

IN THE MATTER OF
THE *SECURITIES ACT* S.N.B. c.S-5.5 (the "*Act*")

AND

IN THE MATTER OF
FEE RELIEF UPON THE REPLACEMENT OF
NATIONAL INSTRUMENT 44-101
SHORT FORM PROSPECTUS DISTRIBUTIONS

BLANKET ORDER 11-503

Section 208 of the *Act*
Paragraph 27(a)(ii) of Local Rule 11-501 *Fee Rule*

WHEREAS:

1. Effective 30 December 2005, the New Brunswick Securities Commission (the "Commission") replaced National Instrument 44-101 *Short Form Prospectus Distributions* ("NI 44-101") as a rule under the *Act*.
2. NI 44-101 permits more reporting issuers to use the short form prospectus system by eliminating the minimum market capitalization requirement and the requirement that an issuer be a reporting issuer for a certain length of time before it can use the short form prospectus system.
3. NI 44-101 eliminates duplication and inconsistencies between the short form prospectus system and both National Instrument 51-102 *Continuous Disclosure Obligations* and National Instrument 81-106 *Investment Fund Continuous Disclosure*, thereby better integrating the disclosure regimes for the primary and secondary markets.
4. NI 44-101 further streamlines the short form prospectus system by eliminating the requirement for regulatory review of an issuer's initial annual information form before the issuer could file a short form prospectus.
5. NI 44-101 requires, among other things, an issuer to file with its notice regulator, a notice of intention to be qualified to file a short form prospectus at least 10 days before filing of the issuer's first preliminary prospectus under NI 44-101 in any jurisdiction in Canada.
6. Subsection 4(e) of Local Rule 11-501 *Fee Rule* ("LR 11-501") requires a filing fee of \$1200 for such a notice.

7. LR 11-501 prescribes the fee for the filing of an annual information form for an issuer who is qualified and intends to participate, or is participating, in the short form system. In particular, section 4(d) of LR 11-501 requires a filing fee of \$1200 for an annual information form filed by an issuer eligible to file a short form prospectus.
8. The Commission has determined that requiring an issuer eligible to file a short form prospectus to pay both fees described in section 6 and section 7 would be unduly onerous.

IT IS ORDERED pursuant to section 208 of the *Act* and paragraph 27(a)(ii) of LR 11-501 that subsection 4(e) of LR 11-501 does not apply to an issuer eligible to file a short form prospectus.

IT IS FURTHER ORDERED that this order comes into effect on 30 December 2005.

DATED at Saint John, New Brunswick, this 19th day of December, 2005.

"Donne W. Smith"

Donne W. Smith,
Chair