

ALBERTA SECURITIES COMMISSION

IN THE MATTER OF THE SECURITIES ACT
(S.A., 1981, C. S-6.1, AS AMENDED) (THE "ACT")

AND

IN THE MATTER OF NATIONAL POLICY STATEMENT NO. 47 -
"PROMPT OFFERING QUALIFICATION SYSTEM"

ORDER

*(SUBSECTION 116(l), SECTION 117, SUBSECTION 123(b)(iii),
SECTION 185, AND SECTION 186)*

1. WHEREAS the Chief of Securities Administration (the "Chief") has made an application to the Board of the Alberta Securities Commission (the "Board") with respect to distributions of securities effected in compliance with National Policy Statement No. 47, entitled "Prompt Offering Qualification System" (the "Policy") for:
 - 1.1 an order pursuant to subsection 116(l) of the Act to exempt distributions of securities effected in compliance with the Policy from section 81 of the Act insofar as section 81 concerns the form and content of a preliminary prospectus and a prospectus filed under section 81;
 - 1.2 an order pursuant to section 117 of the Act to declare those issuers who comply with section 4.1(1)(a)(ii)(A) or 4.2(1)(a)(ii)(A) of the Policy reporting issuers under the Act;
 - 1.3 an order pursuant to subsection 123(b)(iii) of the Act to exempt those issuers who comply with section 6.3(6) of the Policy from the requirement of section 122 of the Act;
 - 1.4 an order pursuant to section 185 of the Act to exempt certain issuers from subsection 98(2) of the Regulation;
 - 1.5 an order pursuant to section 186 of the Act to revoke the Blanket Order dated February 1, 1990 IN THE MATTER OF the Prompt Offering Qualification System (the "Blanket Order");
2. AND WHEREAS it was represented by the Chief to the Board that:
 - 2.1 the Board by Resolution dated February 17, 1993 has approved and adopted the Policy;
 - 2.2 section 4.1(1)(a)(ii)(A) of the Policy permits issuers to participate in the prompt offering qualification system (the "POP System") in Alberta if the issuer has been a reporting issuer in another province or territory of Canada for thirty-six months immediately preceding the date of filing its annual information form ("AIF") with the Chief and the issuer files with its

AIF, or has previously filed, all continuous disclosure documents that it was required to file in that province or territory for the last thirty-six months immediately preceding the date of filing of that AIF;

- 2.3 section 4.2(1)(a)(ii)(A) of the Policy allows certain substantial Canadian issuers to participate in the POP System if the issuer has been a reporting issuer in another province or territory of Canada and files with its AIF, or has previously filed, all continuous disclosure documents that it was required to file in that province or territory;
 - 2.4 section 6.3(6) of the Policy provides that where an issuer files a preliminary short form prospectus or short form prospectus subsequent to its directors approving its comparative audited annual financial statements but prior to these financial statements being filed as required by securities legislation in the provinces and territories in which its preliminary short form prospectus or short form prospectus is filed, the issuer will be required to file the comparative audited annual financial statements in the provinces and territories in which the preliminary short form prospectus or short form prospectus is filed, but will not be required to concurrently send these financial statements to the holders of its securities as required by section 122 of the Act;
 - 2.5 the uniformity which the Policy provides for the content of preliminary short form prospectuses and short form prospectuses eliminates the necessity for a cross-reference sheet to be filed with a preliminary short form prospectus and a short form prospectus as required by subsection 98(2) of the Regulation;
3. AND WHEREAS the Board is of the opinion that to so order will remove any inconsistencies between the Act and the Regulation, and the Policy and allow the full implementation of the Policy by the Alberta Securities Commission;
 4. AND WHEREAS the Board is satisfied that to do so would not be prejudicial to the public interest;
 5. IT IS HEREBY ORDERED pursuant to subsection 116(l) that section 81 of the Act shall not apply insofar only as that section concerns the form and content of a preliminary prospectus and a prospectus filed under section 81 of the Act, with respect to distributions of securities effected in compliance with the Policy provided that a preliminary short form prospectus and short form prospectus complying with the Policy are filed pursuant to, and in accordance with the requirements and procedures set forth in the Policy, and a receipt therefor is issued by the Registrar;
 6. AND IT IS FURTHER ORDERED pursuant to section 117 of the Act that any issuer who complies with either section 4.1(1)(a)(ii)(A) or 4.2(1)(a)(ii)(A) of the Policy is declared to be a reporting issuer under the Act as at the date its AIF and continuous disclosure filings as required by either section 4.1(1)(a)(ii)(A) or 4.2(1)(a)(ii)(A) have been filed with the Chief;

7. AND IT IS FURTHER ORDERED pursuant to subsection 123(b)(iii) of the Act that an issuer who complies with section 6.3(6) of the Policy is exempted from the requirement to concurrently send to its security holders its comparative audited annual financial statements as required by section 122 of the Act, provided that they are sent to security holders within the time limit prescribed by subsection 121(l)(b) of the Act;
8. AND IT IS FURTHER ORDERED pursuant to section 185 of the Act that an issuer who files a preliminary short form prospectus and a short form prospectus pursuant to and in accordance with the requirements and procedures set forth in the Policy is exempt from the requirement of subsection 98(2) of the Regulation;
9. AND IT IS FURTHER ORDERED pursuant to section 186 of the Act that the Blanket Order is revoked;
10. AND IT IS FURTHER ORDERED that this Order shall be effective as of February 19, 1993;
11. AND IT IS FURTHER ORDERED that this Order will be effective for:
 - a.) a Renewal AIF (as defined in the Policy) for a financial year ended prior to December 31, 1992 if filed at the election of the issuer in accordance with the Policy prior to May 19, 1993; and
 - b.) an Initial AIF (as defined in the Policy) and preliminary short form prospectus if filed at the election of the issuer in accordance with the Policy prior to March 1, 1993.

Dated at the City of EDMONTON
in the Province of ALBERTA
this 17th day of February, 1993

ALBERTA SECURITIES COMMISSION BOARD