

Headnote

Application for relief from the registration and prospectus requirements for the distribution of securities by a reporting issuer with a head office in Nova Scotia to residents outside Canada – The offering of the securities will be under a Dutch prospectus and will be made in accordance with all applicable laws of the Netherlands- All disclosure materials for the offering will state prominently that the securities are not being offered or sold in Canada-Relief granted.

Applicable Legislative Provisions

Securities Act, R.S.N.S. 1989, c. 418, as amended, ss. 31, 58, 79.

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

- and -

IN THE MATTER OF: Homburg Invest Inc.

RULING **(Section 79)**

UPON the application of Homburg Invest Inc. (“**Homburg Invest**”) to the Nova Scotia Securities Commission (the “**Commission**”) for a ruling pursuant to Section 79 of the Act that the following distributions are exempt from Sections 31 and 58 of the Act:

- (i) the distribution of up to 75,000 Homburg Capital Securities A with a par value of EUR 1,000 of Homburg Invest (the “**Debentures**”), for an aggregate principal amount of up to EUR 75,000,000 to be issued in connection with a public offering to retail investors and certain institutional investors in the Netherlands (the “**Offering**”); and
- (ii) the distribution of Class A Preferred Shares, with a nominal value of EUR 1, in the capital of Homburg Invest (“**Class A Preferred Shares**”), which may be issued from time to time to the holders of the Debentures in satisfaction of Homburg Invest's obligation to pay interest on the Debentures.

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

AND UPON Homburg Invest having represented to the Commission that:

1. Homburg Invest was incorporated under the *Business Corporations Act* (Alberta) on September 8, 1999. Homburg Invest owns a diverse portfolio of real estate including

office, retail, warehouse and residential apartment and townhouse properties throughout Canada, the United States and Europe (Germany, Baltics and the Netherlands).

2. The head office and principal place of business of Homburg Invest is located at Suite 600, 1741 Brunswick Street, Halifax, Nova Scotia B3J 3X8.
3. Homburg Invest is a reporting issuer not in default in all the provinces and territories of Canada.
4. The authorized capital of Homburg Invest consists of an unlimited number of Class A Subordinate Voting Shares (the "**Class A Shares**"), an unlimited number of Class B Multiple Voting Shares (the "**Class B Shares**"), an unlimited number of Class A Preferred Shares, issuable in series and an unlimited number of Class B Preferred Shares, issuable in series, of which, as of December 31, 2008, 16,790,018 Class A Shares, 3,150,239 Class B Shares, no Class A Preferred Shares and no Class B Preferred Shares were issued and outstanding.
5. The Class A Shares and the Class B Shares are listed and posted for trading on the Toronto Stock Exchange ("**TSX**") under the symbols "HII.A" and "HII.B", respectively. The Class A Shares are also listed on the stock market of the Euronext Amsterdam N.V. (the "**Euronext**") under the symbol "HII".
6. Homburg Invest intends to make the Offering of up to 75,000 Debentures, for an aggregate principal amount of up to EUR 75,000,000. The Debentures are 99-year unsecured and subordinated debt obligations with a fixed interest rate. Interest on the Debentures will be payable quarterly in arrears. The terms of the Debentures will provide that Homburg Invest has the option to pay accrued interest on the Debentures in cash (in Euros) or by issuing a fixed number of fully paid non-assessable series of Class A Preferred Shares. The holders of the Class A Preferred Shares will be entitled to fixed, preferential, cumulative, dividend payments, if and when decided, however, they are not entitled to receive notice of, attend or vote at any meetings of the shareholders of Homburg Invest.
7. If Class A Preferred Shares are issued on more than one interest payment date, each issuance will constitute a separate series of Class A Preferred Shares.
8. Homburg Invest has retained Homburg Participaties B.V. ("**Homburg Participaties**") as co-ordinator of the Offering. Homburg Participaties is an investment firm licensed pursuant to Section 2:96 of the Dutch *Financial Supervision Act (Wet op het financieel toezicht)*, as amended (the "**Dutch Act**"), and is controlled by Mr. Richard Homburg.
9. In its capacity as co-ordinator, Homburg Participaties is responsible for the sale and marketing of the Debentures. Homburg Participaties will place a minimum amount of EUR 25,000,000 of Debentures and a maximum amount of EUR 75,000,000 in Debentures on a best efforts basis.
10. Homburg Participaties will focus its marketing efforts on Dutch investors in the Netherlands (either private individuals or corporations) (the "**Purchasers**"). The Debentures will not be offered for sale in Canada and have not been and will not be qualified for distribution in Canada by the filing of a prospectus with any securities regulatory authority or commission in Canada.

11. The Offering is to be qualified under a prospectus (the "**Prospectus**") for the purposes of Section 3 of Directive 2003/71/EC adopted by the European Parliament and the Council of the European Union ("**Prospectus Directive**") and the Prospectus is being prepared in accordance with Section 5:2 of the Dutch Act, and the rules promulgated thereunder. The Offering will be made in accordance with all applicable laws of the Netherlands.
12. A draft of the Prospectus was filed on or about February 14, 2009 with the Netherlands Authority for the Financial Markets (*Autoriteit Financiële Markten*).
13. Homburg Invest expects to apply to have the Debentures listed on the Euronext before January 31, 2011. The Debentures are not expected to be listed on the TSX.
14. Homburg Invest currently does not intend that the Class A Preferred Shares will be admitted to listing on any stock exchange, although admittance of the Class A Preferred Shares on a stock exchange may be requested in the future.
15. Although the distribution of the Debentures and the Class A Preferred Shares will take place outside of Canada, the head office of Homburg Invest is situated in Nova Scotia and it is possible that activities incidental to the Offering or the issuance of the Class A Preferred Shares to holders of the Debentures may occur in Nova Scotia, which may constitute a "trade" as defined in the Act.
16. The Prospectus will state in bold on the cover page that the Debentures are not being offered for sale in Canada and have not been and will not be qualified for distribution in Canada by the filing of a prospectus with any securities regulatory authority or commission in Canada.
17. The agreement with Homburg Participaties will contain an undertaking by Homburg Participaties not to market or sell, directly or indirectly, the Debentures to residents of Canada.
18. All publicity materials, press releases, analyst presentations, marketing and road show materials will state prominently that the Debentures are not being offered or sold in Canada and that a prospectus is not being filed in Canada in respect of the Offering. In addition, except to the extent required by applicable Canadian continuous disclosure obligations, none of the documents pertaining to the Offering will be filed, used or circulated in Canada or to residents of Canada.
19. Homburg Invest's option to pay accrued interest on the Debentures by issuing Class A Preferred Shares will be an express term of the Debentures and will be fully disclosed to the Purchasers in the Prospectus.

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

IT IS RULED, pursuant to Section 79 of the Act, that the distribution of the Debentures pursuant to the Offering and the distribution of the Class A Preferred Shares which may be

issued from time to time to holders of the Debentures in satisfaction of Homburg Invest's obligation to pay interest on the Debentures are exempt from Sections 31 and 58 of the Act.

DATED at Halifax, Nova Scotia, this 25th day of February, 2009.

"H. Leslie O'Brien"
