

**ALBERTA SECURITIES COMMISSION
DESIGNATION ORDER**

**Citation: Designation of Investment Funds as Reporting Issuers
for Certain Purposes, Re, 2011 ABASC 561**

Date: 20111103

Definitions

1. Terms defined in the *Securities Act*, R.S.A. 2000, c. S-4 (the **Act**), National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**), National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (**NI 52-107**) or National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) have the same meaning in this Designation Order.

Background

2. Item 12 of Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers* (**Form F2**) requires certain financial statements to be included in an offering memorandum that is delivered or filed by an issuer relying on the prospectus exemption under section 2.9 of NI 45-106 (**OM Financial Statements**).
3. Item B1 of the instructions for completing an offering memorandum in Form F2 requires that the OM Financial Statements comply with NI 52-107.
4. Section 2.1(1) of NI 52-107 states that NI 52-107 does not apply to investment funds.
5. Section 1.2(1)(a) of NI 81-106 states that NI 81-106 applies to an investment fund that is a reporting issuer.
6. The Alberta Securities Commission considers that it would not be prejudicial to the public interest to require that investment funds prepare any OM Financial Statements in accordance with sections 2.6, 2.7 and 2.8 of NI 81-106.

Order

7. Investment funds that prepare an offering memorandum for purposes of NI 45-106 are designated, under section 10(1)(f) of the Act, to be reporting issuers for the sole purpose (and only to the extent necessary for that purpose) of subjecting them to the requirements of sections 2.6, 2.7 and 2.8 of NI 81-106 and, in consequence, requiring that their OM Financial Statements comply with those provisions.
8. This order takes effect on 4 November 2011 and will cease to have effect upon the coming into force of an amendment to Alberta securities laws having similar effect.

For the Commission:

“original signed by”
Glenda Campbell, QC
Vice-Chair

“original signed by”
Stephen Murison
Vice-Chair