

**IN THE MATTER OF THE SECURITIES REGULATIONS, 1991 (the "Regulation")
MADE UNDER THE SECURITIES ACT
R.S.N. 1990, CHAPTER S-13, AS AMENDED (the "Act")**

AND

**IN THE MATTER OF
THE PROMPT OFFERING QUALIFICATION SYSTEM**

WAIVERS

(Subsections 22(2) and 26(2) of the Regulation)

WHEREAS the Director of Securities (the "Director"), pursuant to the powers conferred on the Director by section 146 of the Act, has adopted National Policy Statement No. 47 entitled "Prompt Offering Qualification System" as amended from time to time (the "Policy") (which Policy may be varied by the Director in respect of a specific issuer or distribution of securities (the "POP System"));

AND WHEREAS paragraph (5) of item 10 of Appendix B to the Policy provides that a rating, including a provisional rating, received from an Approved Rating Organization (as defined in the Policy) with respect of securities to be distributed must be disclosed in the preliminary short form prospectus and short form prospectus qualifying such securities;

AND WHEREAS subsection 22(1) of the Regulation requires that a consent be filed when a person is named as having prepared or certified a report or valuation used in or in connection with a prospectus;

AND WHEREAS the Director is of the opinion that filing a consent is impracticable in the circumstances;

THEREFORE the Director, pursuant to subsection 22(2) of the Regulation, dispenses with the requirement of subsection 22(1) of the Regulation to file a consent of an Approved Rating Organization in connection with a rating, including a provisional rating, received from such Approved Rating Organization used in or in connection with a preliminary short form prospectus or short form prospectus provided that the preliminary short form prospectus and short form prospectus comply with the requirements of the POP System;

AND WHEREAS subsection 6.3(9) of the Policy provides that where a minimum amount of funds are required by an issuer, the receipt for a short form prospectus relating to securities proposed to be distributed on a best efforts basis, other than securities to be distributed continuously, will not be issued unless the short form prospectus indicates that the offering will cease if the minimum amount of funds is not subscribed within ninety days;

AND WHEREAS the Director is satisfied that there is sufficient justification for so doing;

THEREFORE the Director, pursuant to subsection 26(2) of the Regulation, waives the requirement of paragraph 26(1)(7) of the Regulation that where a minimum amount of funds are required by an issuer, the receipt for a prospectus relating to securities proposed to be distributed on a best efforts basis, other than securities to be distributed continuously, should not be issued unless the prospectus indicates that the offering may not continue for more than sixty days where the minimum amount of funds are not subscribed within sixty days, without the consent of the Director and those persons or companies who subscribed within such sixty days provided that the preliminary short form prospectus and short form prospectus comply with subsection 6.3(9) of the Policy.

IT IS FURTHER RULED AND ORDERED that these waivers shall be effective on and after March 1, 1993.

DATED at St. John's, Newfoundland this 10th day of January, 1995

GEORGE F. KENNEDY
Director of Securities