

Saskatchewan



Saskatchewan
Financial Services
Commission
Securities Division

GENERAL ORDER 44-901

Order Exempting Issuers whose Securities are Listed on the Alpha Venture Plus Marketplace Operated by Alpha Exchange Inc. from Certain Requirements of Securities Legislation

IN THE MATTER OF *THE SECURITIES ACT, 1988*,

and

IN THE MATTER OF ISSUERS WHOSE SECURITIES ARE LISTED ON THE ALPHA VENTURE PLUS MARKETPLACE OPERATED BY ALPHA EXCHANGE INC.

ORDER (Section 160)

WHEREAS the Saskatchewan Financial Services Commission (the “Commission”) has assigned to the Director of the Securities Division (the “Director”) the power to make exemption orders under provisions of *The Securities Act, 1988* (the “Act”) including orders of general application;

AND WHEREAS the staff of the Commission have applied to the Director for an Order pursuant to section 160 of the Act exempting certain issuers whose securities are listed on the Alpha Plus marketplace operated by Alpha Exchange Inc. from certain requirement of securities legislation;

AND WHEREAS it has been represented to the Director that:

1. The Ontario Securities Commission issued an order recognizing Alpha Exchange Inc. (“Alpha Exchange”) and Alpha Trading Systems Limited Partnership (“Alpha LP”) as an exchange on December 8, 2011 (“Recognition Order”);
2. The Director issued an order on March 13, 2012 exempting Alpha Exchange and Alpha LP from the requirement to be recognized as an exchange (“Exempting Order”);
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”;
7. Securities legislation applicable to issuers may vary depending on which marketplace or exchange the issuer’s securities are listed or quoted;
8. It is appropriate that the securities legislation applicable to issuers whose securities will be listed on the Alpha Venture Plus marketplace (individually, an “Alpha Venture Plus Issuer” and collectively the “Alpha Venture Plus Issuers”) be the same as that applicable to issuers whose securities are listed on the TSX Venture Exchange and that are TSX Venture Tier 1 issuers;
9. The definition of “short form eligible exchange” provided in National Instrument 44-101 *Short Form Prospectus Distributions* and in any other legislation where reference is made to this definition, refers to each of the Toronto Stock Exchange (“TSX”), Tier 1 and Tier 2 of the TSX Venture Exchange and the Canadian National Stock Exchange;
10. One of the requirements applicable to an issuer who meets the definition of “established issuer” provided in National Policy 46-201 *Escrow for Initial Public Offerings* is that an issuer, after its initial public offering (“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;
11. The above-cited definitions or requirements currently do not refer to the marketplaces that Alpha Exchange intends to operate;
12. It may be appropriate to revise relevant securities laws to include the Alpha Main and the Alpha Venture Plus marketplaces, where applicable, and until this is done, it is important that the Alpha Venture Plus Issuers comply with, and benefit from, requirements that are fair and equal when compared to other issuers that have securities listed on comparable exchanges;

AND WHEREAS the Director is of the opinion that it would not be prejudicial to the public interest to make this order;

IT IS HEREBY ORDERED pursuant to section 160 of the Act that each Alpha Venture Plus

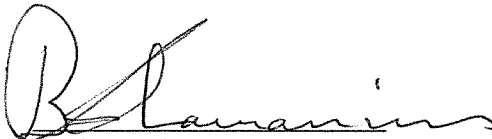
Issuer is exempted from the following requirements:

- a. The requirement of subsection 2.2(e) of National Instrument 44-101 *Short Form Prospectus Distributions* (“National Instrument 44-101”) that the securities of an issuer whose equity securities will be listed on the Alpha Venture Plus marketplace (“Alpha Venture Plus Issuer”) be listed and posted for trading on a “short form eligible exchange”, within the meaning of that legislation, if the Alpha Venture Plus Issuer’s equity securities are listed on the Alpha Venture Plus marketplace;
- b. The requirement of subsection 2.2(1) of National Instrument 44-102 *Shelf Distributions* that an Alpha Venture Plus Issuer be qualified under section 2.2 of National Instrument 44-101 to file a preliminary short form prospectus that is a preliminary base shelf prospectus, on the condition that the Alpha Venture Plus 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 National Instrument 44-101, if the Alpha Venture Plus Issuer’s equity securities are listed on the Alpha Venture Plus marketplace; and
- c. All provisions contained in National Policy 46-201 *Escrow for Initial Public Offerings* that apply to an Alpha Venture Plus Issuer as a result of the fact that it meets the definition of “emerging issuer”, within the meaning of that legislation.

on the condition the Alpha Venture Plus Issuer 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 Venture Plus marketplace by Alpha Exchange, in the form provided for in Schedule A (the “Issuer Undertaking”), and concurrently delivers a copy thereof to Alpha Exchange.

AND IT IS FURTHER ORDERED THAT this exemption order will come into force, become effective and apply to an Alpha Venture Plus 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 Venture Plus Issuer are listed on the Alpha Venture Plus marketplace.

Dated March 30, 2012



Barbara Shourounis
Director

SCHEDULE A

Form of undertaking

Saskatchewan Financial Services Commission
Securities Division
601, 1919 Saskatchewan Drive
Regina, Canada
S4P 4H2

ISSUER UNDERTAKING

_____ (the “Alpha Venture Plus Issuer”) hereby undertakes in favor of the Saskatchewan Financial Services Commission (the “Commission”) to comply with the following provisions or requirements established under legislations made under *The Securities Act, 1988*, (the “Act”):

1. All the provisions contained in National Policy 46-201 *Escrow for Initial Public Offerings* as if the Alpha Venture Plus Issuer was considered an established issuer, within the meaning of that regulation; and
2. The requirement of subsection 11.2(b) of National Instrument *51-102 respecting Continuous Disclosure Obligations* to file a change of status report when the Alpha Venture Plus Issuer’s securities become listed on the Alpha Main marketplace operated by Alpha Exchange Inc. or any other exchange considered as a non-venture exchange.

The undersigned acknowledges that failing to comply with the present Issuer Undertaking may result in the Commission taking steps to ensure its compliance in accordance with section 133 of the Act.

[Place, Date]

(s) _____
[Name, Function], duly authorized