

Blanket Order No. 44-503

**In the Matter of
the Securities Act, R.S.N.S. 1989, chapter 418,
as amended (the "Act")**

-and-

**In the Matter of
an order exempting issuers whose securities are listed on
the Alpha Main marketplace operated by Alpha Exchange Inc.
from certain requirements of securities legislation**

**Order
(Section 151A)**

WHEREAS:

1. the Ontario Securities Commission rendered an order recognizing each of Alpha Exchange Inc. ("Alpha Exchange") and Alpha Trading Systems Limited Partnership ("Alpha LP") as an exchange on December 8, 2011 ("Recognition Order");
2. the Autorité des marchés financiers rendered order n° 2012-PDG-0024 exempting Alpha Exchange and Alpha LP from the requirement to be recognized as a stock exchange, an exchange or a self-regulatory organization on March 13, 2012 ("Exempting Order"), which evidences the decision of the Nova Scotia Securities Commission (the "Commission");
3. it is expected that the operations of Alpha ATS Limited Partnership ("Alpha ATS") will be legally transferred to Alpha Exchange;
4. the Recognition Order will be effective as at the later of: (a) February 1, 2012; or (b) the date the operations of Alpha ATS have been legally transferred to Alpha Exchange;
5. the Exempting Order will be effective as at the date the operations of Alpha ATS have been legally transferred to Alpha Exchange;
6. Alpha Exchange intends to operate two marketplaces, referred to as "Alpha Venture Plus" and "Alpha Main", Alpha Main having listing requirements with more rigorous standards than Alpha Venture Plus;

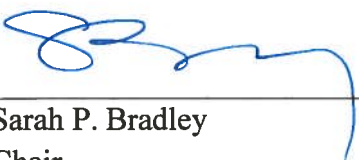
7. Nova Scotia securities laws applicable to issuers may vary depending on which marketplace or exchange the issuers' securities are listed or quoted on;
8. it is appropriate that issuers whose securities will be listed on the Alpha Main marketplace (individually, an "Alpha Main Issuer" and collectively the "Alpha Main Issuers") be subject to, and benefit from, the same Nova Scotia securities laws as that which applies to issuers whose securities are listed on the Toronto Stock Exchange Inc. ("TSX");
9. one of the requirements applicable to an issuer who meets the definition of *IPO venture issuer* provided in National Instrument 41-101 *General Prospectus Requirements* and in National Instrument 52-107 *Acceptable Accounting Principles and Audit Standards* is that an issuer not have any of its securities listed or quoted on the TSX, a United States of America marketplace, or a marketplace outside of Canada and the United States of America, other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc;
10. the definition of *short form eligible exchange* provided in National Instrument 44-101 *Short Form Prospectus Distributions* and in any other rule where reference is made to this definition, refers to each of the TSX, Tier 1 and Tier 2 of the TSX Venture Exchange and the Canadian National Stock Exchange;
11. one of the requirements applicable to an issuer who meets the definition of *exempt issuer* provided in National Policy 46-201 *Escrow for Initial Public Offerings* ("National Policy 46-201") is that an issuer, after its initial public offering ("IPO"), have securities listed on the TSX and be classified by the TSX as an exempt issuer;
12. one of the requirements applicable to an issuer who meets the definition of *established issuer* provided in National Policy 46-201 is that an issuer, after its IPO, have securities listed on the TSX and not be classified by the TSX as an exempt issuer or have securities listed on the TSX Venture Exchange and be a TSX Venture Tier 1 issuer;
13. one of the requirements applicable to an issuer who meets the definition of *venture issuer* provided in National Instrument 51-102 *Continuous Disclosure Obligations*, National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*, National Instrument 52-110 *Audit Committees*, National Instrument 58-101 *Disclosure of Corporate Governance Practices* and in any other regulation where reference is made to this definition, is that at the applicable time, the reporting issuer not have any of its securities listed or quoted on the TSX, a United States of America marketplace, or a marketplace outside of Canada and the United States of America, other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc;

14. the above-cited definitions, requirements or exemptions currently do not refer to the marketplaces that Alpha Exchange intends to operate;
15. it may be appropriate to revise Nova Scotia securities laws to include the Alpha Main marketplace, where applicable, and until this is done, it is important that Alpha Main Issuers comply with, and benefit from, requirements that are fair and equal when compared to other issuers that have securities listed on comparable stock exchanges;
16. the Commission may, pursuant to section 151A of the Act, exempt a person or company or a category of persons or companies from any or all of the provisions of the Act or regulations, where it is of the opinion that it is not prejudicial to the public interest; and
17. the Commission is satisfied that it is not prejudicial to the public interest to do so.

IT IS ORDERED, pursuant to subsection 151A(1) of the Act, that each Alpha Main Issuer is exempt from the requirements listed in Schedule A, on the condition that it files with the Commission an original copy of an undertaking it signed in favor of the Commission, prior to having its securities listed on the Alpha Main marketplace by Alpha Exchange, in the form provided for in Schedule B (the "Issuer Undertaking"), and concurrently delivers a copy thereof to Alpha Exchange.

This exemption order will come into force, become effective and apply to an Alpha Main Issuer as at the date at which all of the following conditions are met: (i) the Exempting Order has come into force and became effective; and (ii) the securities of the Alpha Main Issuer are listed on the Alpha Main marketplace.

Dated at Halifax, Nova Scotia, this 30th day of March, 2012.



Sarah P. Bradley
Chair

SCHEDULE A

Exemptions from the following requirements:

1. All provisions contained in National Instrument 41-101 *General Prospectus Requirements* that apply to an issuer whose securities will be listed on the Alpha Main marketplace (“Alpha Main Issuer”) as a result of the fact that it meets the definitions of *venture issuer* and *IPO venture issuer*, within the meaning of that rule;
2. The requirement of subsection 2.2(e) of National Instrument 44-101 *Short Form Prospectus Distributions* (“NI 44-101”) that an Alpha Main Issuer’s equity securities be listed and posted for trading on a *short form eligible exchange*, within the meaning of that rule, if the Alpha Main Issuer’s equity securities are listed on the Alpha Main marketplace;
3. The requirement of subsection 2.2(1) of National Instrument 44-102 *Shelf Distributions* that an Alpha Main Issuer be qualified under section 2.2 of NI 44-101 to file a preliminary short form prospectus that is a preliminary base shelf prospectus, on the condition that the Alpha Main Issuer meet all the requirements of such provision, except for the requirement that its equity securities be listed for trading on a *short form eligible exchange*, within the meaning of NI 44-101, if the Alpha Main Issuer’s equity securities are listed on the Alpha Main marketplace;
4. All provisions contained in National Policy 46-201 *Escrow for Initial Public Offerings* that apply to an Alpha Main Issuer if it meets the definition of *emerging issuer*, within the meaning of that Policy;
5. All provisions contained in National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”) that apply to an Alpha Main Issuer as a result of the fact that it meets the definition of *venture issuer*, within the meaning of that rule;
6. The requirement of section 11.2 of NI 51-102 to file a change of status report, so long as an Alpha Main Issuer remains an Alpha Main Issuer;
7. The requirement of paragraph 4.2(1)(b) of National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* (“NI 52-109”) to file an *annual certificate*, within the meaning of that rule, on Form 52-109FV1 that applies to an Alpha Main Issuer as a result of the fact that it meets the definition of *venture issuer*, within the meaning of that rule;
8. If the first financial period that ends after the Alpha Main Issuer’s securities become listed on the Alpha Main marketplace is a financial year and if the Alpha Main Issuer files an annual certificate on Form 52-109F1–IPO/RTO for the first financial year that ends after the Alpha Main Issuer’s securities become listed on

the Alpha Main marketplace, the requirement of subsection 4.2(1) of NI 52-109 to file an annual certificate on Form 52-109F1;

9. If the first financial period that ends after the Alpha Main Issuer's securities become listed on the Alpha Main marketplace is an *interim period*, within the meaning of NI 51-102 and if the Alpha Main Issuer files an *interim certificate*, within the meaning of NI 51-102, on Form 52-109F2–IPO/RTO for the first *interim period* that ends after the Alpha Main Issuer's securities become listed on the Alpha Main marketplace, the requirement of subsection 5.2(1) of NI 52-109 to file an *interim certificate* on Form 52-109F2;
10. The requirement of paragraph 5.2(1)(b) of NI 52-109 to file an *interim certificate* on Form 52-109FV2 that applies to an Alpha Main Issuer as a result of the fact that it meets the definition of *venture issuer*, within the meaning of that rule;
11. The requirement of section 6.2 of National Instrument 52-110 *Audit Committees* that applies to an Alpha Main Issuer as a result of the fact that it meets the definition of *venture issuer*, within the meaning of that rule; and
12. The requirement of section 2.2 of National Instrument 58-101 *Disclosure of Corporate Governance Practices* to include, in an Alpha Main Issuer's management information circular, its *AIF* or annual *MD&A*, within the meaning of that rule, as the case may be, the disclosure required by Form 58-101F2 that applies to an Alpha Main Issuer as a result of the fact that it meets the definition of *venture issuer*, within the meaning of that rule.

SCHEDULE B

Form of undertaking

NOVA SCOTIA SECURITIES COMMISSION

P. O. Box 458

2nd Floor, 1690 Hollis Street

Halifax, Nova Scotia B3J 3P8

ISSUER UNDERTAKING

_____ (the “Alpha Main Issuer”) hereby undertakes in favor of the Nova Scotia Securities Commission (the “Commission”) to comply with the following provisions or requirements established under the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended:

1. All the provisions contained in National Instrument 41-101 *General Prospectus Requirements* as if the Alpha Main Issuer was neither a *venture issuer* nor an *IPO venture issuer*, within the meaning of that rule;
2. If the Alpha Main Issuer has a market capitalization of less than \$100,000,000, as calculated in accordance with National Policy 46-201 *Escrow for Initial Public Offerings* (“National Policy 46-201”), all the provisions contained in National Policy 46-201 as if the Alpha Main Issuer was considered an *established issuer*, within the meaning of that Policy;
3. All the provisions contained in National Instrument 51-102 *Continuous Disclosure Obligations* (“NI 51-102”) as if the Alpha Main Issuer was not a *venture issuer*, within the meaning of that rule;
4. The requirement of subsection 11.2(a) of NI 51-102 to file a change of status report in the case when the Alpha Main Issuer’s securities become listed on the Alpha Venture Plus marketplace operated by Alpha Exchange Inc. or any other stock exchange considered as a venture exchange;
5. The requirements of subparagraphs 3.11(1)(f)(iv) and 3.11(6)(d)(iii) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* to prepare acquisition statements in accordance with Canadian GAAP applicable to

private enterprises and include specific notes, as the case may be, as if the Alpha Main Issuer was neither a *venture issuer* nor an *IPO venture issuer*, within the meaning of that rule;

6. All the provisions contained in National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* as if the Alpha Main Issuer was a *non-venture issuer*, within the meaning of that rule;
7. The requirements of Part 3 *Composition of the Audit Committee* (sections 3.1 to 3.9 inclusive) of National Instrument 52-110 *Audit Committees* ("NI 52-110"), as if the Alpha Main Issuer was a not a *venture issuer*, within the meaning of that rule;
8. The requirements of Part 5 *Reporting Obligations* (sections 5.1 and 5.2) of NI 52-110, as if the Alpha Main Issuer was not a *venture issuer*, within the meaning of that rule; and
9. The requirements of section 2.1 of National Instrument 58-101 *Disclosure of Corporate Governance Practices* to include in the Alpha Main Issuer's management information circular, its *AIF* or annual *MD&A*, within the meaning of that rule, as the case may be, the disclosure required by Form 58-101F1, as if the Alpha Main Issuer was not a *venture issuer*, within the meaning of that rule.

The undersigned acknowledges that failing to comply with the present Issuer Undertaking may result in the Commission taking steps to ensure its compliance.

[Place, Date]

[Name, Function], duly authorized