

RULE 14-501

DEFINITIONS

PART 1 DEFINITIONS

1.1 Definitions - In this rule

Every term used in a rule, including this rule, and decisions made after this rule comes into force, that is

(a) defined or interpreted in the Act has the meaning ascribed to it in the Act unless it is otherwise defined or interpreted in the rule, this rule or the decision or the context otherwise requires;

(b) defined in regulations which are not deemed to be rules or defined in the General Securities Rules has the meaning ascribed to it in those regulations or the General Securities Rules unless it is otherwise defined or interpreted in the rule, this rule or the decision or the context otherwise requires; and

(c) defined in National Instrument 14-101 Definitions, as amended from time to time, has the meaning ascribed to it in that National Instrument unless it is otherwise defined or interpreted in the rule or decision or the context otherwise requires.

1.2 Idem

In a rule, including this rule, or a decision made after this rule comes into force, unless otherwise defined in the rule or decision

"Act" means the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended from time to time;

"AIF" means an annual information form filed under Nova Scotia securities law;

"broker" means a person or company that is registered under the Act in the category of broker;

"business day" means any day other than a Saturday, a Sunday or a statutory holiday;

"Commission member" means a member of the Commission;

"control person distribution" means a trade described in the definition of "distribution" in subclause 2(1)(1)(iii) of the Act;

"convertible security" means a security that, by its terms, is convertible into, or exercisable or exchangeable for, or that carries the right to purchase or cause the purchase of, another security;

"custodian" means a person or company that holds securities for the benefit of another under a custodial agreement or other custodial arrangement;

"derivative" means an instrument, agreement or security, the market price, value or payment obligations of which is derived from, referenced to, or based on an underlying interest;

"executive officer" means an individual who is or at any time during the most recently completed financial year was (a) a chair of the issuer, if that individual performed the functions of the office on a full time basis, (b) a vice-chair of the issuer, if that individual

performed the functions of the office on a full time basis, (c) the president of the issuer, (d) a vice-president of the issuer in charge of a principal business unit, division, or function such as sales, finance, or production, (e) an officer of the issuer or any of its subsidiaries who performed a policy-making function in respect of the issuer, or (f) any other person who performed a policy-making function in respect of the issuer;

"General Securities Rules" means the rules deemed by subsection 150A (9) of the Act to have been made pursuant to section 150 of the Act, as amended from time to time;

"investment counsel" means a person or company that is registered under the Act in the category of investment counsel;

"investment dealer" means a person or company that is registered under the Act in the category of investment dealer;

"MD&A" means management's discussion and analysis of financial condition and results of operations prepared in accordance with Nova Scotia securities law;

"mutual fund dealer" means a person or company that is registered under the Act in the category of mutual fund dealer;

"Nova Scotia securities law" means the Act, the regulations, and in respect of a person or company, a decision to which the person or company is subject;

"option" means an agreement that provides the holder with the right, but not the obligation, to do one or more of the following on terms or at a price established by or determinable by reference to the agreement at or by a time established by the agreement:

- (A) receive an amount of cash determinable by reference to a specified quantity of the underlying interest of the option.
- (B) purchase a specified quantity of the underlying interest of the option.
- (C) sell a specified quantity of the underlying interest of the option;

"principal shareholder", if used to indicate a relationship with a person or company, means a person or company that is the direct or indirect beneficial owner of or exercises control or direction over more than 10 percent of any class or series of voting securities of the person or company;

"real estate securities dealer" means a person or company that is registered under the Act in the category of real estate securities dealer;

"regulations" means the regulations and rules made pursuant to the Act, and includes the rules that are deemed by the Act to be rules made pursuant to the Act;

"related mutual fund securities" means, for a registrant, securities issued by a dealer managed mutual fund if the registrant is or is an affiliate of the dealer manager of the mutual fund;

"RESP" has the meaning ascribed to "registered education savings plan" in the ITA;

"RRIF" has the meaning ascribed to "registered retirement income fund" in the ITA;

"RRSP" has the meaning ascribed to "registered retirement savings plan" in the ITA;

"scholarship plan dealer" means a person or company that is registered under the Act in the category of scholarship plan dealer;

"Secretary" includes that person who is appointed from time to time by the Commission to be the Secretary for the general purposes of section 11 of the Act and such other person who may be appointed from time to time by the Commission to be the Secretary for a specific purpose designated by the Commission;

"securities adviser" means a person or company that is registered under the Act in the category of securities adviser;

"securities dealer" means a person or company that is registered under the Act in the category of securities dealer;

"security issuer" means an issuer that is registered under the Act in the category of security issuer;

"special relationship", when used in reference to a person or company in a special relationship with a reporting issuer, shall be interpreted in accordance with subsection 82(5) of the Act;

"trust indenture" means an indenture to which an issuer

and a trustee who acts on behalf of the holders of securities of the issuer in respect of which the indenture is entered into are parties;

"trustee" means a person or company named as trustee under a trust indenture;

"underlying interest" means, for a derivative, the security, commodity, financial instrument, currency, interest rate, foreign exchanges rate, economic indicator, index, basket, agreement or benchmark or any other financial reference, interest or variable, and, if applicable, the relationship between any of the foregoing, from, to or on which the market price, value, or any payment obligation of the derivative is derived, referenced or based; and

"Vice-Chair" means the Vice-Chair of the Commission.

Part 2 Effective Date

2.1 This rule comes into effect on the 1st day of January, 2002

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The foregoing is hereby approved and, subject to the Act, is hereby made a rule of the Commission pursuant to the authority contained in section 150 of the Act.

In witness whereof this Instrument has been signed by 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 13th day of October, 2001

"Robert B. MacLellan"
Robert B. MacLellan

"H. Leslie O'Brien"
H. Leslie O'Brien