

NOVA SCOTIA SECURITIES COMMISSION

RULE 45-501

**STATUTORY LIABILITY FOR MISREPRESENTATIONS IN AN
OFFERING MEMORANDUM UNDER CERTAIN EXEMPTIONS
FROM THE PROSPECTUS REQUIREMENT**

PART 1 DEFINITIONS

1.1 In this rule,

“Act” means the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended; and

“NI 45-106” means National Instrument 45-106 *Prospectus and Registration Exemptions*.

PART 2 STATUTORY RIGHTS OF ACTION IN AN OFFERING MEMORANDUM

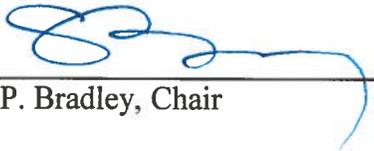
2.1 With respect to an offering memorandum that has been furnished to a prospective purchaser in connection with a distribution of a security, the following exemptions from section 58 of the Act are specified for the purpose of the statutory rights of action for a misrepresentation in an offering memorandum in section 138 of the Act:

- (a) a prospectus exemption in one of the following sections of NI 45-106:
 - (i) 2.3 Accredited investor;
 - (ii) 2.5 Family, friends and business associates;
 - (iii) 2.9 Offering memorandum;
 - (iv) 2.10 Minimum amount investment;
 - (v) 2.19 Additional investment in investment funds;
- (b) subsection 3(2) of the *Community Economic-Development Corporations Regulations*; and
- (c) clause 77(1)(ah) of the Act.

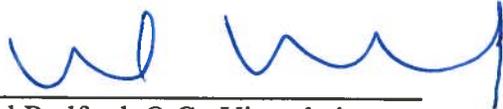
PART 3 EFFECTIVE DATE

3.1 This rule shall take effect on **March 31, 2014**, unless the Minister disapproves the rule or returns it to the Commission in accordance with subsection 150A(3) of the Act in which event the rule shall not be effective until the rule is approved by the Minister.

IN WITNESS WHEREOF this Instrument is made a rule by the signatures of the Chair and Vice-chair of the Commission, being the members of the Commission prescribed by the Chair pursuant to subsection 15(3) of the Act to attend the hearing of this matter and the quorum with respect to this matter, on the 15th day of January, 2014.



Sarah P. Bradley, Chair



Paul Radford, Q.C., Vice-chair