

Nova Scotia Securities Commission

**Rule 44-101(Amendment)
Amendments to National Instrument 44-101
Short Form Prospectus Distributions and to Form 44-101F1
Short Form Prospectus**

-And-

**Amendments to National Instrument 44-101
Short Form Prospectus Distributions and to Form 44-101F1
Short Form Prospectus**

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 44-101 Short Form Prospectus Distributions and Amendments to Form 44-101F1 Short Form Prospectus, 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 44-101 Short Form Prospectus Distributions**

1. **National Instrument 44-101 Short Form Prospectus Distributions is amended by this Instrument.**
2. **Section 1.1 is amended by,**
 - a. **repealing the definition of “approved rating” and substituting the following:**

“approved rating” means, for a security, a rating at or above one of the following rating categories issued by an approved rating organization for the security or a rating category that replaces a category listed below:

Approved Rating Organization	Long Term Debt	Short Term Debt	Preferred Shares
Dominion Bond Rating Service Limited	BBB	R-2	Pfd-3
Fitch Ratings Ltd.	BBB	F3	BBB
Moody’s Investors Service	Baa	Prime-3	“baaa”
Standard & Poor’s	BBB	A-3	P-3

- b. **repealing the definition of “approved rating organization” and substituting the following:**

“approved rating organization” means each of Dominion Bond Rating Service Limited, Fitch Ratings Ltd., Moody’s Investors Service, Standard & Poor’s and any of their successors;

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

**Amendments to
Form 44-101F1 Short Form Prospectus**

1. **Form 44-101F1 Short Form Prospectus is amended by this Instrument.**
2. **Section 7.9 is amended by striking out “If one or more ratings, including provisional ratings or stability ratings, have been received” and substituting “If**

the issuer has asked for and received a stability rating, or if the issuer receives any other kind of rating, including a provisional rating,”

3. Item 10 is amended by,

- a. in paragraphs 10.1(1)(b) and 10.1(2)(b), adding “or would be if it were not a reverse takeover, as defined in NI 51-102,” after “NI 51-102”.**
- b. in Instruction (2) following section 10.1, adding “for significant acquisitions” after “NI 51-102”.**

4. Item 11 is amended by

a. repealing item 11.1(1) 6. and substituting the following:

- 6. Any business acquisition report filed by the issuer under Part 8 of NI 51-102 for acquisitions completed since the beginning of the financial year in respect of which the issuer’s current AIF is filed, unless the issuer
 - (a) incorporated the BAR by reference into its current AIF, or
 - (b) incorporated at least 9 months of the acquired business or related businesses operations into the issuer’s most recent audited financial statements.

b. in item 11.1(1) 7., striking out “end” and substituting “beginning”.

5. This amendment comes into force December 29, 2006.