

British Columbia Securities Commission

BC Instrument 51-511

Exemptions from Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets

Definitions

1. Terms defined in the *Securities 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 Instrument.
2. In this Instrument:
 - (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 First 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, 1st Section and 2nd 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) “primary listing” means an issuer’s first listing of a class of its securities on a designated exchange.

Background

3. MI 51-105 comes into force on July 31, 2012.
4. Under MI 51-105, an OTC issuer is a reporting issuer if one or more of the designation provisions in section 3 of MI 51-105 applies.

Order under section 187

5. The Commission, considering that to do so would not be prejudicial to the public interest, orders under section 187(c) of the Act that the provisions of MI 51-105 described below do not apply to the persons described below.

Exemption from MI 51-105 for issuers who have securities listed on a designated exchange

6. An OTC issuer is exempt from the provisions of MI 51-105 provided that it has a primary listing that is in effect each time the issuer
 - (a) carries on any promotional activities in or from British Columbia, or

(b) distributes a security to a person resident in British Columbia.

Exemption from MI 51-105 for issuers distributing non-convertible debt securities

7. An OTC issuer that distributes a non-convertible debt security to a person resident in British Columbia is exempt from the provisions of MI 51-105 if the issuer does not have any class of securities other than non-convertible debt listed on an exchange or quoted on a quotation and trade reporting system.

July 31, 2012

Brenda M. Leong
Chair

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

Authority under which Order is made:

Act and section: *Securities Act*, section 187(1)(c)