

IN THE MATTER OF THE *SECURITIES ACT*,
R.S.N.W.T. 1988, ch. S-5, AS AMENDED

AMENDMENT NO. 2

TO

BLANKET ORDER NO. 1

WHEREAS subsection 27(2)(b) of the *Securities Act* provides that no person or corporation shall trade in any security unless the person or corporation files a prospectus or statement of material facts with the Registrar, or unless the Registrar has ordered that a prospectus or statement of material facts need not be filed;

AND WHEREAS the Registrar issued Blanket Order No. 1 on May 16, 1997, to exempt certain trades in securities from the requirement to file a prospectus in the Northwest Territories;

AND WHEREAS the Registrar amended Blanket Order No. 1 on November 30, 2001, to give effect to Multilateral Instrument 45-102 in respect of the resale of securities distributed under certain exemptions from the prospectus filing requirements of securities legislation in Canada;

AND WHEREAS the Registrar is of the opinion that Blanket Order No. 1 should be further amended to bring the application of Multilateral Instrument 45-102 into line with other jurisdictions in respect of the treatment of certain trades of securities acquired under subparagraph 3(e)(iii) of Blanket Order No. 1;

NOW, THEREFORE, IT IS ORDERED THAT BLANKET ORDER NO. 1 IS AMENDED AS FOLLOWS:

1. Section 4 is amended by adding the following after subsection (2):

- (2.1) (a) Notwithstanding section 2.3 of MI 45-102, the first trade of a security distributed under subparagraph 3(e)(iii) is subject to section 2.5 of MI 45-102 only if the right to purchase, convert or exchange was previously acquired under one of the Northwest Territories' exemptions listed in Appendix D of MI 45-102.
- (b) Notwithstanding section 2.4 of MI 45-102, the first trade of a security distributed under subparagraph 3(e)(iii) other than a security acquired in the circumstances described in paragraph (a) above is subject to section 2.6 of MI 45-102.

- (c) In respect of subsection 2.8(3) of MI 45-102, paragraph (b) of Condition 5 applies in place of paragraph (a) to a security distributed to a selling security holder under subparagraph 3(e)(iii) if the right to purchase, convert or exchange was not acquired under one of the Northwest Territories' exemptions listed in Appendix D of MI 45-102.

DATED at Yellowknife in the Northwest Territories this 21st day of November, 2002.

Gary MacDougall

Gary I. MacDougall,
Registrar of Securities