

Blanket Order No. 51-504

IN THE MATTER OF THE SECURITIES ACT,
R.S.N.S. 1989, CHAPTER 418, AS AMENDED (the "Act")

- AND-

IN THE MATTER OF THE COMMUNITY ECONOMIC-DEVELOPMENT
CORPORATIONS REGULATIONS (the "CEDC Regulations")

-AND-

IN THE MATTER OF RULE 51-102
CONTINUOUS DISCLOSURE OBLIGATIONS ("Rule 51-102")

EXEMPTION ORDER
(Section 151 of the Act and Section 13.1 of Rule 51-102)

WHEREAS:

1. Under Section 22 of the CEDC Regulations, if a community economic-development corporation ("CEDC") that is not a reporting issuer has met its minimum offering amount and has certified to the trustee that all conditions of closing have been met and if the initial closing has occurred, the CEDC and every person or company who would be an insider of the CEDC if the CEDC were a reporting issuer and every person or company who would be in a special relationship with the CEDC within the meaning of subsection 82(5) of the Act if the CEDC were a reporting issuer, is subject to Sections 81 and 82 of the Act and the related provisions of the Securities Rules, as defined in the CEDC Regulations, to the same extent as if the CEDC were a reporting issuer and the person or company were an insider of the CEDC or in a special relationship with the CEDC, subject to the exceptions set out in that subsections 22(2),(3) and (4) of the CEDC Regulations.
2. Rule 51-102, which approved National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102") as a rule of the Commission, came into effect on March 30, 2004. It contains the continuous disclosure requirements for all reporting issuers other than investment funds. This includes a CEDC that is subject to Section 22 of the CEDC Regulations.
3. A CEDC that is subject to Section 22 of the CEDC Regulations is required to comply with the provisions in NI 51-102, many of which are not relevant to a CEDC.
4. The Director is satisfied that to do so would not be prejudicial to the public interest.

It is ordered pursuant to section 151 of the Act that Blanket Order No. 51-503 is revoked.

THE DECISION of the Director under Section 13.1 of NI 51-102 is that a CEDC is exempt from NI 51-102 except for:

- a) subsection 4.1(1) with the additional requirement that the annual financial statements, as described in the attached Appendix A, of the CEDC shall be filed within 140 days from the end of the CEDC's most recently completed financial year;
- b) subsections 4.3(1) and 4.3(2) for the interim financial statements or report, as described in the attached Appendix B, of the CEDC for the second quarter of each of its financial years with the additional requirement that these financial statements or reports shall be filed within 60 days from the end of the second quarter;
- c) Section 4.6 unless the CEDC sends to all its security holders a copy of the CEDC's annual financial statements or report and second quarter financial statements or report required to be filed under paragraphs a) and b) above at the same time that the financial statements are filed; and
- d) Part 7.

DATED at Halifax, Nova Scotia, this 13th day of April, 2011.

“Kevin Redden”

Kevin Redden,
Director, Corporate Finance

Appendix A

Annual Financial Statements

Annual financial statements include

- 1 (a) an income statement, a statement of retained earnings, and a cash flow statement for
 - (i) the most recently completed financial year; and
 - (ii) the financial year immediately preceding the most recently completed financial year, if any;
- (b) a balance sheet as at the end of each of the periods referred to in paragraph (a); and
- (c) notes to the financial statements;

or

- 2 (a) a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows for
 - (i) the most recently completed financial year; and
 - (ii) the financial year immediately preceding the most recently completed financial year, if any;
- (b) a statement of financial position as at the end of each of the periods referred to in paragraph (a);
- (c) in the following circumstances, a statement of financial position as at the beginning of the financial year immediately preceding the most recently completed financial year:
 - (i) the CEDC discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
 - (ii) the CEDC
 - (A) applies an accounting policy retrospectively in its annual financial statements,

- (B) makes a retrospective restatement of items in its annual financial statements, or
- (C) reclassifies items in its annual financial statements;
- (d) in the case of the CEDC's first IFRS financial statements, the opening IFRS statement of financial position at the date of transition to IFRS; and
- (e) notes to the annual financial statements.

Appendix B

Interim Financial Statements or Report

Interim Financial Statements must include

- (a) a balance sheet as at the end of the interim period and a balance sheet as at the end of the immediately preceding financial year, if any;
- (b) an income statement, a statement of retained earnings and a cash flow statement, all for the year-to-date interim period, and comparative financial information for the corresponding interim period in the immediately preceding financial year, if any;
- (c) for interim periods other than the first interim period in a CEDC's financial year, an income statement and cash flow statement for the six month period ending on the last day of the interim period and comparative financial information for the corresponding period in the preceding financial year, if any; and
- (d) notes to the financial statements

An interim financial report must include

- (a) a statement of financial position as at the end of the interim period and a statement of financial position as at the end of the immediately preceding financial year, if any;
- (b) a statement of comprehensive income, a statement of changes in equity and a statement of cash flows, all for the year-to-date interim period, and comparative financial information for the corresponding interim period in the immediately preceding financial year, if any;
- (c) for interim periods other than the first interim period in a CEDC's financial year, a statement of comprehensive income for the six month period ending on the last day of the interim period and comparative financial information for the corresponding period in the immediately preceding financial year, if any;
- (d) in the following circumstances, a statement of financial position as at the beginning of the immediately preceding financial year:
 - (i) the CEDC discloses in its interim financial report an unreserved statement of compliance with International Accounting Standard 34 *Interim Financial Reporting*, and

- (ii) the CEDC
 - (A) applies an accounting policy retrospectively in its interim financial report,
 - (B) makes a retrospective restatement of items in its interim financial report, or
 - (C) reclassifies items in its interim financial report;
- (e) in the case of the CEDC's first interim financial report required to be filed in the year of adopting IFRS, the opening IFRS statement of financial position at the date of transition to IFRS; and
- (f) notes to the interim financial report.