

**THE MANITOBA SECURITIES COMMISSION**  
**MSC RULE 2005-20**  
(Section 149.1, *The Securities Act*)

**LOCAL RULE 45-806**  
***RESALE RESTRICTIONS APPLICABLE TO NI 45-106 PROSPECTUS AND***  
***REGISTRATION EXEMPTIONS***

PART 1 – DEFINITIONS

**Definitions**

**1.1** In this Rule:

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

PART 2 – RESALE RESTRICTIONS

**Resale restrictions**

**2.1** A security acquired under an exemption in subsection 2.3, 2.5, or 2.9 of National Instrument 45-106 or through the exercise of a right to acquire, purchase, convert or exchange previously acquired under one of those exemptions must not be traded without the prior written consent of the regulator, unless

- (a) at the time the security was acquired the issuer was a reporting issuer in a jurisdiction of Canada,
- (b) if the issuer was not a reporting issuer in any jurisdiction of Canada at the time the security was acquired, the security has been held for at least 12 months,
- (c) the issuer of the security subsequently has filed a prospectus with the securities regulatory authority in Manitoba with respect to the security and has obtained a receipt for that prospectus, or
- (d) the trade is made under an exemption from the dealer registration requirements, and in the case of a trade that would be subject to the prospectus requirement, is made under an exemption from the prospectus requirement.

**2.2** The regulator will consent to a trade referred to in subsection (1) if the regulator is of the opinion that it would not be prejudicial to the public interest to do so.

## PART 3 – CITATION AND EFFECTIVE DATE

### **Citation**

**3.1** This Rule may be cited as MSC Rule 2005-20 or Local Rule 45-806.

### **Coming into force**

**3.2** This Rule comes into force on the same date as NI 45-106.