

Appendix P

British Columbia Securities Commission

BC Instrument 33-XXX

Blanket Order providing registration exemption for capital raising

The British Columbia Securities Commission, considering that to do so would not be prejudicial to the public interest, orders that effective September 28, 2009, BC Instrument 33-5xx entitled “Registration exemption for trades in connection with certain prospectus-exempt distributions” is made.

, 2009

Brent W. Aitken
Acting Chair

(This part is for administrative purposes only and is not part of the Order)

Authority under which Order is made:

Act and sections:- *Securities Act*, section 48(1)

BC Instrument 33-5xx
***Registration exemption for trades in connection with
certain prospectus-exempt distributions***

Order under section 48(1) of the Securities Act

Definitions

1. Terms defined in the *Securities Act*, R.S.B.C. 1996, c. 418, as amended (the **Act**) or in National Instrument 14-101 *Definitions* have the same meaning in this order.

Background

2. 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.
3. **NI 31-103** prescribes conditions of registration and other requirements and restrictions applicable to an exempt market dealer.
4. National Instrument 45-106 *Prospectus and Registration Exemptions* exempts from the prospectus requirement certain distributions made relying 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 foregoing distributions being a *prospectus-exempt distribution*).
5. The Commission considers that limited 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.

Order

6. The Commission orders, under section 48(1) of the Act, that the dealer registration requirement does not apply to a trade in a security by a person or company in connection with a prospectus-exempt distribution, provided that:
 - (a) the person is not registered under provincial or territorial securities legislation;
 - (b) the person is not 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 does not hold or have access to the purchaser's assets;
- (f) the person has electronically filed with the Commission 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 10th day after the prospectus-exempt distribution.

Appendix A to BCI 33-5xx

**Risk Acknowledgement under BCI 33-5xx *Registration exemption for trades
in connection with certain prospectus-exempt distributions***

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

Sign two copies of this document. Keep one copy for your records.

National Instrument 45-106 *Prospectus and Registration Exemptions* may require you to sign an additional risk acknowledgement form.

If you want advice about the merits of this investment and whether these securities are a suitable investment for you, contact a registered adviser or dealer.

Appendix B to BCI 33-5xx

Information report under BC Instrument 33-5xx
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, Securities Office
 ___ Government of the Yukon Territory, Community Services, Securities Office
 ___ Manitoba Securities 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 office 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]

[E-mail address 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
4th Floor, 300 - 5th Avenue SW
Calgary, AB T2P 3C4
Attention: Information Officer
Telephone: (403) 355-4151

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

Manitoba

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

Northwest Territories

Government of the Northwest Territories
P.O. Box 1320
Yellowknife, NWT X1A 2L9
Attention: Deputy Superintendent of Securities
Telephone: (867) 920-8984

Nunavut

Legal Registries Division
Department of Justice
Government of Nunavut
P.O. Box 1000 Station 570
Iqaluit, NU X0A 0H0
Attention: Securities Office
Telephone: (867) 975-6590

Yukon

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