

BLANKET ORDER NUMBER 99

**IN THE MATTER OF
THE SECURITIES ACT, R.S.N.L. 1990, CHAPTER S-13
AS AMENDED (the "Act")**

AND

**IN THE MATTER OF
EXEMPTIONS FROM MULTILATERAL INSTRUMENT 51-105
*Issuers Quoted in the U.S. Over-the-Counter Markets***

**ORDER
(Section 142.1 of the Act)**

Definitions


1. Unless otherwise defined in this Order or the context requires, terms used that are defined in the Act, National Instrument 14-101 Definitions and Multilateral Instrument 51-105 Issuers Quoted in the US. Over-the-Counter Markets (MI 51-105) have the same meaning in this order.
2. In this order:
 - 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. "permitted client" means a permitted client as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

Background

3. MI 51-105 imposes unnecessary and unintended constraints on private placements to institutional investors.

- A. Under section 3 of MI 51-105, an issuer that has issued a class of OTC-quoted securities and that does not have a class of securities listed or quoted on certain specified exchanges is a reporting issuer in Newfoundland and Labrador in certain circumstances.
 - B. The exemptions from MI 51-105 provided by Blanket Order Number 85 [Re Relief from Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets] do not fully address the unnecessary and unintended constraints.
4. The Superintendent is of the opinion that to do so would not be contrary to the public interest.
5. **IT IS ORDERED** pursuant to section 142.1 of the Act that:
- A. An OTC issuer is exempt from section 3 of MI 51-105 if it would otherwise apply only by reason of the OTC issuer carrying on promotional activities in or from Newfoundland and Labrador or distributing a security to a person or company in Newfoundland and Labrador (or both), provided that:
 - a. the OTC issuer has securities listed on a designated exchange; or
 - b. all of the following apply:
 - i. the distribution is exempt from the prospectus requirement;
 - ii. the promotional activities in or from Newfoundland and Labrador are directed only at permitted clients; and
 - iii. each person or company in Newfoundland and Labrador to which the OTC issuer distributes a security is a permitted client.
6. The order is in effect from September 8, 2015.

Dated at St. John's, Newfoundland and Labrador this 24th day of February, 2016.


John O'Brien, FCPA, FCA, CISA
Superintendent of Securities