



SECURITIES COMMISSION OF NEWFOUNDLAND

DEPARTMENT OF GOVERNMENT SERVICES AND LANDS
GOVERNMENT OF NEWFOUNDLAND AND LABRADOR

**IN THE MATTER OF THE SECURITIES ACT
RSN 1990, c. S-13, AS AMENDED (the “Act”)**

AND

**IN THE MATTER OF THE SECURITIES REGULATIONS,
CNR 805/96, AS AMENDED (the “Regulations”)**

AND

**IN THE MATTER OF
LONG FORM PROSPECTUS DISCLOSURE**

**Order
(Section 69 of the Regulations)**

WHEREAS:

1. clause 54(1)(b) of the Act states that a person or company shall not trade in a security on his or her own account or on behalf of another person or company..., where the trade would be a distribution of that security unless a preliminary prospectus and a prospectus have been filed and a receipt obtained from the Director of Securities;
2. subsection 55(1) of the Act states that a preliminary prospectus shall substantially comply with the requirements of the Act and the regulations respecting the form and content of a prospectus;
3. Forms 12, 13 and 14 (the “Prospectus Forms”) set out the disclosure required in Newfoundland for long form prospectuses based upon the business of an issuer of securities;
4. the Ontario Securities Commission (the “OSC”) has, under section 143 of the Securities Act, R.S.O., 1990, c. S.5, as amended (the “Ontario Act”) made Rule 41-501 General Prospectus Requirements (the “Ontario Rule”), Form 41-501F1 Information Required in a Prospectus (the “Ontario Prospectus Form”), Form 41-501F2 Authorization of Indirect

Collection of Personal Information ("Form F2"), Form 41-501F3 Issuer Form of Submission to Jurisdiction and Appointment of Agent for Service of Process ("Form F3") and Form 41-501F4 Non-Issuer Form of Submission to Jurisdiction and Appointment of Agent for Service of Process ("Form F4") (the Ontario Prospectus Form, Form F2, Form F3 and Form F4 are collectively referred to as the "Ontario Forms");

5. the OSC has adopted Companion Policy 41-501CP General Prospectus Requirements (the "Ontario Policy") under section 143.8 of the Ontario Act;
6. the Ontario Rule consolidates various provisions currently set forth in the Regulation to the Ontario Act, various OSC policy statements and notices and the OSC Staff Corporate Finance Accountants Practice Manual concerning the preparation, certification, filing and receipting of a preliminary prospectus and a prospectus. The Ontario Rule prescribes the use of the Ontario Prospectus Form as the form of prospectus to be used by issuers that previously filed long form prospectuses using Form 12, 13, or 14 of the Regulation to the Ontario Act;
7. the Ontario Rule, Ontario Forms and Ontario Policy (collectively, the "Ontario Prospectus Requirements") came into effect in December 31, 2000;
8. there is currently a committee of the Canadian Securities Administrators (the "CSA") reviewing the Ontario Rule in connection with the preparation of a National Instrument dealing with the subject matter of the Ontario Rule that all members of the CSA would be prepared to adopt as a rule or policy. This review process may take some time to complete; and
9. for the purpose of uniformity of disclosure for a preliminary prospectus and a prospectus (collectively, a "Prospectus") filed with the Director and the OSC and other securities regulatory authorities or regulators that accept a Prospectus prepared in accordance with the Ontario Prospectus Requirements, it has been determined that it is suitable in the circumstances to vary the Prospectus Forms for an issuer that has prepared a Prospectus in accordance with the Ontario Prospectus Requirements (an "Issuer");

THEREFORE, pursuant to 69 of the Regulations that with respect to an Issuer, the requirements of the Prospectus Form for that Issuer are varied by substituting the Ontario Prospectus Requirements.

DATED at St. John's, Newfoundland this 1st day of January, 2001.

Anthony W. Patey
Director of Securities