACKNOWLEDGEMENT

BLANKET ORDER 32-501

*Registration Exemption for Trades in Connection with Certain Prospectus-Exempt Distributions*

Name of Issuer: \_\_\_\_\_

Name of Seller: \_\_\_\_\_

[INSTRUCTION: In this form "Seller" means the person or company relying on the exemption in Blanket Order 32-501]

I acknowledge that

- the person selling me these securities is not registered with a securities regulatory authority and is prohibited from telling me that this investment is suitable for me;
- the person selling me these securities does not act for me;
- this is a risky investment and I could lose all my money; and,
- I am investing entirely at my own risk.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Print name of Purchaser

\_\_\_\_\_  
Name of salesperson acting on behalf of the Seller

Notes to Purchaser:

- Sign two copies of this document. Keep one copy for your records.
- You may be required to sign an additional risk acknowledgement form under National Instrument 45-106 *Registration and Prospectus Exemptions*.
- You should contact a registered dealer or adviser if you want advice about the merits of this investment and whether these securities are a suitable investment for you.

Appendix B

Information report under BLANKET ORDER 32-501 *Registration Exemption for Trades in Connection with Certain Prospectus-Exempt Distributions*

[Date]

To:  Alberta Securities Commission  
 British Columbia Securities Commission  
 Government of the Northwest Territories, Securities Office  
 Government of Nunavut, Department of Justice  
 Government of the Yukon Territory, Community Services  
 Manitoba Securities Commission  
 Saskatchewan Financial Services Commission

INSTRUCTION: Choose the jurisdiction(s) in which you are in the business of trading in securities. For a discussion about what constitutes being in the business of trading in securities, see Companion Policy 31-103 *Registration Requirements and Exemptions*.

\_\_\_\_\_  
**Name of firm or, if a sole proprietor, individual owner's name and any related trade names**

INSTRUCTION: State the full name of the firm or individual

\_\_\_\_\_  
Street address

INSTRUCTION: State the street address for the head office of the firm or proprietorship. Do not include a P.O. Box or agent for service.

\_\_\_\_\_  
Website address for firm

INSTRUCTION: State the website address for the firm. If there is no website address, state "not applicable".

\_\_\_\_\_  
Telephone number for firm or, if sole proprietor, individual

\_\_\_\_\_  
Name of individual responsible for ensuring conditions to use this registration exemption are met

INSTRUCTION: State the name of the individual who may be contacted with respect to any questions regarding the contents of this report. This individual should be a senior executive for the firm.

\_\_\_\_\_  
Telephone number for responsible individual named above

Does the firm also carry on business at other office locations?  Yes  No

\_\_\_\_\_  
Names of salespersons employed by the firm to sell securities

\_\_\_\_\_  
Date

## Collection and use of personal information

The personal information submitted in this report is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of its administration and enforcement of the securities legislation. If anyone referred to in this report has any questions about the collection and use of their personal information, they can contact the regulator in the jurisdiction(s) where the report is filed, at the address(es) listed below.

### Alberta

Alberta Securities Commission  
4<sup>th</sup> Floor, 300 - 5<sup>th</sup> Avenue SW  
Calgary, AB T2P 3C4  
Attention: Information Officer  
Telephone: (403) 355-4151  
Facsimile: (403) 297-3679

### British Columbia

British Columbia Securities Commission  
P.O. Box 10142, Pacific Centre  
701 West Georgia Street  
Vancouver, BC V7Y 1L2  
Attention: Freedom of Information Officer  
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)  
Facsimile: (604) 899-6506

### Manitoba

The Manitoba Securities Commission  
500 - 400 St. Mary Avenue  
Winnipeg, MB R3C 4K5  
Attention: Director of Registrations  
Telephone: (204) 945-2548  
Facsimile: (204) 945-0330

### Northwest Territories

Legal Registries Division  
Department of Justice  
Government of the Northwest Territories  
P.O. Box 1320  
Yellowknife, NT X1A 2L9  
Attention: Deputy Superintendent of Securities  
Telephone: (867) 920-8984  
Facsimile: (867) 873-0243

### Nunavut

Legal Registries Division  
Department of Justice  
Government of Nunavut  
P.O. Box 1000 Station 570  
Iqaluit, NU X0A 0H0  
Attention: Superintendent of Securities

Telephone: (867) 975-6590  
Facsimile: (867) 975-6594

#### Yukon

Department of Community Services  
Securities Office  
P.O. Box 2703  
Whitehorse, YU Y1A 2C6  
Attention: Superintendent of Securities  
Telephone: (867) 667-5225  
Facsimile: (867)393-6251

#### Saskatchewan

Saskatchewan Financial Services Commission  
Suite 601, 1919 Saskatchewan Drive  
Regina, SK S4P 4H2  
Attention: Director  
Telephone: (306) 787-5842  
Facsimile: (306) 787-5899

