

Schedule B

British Columbia Securities Commission

DRAFT BC Instrument 45-528

The British Columbia Securities Commission, having considered that it would not be prejudicial to the public interest, orders that the attached BC Instrument 45-528 *Trades under a realization on collateral given for a debt* is made, effective *, 2009.

*, 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*, sections 48, 76

Other (specify):-

Trades under a realization on collateral given for a debt

- 1. Interpretation** – Terms used in this Instrument that are defined or interpreted in the *Securities Act* (the Act) or the *Securities Rules* have the meaning set out in the Act or in the Rules.
- 2.** The dealer registration requirement in section 34(1)(a) of the Act does not apply in respect of a trade that is the transfer of beneficial ownership of a security to a transferee, pledgee, mortgagee or other encumbrancer under a realization on collateral given for a debt.
- 3.** The prospectus requirement in section 61 of the Act does not apply to a distribution of a security in the circumstances referred to in section 2.
- 4. Resale restrictions** – (1) A trade in a security acquired under this Instrument is subject to section 2.5 of National Instrument 45-102 *Resale of Securities* (NI 45-102) if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person or company under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of NI 45-102.

(2) A trade in a security acquired under this Instrument is subject to section 2.6 of NI 45-102 if the security acquired by the selling security holder under the realization on collateral was initially acquired by a person or company under an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of NI 45-102.
- 5. Report by control person of a reporting issuer** – If a control person of a reporting issuer distributes a security under this Instrument, the control person must file a report in the form required under section 87 of the Act on or before the 3rd day after the distribution.