

British Columbia Securities Commission

BC Instrument 47-501

The Commission, considering it would not be prejudicial to the public interest to do so, orders that, effective May 17, 2006, the attached BC Instrument 47-501 entitled *Exemption for solicitations of expressions of interest* is made.

May 17, 2006

Douglas M. Hyndman
Chair

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

Authority under which Order is made:

Act and sections: Section 76 of the *Securities Act*

Other (specify):

BC Instrument 47-501

Exemption for solicitations of expressions of interest

Order under Section 76 of the *Securities Act*

Interpretation

1. In this instrument,

“**over-allocation position**” means the amount by which

(a) the total number or principal amount of securities that are the subject of offers to purchase received by all underwriters of a distribution

exceeds

(b) the total number or principal amount of securities that all underwriters have agreed to purchase under an enforceable agreement with the issuer;

“**over-allotment option**” means a right granted to the underwriters by an issuer or a selling security holder in connection with the distribution of securities under a short form prospectus to acquire additional securities of the same class as was distributed under the short form prospectus; and

“**short form prospectus**” means a short form prospectus filed under National Instrument 44-101 *Short Form Prospectus Distributions*.

Exemption

2. Section 61 does not apply to soliciting expressions of interest before the filing of a preliminary short form prospectus for securities to be issued under an over-allotment option, provided that

(a) the issuer satisfies the conditions in paragraphs 7.1(a) to (e) of National Instrument 44-101 *Short Form Prospectus Distributions*, and

(b) the over-allotment option

(i) is granted for the purposes of covering the underwriters’ over-allocation position,

(ii) expires not more than 60 days after the date of closing of the distribution, and

(iii) is limited to the lesser of

- (A) the over-allocation position determined as at the closing of the distribution, and
- (B) 15% of the number or principal amount of the securities qualified for the distribution, other than the securities issuable on the exercise of the over-allotment option.