

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

AMENDMENT NO. 3

TO

BLANKET ORDER NO. 2

WHEREAS section 4 of the *Securities Act* provides that no person or company shall trade in a security or act as an adviser unless the person or company is registered for that purpose under the *Securities Act*, or unless the Registrar has ordered that a person or company is exempt from the requirement to register;

AND WHEREAS the Registrar issued Blanket Order No. 2 on March 28, 2000, to exempt persons from the requirement to register in the Northwest Territories in respect of certain trades in securities;

AND WHEREAS *National Instrument 45-106 Prospectus and Registration Exemptions* will come into effect on September 14, 2005, providing for uniform or harmonized exemptions across Canada;

AND WHEREAS the Registrar is of the opinion that Blanket Order No. 2 should be amended to repeal those exemptions that are replaced by corresponding exemptions under *National Instrument 45-106 Prospectus and Registration Exemptions*;

NOW, THEREFORE, IT IS ORDERED THAT BLANKET ORDER NO. 2 IS AMENDED AS FOLLOWS:

1. The recitals are repealed and the following is substituted:

WHEREAS section 4 of the *Securities Act* provides that no person or company may trade in a security or act as an adviser unless the person or company is registered for that purpose under the *Securities Act*, or unless the Registrar has ordered that a person or company is exempt from the requirement to be registered;

AND WHEREAS section 2 of the *Securities Act* provides that the registration requirements do not apply to certain trades in securities;

AND WHEREAS the Registrar is of the opinion that certain other trades not listed in section 2 of the *Securities Act* should be exempt from the registration requirements without the need to apply for a separate exemption for each trade;

AND WHEREAS the Registrar is of the opinion that it would not be prejudicial to the public interest to do so;

2. Sections 1 to 3 are repealed and the following is substituted:

1. In this Order, the following definitions apply:

"**control person**" means any person or corporation or any combination of persons and corporations holding:

(a) a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer; or

(b) more than 20% of the voting rights attached to all outstanding voting securities of the issuer, except where there is evidence showing that the holding of those voting rights does not affect materially the control of that issuer;

"issuer" means a person who or corporation that:

(a) has outstanding securities;

(b) is issuing a security; or

(c) proposes to issue a security;

"person" means any individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative.

2. Registration is not required in respect of a trade where:

(a) except in respect of a trade in a security of an issuer from the holdings of a control person, the trade is made to a lender, pledgee, mortgagee or other encumbrancer for the purpose of giving collateral for a *bona fide* debt;

(b) the trade is in securities issued by a co-operative association pursuant to the *Co-operative Associations Act*; or

(c) the trade is commenced before September 14, 2005, in reliance upon an exemption that applied before that date, provided that all terms and condition of the exemption as they applied before that date are complied with.

3. The exemptions in section 2 are not available:

(a) with respect to trades by a person or corporation that is in default of any requirement of the *Securities Act*, the regulations made under the *Securities Act* or a decision of the Registrar; or

(b) where the Registrar so orders.

3. These amendments come into force on September 14, 2005.

DATED at Yellowknife in the Northwest Territories this 1st day of September, 2005.

"Gary MacDougall"

Gary I. MacDougall
Registrar of Securities