

Headnote

Application for exemptive relief under Section 79 of the Securities Act (Nova Scotia) (the Act) to permit Filer to resell common shares issued by a Community-Economic Development Corporation (the Issuer) – Exemptions contained in the Community-Economic Development Corporation Regulations under the Act (CEDC Regulations) and other prospectus exemptions are not available – Purchaser doesn't need protections of prospectus requirements - Purchaser is a shareholder and former director of the Issuer and has knowledge of and has access to information about the Issuer – Exemptive relief in this case not prejudicial to the public interest – If the shares had been distributed in reliance on the CEDC Regulations rather than any other prospectus exemption, the resale of the shares to the Purchaser would be exempt.

Applicable Legislative Provisions

Securities Act, R.S.N.S. 1989, c. 418, sections 58 and 79

IN THE MATTER OF: The *Securities Act*, R.S.N.S. 1989, c. 418, as amended (the **Act**)

- and -

IN THE MATTER OF: The Sou'wester Wind Field Inc.

DECISION (Section 79)

UPON the application of The Sou'wester Wind Field Inc. (the **Filer**) to the Nova Scotia Securities Commission (the **Commission**) for an exemption pursuant to Section 79 of the Act that the distribution by the Filer of the Subject Shares (as defined below) of Scotian Wind Inc. (**Scotian Wind**) to Richard Nickerson (the **Purchaser**) be exempt from Section 58 of the Act (the **Prospectus Requirement**);

AND UPON reading the application and the recommendation of staff of the Commission;

AND UPON the Filer having represented to the Commission that:

1. The Filer is a body corporate incorporated pursuant to the *Companies Act* (Nova Scotia) on September 14, 2004. The Filer's head office is located in Tupper Lake, Nova Scotia.
2. The Filer is not a reporting issuer in any jurisdiction. The Filer has issued common shares under the *Community-Economic Development Corporations Regulations* (**CEDC Regulations**) of the Act.
3. Scotian Wind is a body corporate incorporated pursuant to the *Companies Act* (Nova Scotia) on August 25, 2011. Scotian Wind's head office is located in Halifax, Nova Scotia.
4. Scotian Wind is not a reporting issuer in any jurisdiction and is not a "private issuer" as defined in National instrument 45-106 - *Prospectus Exemptions* (**NI 45-106**). Scotian Wind has issued common shares under the CEDC Regulations.

5. Both Scotian Wind and the Filer are involved in the alternative and renewable energy sector, particularly wind energy, and in researching and pursuing wind development opportunities in their respective communities. The Filer is involved in projects in the communities of Queens, Shelburne, and Lunenburg, while Scotian Wind has projects across Nova Scotia.
6. The Filer is the holder of 155,754 common shares of Scotian Wind (the **Subject Shares**). The Subject Shares were issued to the Filer in a transaction that was subject to an exemption from the Prospectus Requirement, other than the exemption in the CEDC Regulations.
7. The Purchaser is an individual residing in Nova Scotia and is currently a director, officer and shareholder of the Filer. The Purchaser is not currently an "accredited investor" as defined in NI 45-106.
8. The Purchaser was an original investor, founder and director of Scotian Wind. The Purchaser is currently a shareholder of Scotian Wind but is no longer a founder or director of Scotian Wind. As such, the Purchaser is familiar with the business, operations and management of Scotian Wind.
9. The Purchaser is a sophisticated businessperson having interests in several business enterprises. The Purchaser has been involved in the renewable energy sector since its establishment in Nova Scotia and therefore, has knowledge of the nature of investments in Scotian Wind and the risks associated thereto. The Purchaser also has access to resources, including independent legal and financial advice in order to make an informed investment decision.
10. The Filer intends to sell to the Purchaser and the Purchaser intends to purchase from the Filer the Subject Shares, subject to compliance with applicable securities laws.
11. A distribution of common shares of Scotian Wind to the Purchaser from another holder of such shares which were received under the CEDC Regulations would be exempt from the Prospectus Requirement.

AND UPON the Commission being satisfied that to do so would not be prejudicial to the public interest.

IT IS ORDERED, pursuant to Section 79 of the Act, that the distribution of the Subject Shares by the Filer to the Purchaser is exempt from the Prospectus Requirement provided that the first trade of any Subject Shares acquired under this decision is deemed to be a distribution.

DATED at Halifax, Nova Scotia, this 10th day of June, 2020.

NOVA SCOTIA SECURITIES COMMISSION

(signed) "Paul Radford"
Paul E. Radford, Q.C.
Chair