

Nova Scotia Securities Commission

**Rule 52-107(Amendment)
Amendments to National Instrument 52-107
Acceptable Accounting Principles, Auditing Standards and
Reporting Currency**

-And-

**Amendments to National Instrument 52-107
Acceptable Accounting Principles, Auditing Standards and
Reporting Currency**

WHEREAS:

1. Pursuant to section 150 of the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended (the "Act"), the Nova Scotia Securities Commission (the "Commission") has power to make rules subject to compliance with the requirements of the Act;

2. Amendments to National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, a copy of which is attached hereto and is hereinafter called the "Rule", has been made a rule by one or more of the Canadian securities regulatory authorities; and

3. The Commission is of the opinion that the attainment of the purpose of the Act is advanced by this Instrument.

NOW THEREFORE the Commission hereby:

(a) pursuant to the authority contained in section 150 of the Act and subject to compliance with the requirements of section 150A of the Act, approves the Rule and makes the same a rule of the Commission; and

(b) declares that the rule approved and made pursuant to clause (a) shall take effect on **December 29, 2006**, unless the Governor-in-Council disapproves the rule or returns it to the Commission in accordance with

subsection 150A(3) of the Act in which event the rule shall not become effective until the rule is approved by the Governor-in-Council.

IN WITNESS WHEREOF this Instrument has been signed by the Chair and Vice-Chair of the Commission, being the members of the Commission prescribed by the Chair pursuant to subsection 15(3) of the Act to attend the hearing of this matter and the quorum with respect to this matter, on the 13th day of October, 2006.

"H. Leslie O'Brien"
H. Leslie O'Brien

"R. Daren Baxter"
R. Daren Baxter

Attachments

**Amendments to
National Instrument 52-107
*Acceptable Accounting Principles, Auditing Standards and Reporting Currency***

1. ***National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency is amended by this Instrument.***
2. ***Section 1.1 is amended by,***
 - a. ***in paragraph (b) of the definition of “designated foreign issuer”, adding “in a designated foreign jurisdiction” after “foreign disclosure requirements”,***
 - b. ***repealing the definition of “executive officer” and substituting the following:***

“executive officer” means, for an issuer, an individual who is

 - (a) a chair, vice-chair or president;
 - (b) a vice-president in charge of a principal business unit, division or function including sales, finance or production; or
 - (c) performing a policy-making function in respect of the issuer; , ***and***
 - c. ***in the definition of “recognized exchange”,***
 - i. ***striking out “and” at the end of paragraph (a), and***
 - ii. ***adding the following after paragraph (a):***
 - (a.1) in Québec, a person or company authorized by the securities regulatory authority to carry on business as an exchange; and
3. ***Subsection 4.1(1) and section 4.2 are amended by striking out “filed by an SEC issuer” and substituting “of an SEC issuer that are filed with or delivered to a securities regulatory authority or regulator” wherever it appears.***
4. ***Sections 5.1 and 5.2 are amended by striking out “filed by a foreign issuer” and substituting “of a foreign issuer that are filed with or delivered to a securities regulatory authority or regulator” wherever it appears.***
5. ***Paragraph 5.2(a) is repealed and substituted with the following:***
 - (a) U.S. GAAS, if the auditor’s report

- (i) contains an unqualified opinion;
- (ii) identifies all financial periods presented for which the auditor has issued an auditor's report;
- (iii) refers to the former auditor's reports on the comparative periods, if the issuer has changed its auditor and one or more of the comparative periods presented in the financial statements were audited by a different auditor; and
- (iv) identifies the auditing standards used to conduct the audit and the accounting principles used to prepare the financial statements;

6. *The following is added after subsection 9.1(2):*

- (3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

7. *This amendment comes into force December 29, 2006.*