

# ALBERTA SECURITIES COMMISSION

## AUTHORIZATION ORDER

Citation: Authorization Order, 2009 ABASC 625

Date: 20091218

### *Definitions*

“Act” means the Securities Act, R.S.A. 2000, c. S-4, as amended;

"Commission" means the Alberta Securities Commission;

"NI 31-102" means National Instrument 31-102 *National Registration Database*;

“NI 31-103” means National Instrument 31-103 *Registration Requirements and Exemptions*;

“NI 33-109” means National Instrument 33-109 *Registration Information*;

“NI 41-101” means National Instrument 41-101 *General Prospectus Requirements*;

"NI 43-101" means National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;

“NI 44-101” means National Instrument 44-101 *Short Form Prospectus Distributions*;

“NI 44-102” means National Instrument 44-102 *Shelf Distributions*;

“NI 44-103” means National Instrument 44-103 *Post-Receipt Pricing*;

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

"NI-51-101" means National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*;

"NI 51-102" means National Instrument 51-102 *Continuous Disclosure Obligations*;

"NI 52-107" means National Instrument 51-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

"NI 52-109" means National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*;

"NI 55-102" means National Instrument 55-102 *System for Electronic Disclosure by Insiders (SEDI)*;

"NI 71-101" means National Instrument 71-101 *Multijurisdictional Disclosure System*;

"NI 71-102" means National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*;

"NI 81-102" means National Instrument 81-102 *Mutual Funds*;

"regulations" means the regulations made under the Act and, unless the context otherwise indicates, includes the Rules; and

"Rules" means the rules made by the Commission under section 224 or section 211.6(2) of the Act.

### ***Interpretation***

A reference herein to a provision of the Act or the Rules includes reference to a predecessor or successor provision of the Act or the Rules dealing with the same subject matter.

### ***Background***

1. Pursuant to section 22(4) of the Act, the Commission may, in writing, authorize the Executive Director or any other individual employed by the Commission to do any act or thing required or permitted to be done by the Commission under the Act, the regulations or any other Act.
2. The Commission wishes to make a new assignment of certain of its powers and duties to:
  - 2.1 the Executive Director; the Director, Corporate Finance; the Director, Enforcement; the Director, Market Regulation; and the General Counsel (collectively, the "Management Delegates");
  - 2.2 the Managers, Market Regulation (the "Market Regulation Delegates");
  - 2.3 the Associate Director, Corporate Finance and the Manager, Corporate Finance (collectively, the "Corporate Finance Delegates");
  - 2.4 the Chief Accountant (the "Accounting Delegate"); and
  - 2.5 any person appointed by the Commission to act in place of the foregoing.
3. In this authorization, the Management Delegates, Market Regulation Delegates, Corporate Finance Delegates and the Accounting Delegate shall be referred to, individually as a "Delegate", and collectively as "Delegates".

### ***Authorization to Management Delegates and Market Regulation Delegates***

4. Pursuant to section 22(4) of the Act, the Commission hereby authorizes the Management Delegates and the Market Regulation Delegates, acting individually, to:
  - 4.1 *approve housekeeping amendments to bylaws, rules, regulations, policies or procedures of the Mutual Fund Dealer's Association (MFDA) – make any decision permitted to be made by the Commission concerning housekeeping amendments to bylaws, rules, regulations, policies or procedures of the MFDA pursuant to section 64(6) of the Act;*

- 4.2 *NRD fee exemptions* – do any act or thing required or permitted to be done by the Commission under section 6.1 of NI 31-102 in relation to Part 4 of NI 31-102; and
- 4.3 *approval of certain mutual fund changes* – do any act or thing required or permitted to be done by the Commission under section 5.5 of NI 81-102.

***Authorization to Management Delegates and Corporate Finance Delegates***

5. Pursuant to section 22(4) of the Act, the Commission hereby authorizes the Management Delegates and the Corporate Finance Delegates, acting individually, to:

- 5.1 *approval of certain mutual fund changes* – do any act or thing required or permitted to be done by the Commission under section 5.5 of NI 81-102;
- 5.2 *continuous disclosure exemptions* – make orders pursuant to section 213 of the Act in relation to Part 12 of the Act;
- 5.3 *deeming not to be a reporting issuer* – make orders pursuant to section 153 of the Act;
- 5.4 *proxies and proxy solicitation exemptions* – make orders pursuant to section 213 of the Act in relation to Part 13 of the Act;
- 5.5 *insider trading exemptions* – make orders pursuant to section 213 of the Act in relation to Part 15 of the Act;
- 5.6 *cease-trade orders for certain filing deficiencies* – make interim cease trade orders pursuant to sections 33 and 198 of the Act in one or more of the following circumstances:
  - 5.6.1 *financial statements not in accordance with acceptable accounting principles* – an acknowledgement in writing by a reporting issuer that its financial statements filed with the Commission in accordance with the following, as applicable, were not prepared in accordance with the acceptable accounting principles set out in NI 52-107:
    - (a) sections 4.1 and 4.2 or sections 4.3 and 4.4 of NI 51-102;
    - (b) section 15.1 of NI 71-101; or
    - (c) section 4.3 or 5.4 of NI 71-102.
  - 5.6.2 *proxy materials*– a failure to file an information circular or other document in accordance with, as applicable:
    - (a) section 9.3 of NI 51-102;
    - (b) section 16.1 or 16.2 of NI 71-101; or
    - (c) section 4.6, 4.7, 5.7 or 5.8 of NI 71-102;

- 5.6.3 *BARs* – a failure to file a business acquisition report in accordance with, as applicable:
- (a) sections 8.1 and 8.2 of NI 51-102; or
  - (b) section 4.5 or 5.6 of NI 71-102;
- 5.6.4 *SEDAR profile* – a failure to file an issuer profile supplement as required by section 2.3 of NI 55-102;
- 5.6.5 *insider reports* – a failure to file an insider report as required by section 182 of the Act;
- 5.6.6 *certain exempt distributions* – a failure to file a document in accordance with, as applicable:
- (a) *offering memorandum* – section 127.2 of the *Alberta Securities Commission Rules* (General) or section 2.9(16) of NI 45-106; or
  - (b) *report of exempt distribution* – section 129.2 of the *Alberta Securities Commission Rules* (General) or section 6.1 of NI 45-106.
- 5.6.7 *mineral project disclosure* – a failure to file a technical report in accordance with, as applicable, section 4.1 or 4.2 of NI 43-101;
- 5.6.8 *oil and gas disclosure* – a failure to file information required in accordance with section 2.1 of NI 51-101;
- 5.6.9 *certification of annual and interim filings* – a failure to file a certification in accordance with, as applicable, Parts 4, 5 or 6 of NI 52-109; and
- 5.6.10 *certain undertakings* – a failure to comply with any undertaking given in respect of paragraphs 5.6.1 to 5.6.9.

***Authorization to Accounting Delegate***

6. Pursuant to section 22(4) of the Act, the Commission hereby authorizes the Accounting Delegate to:

- 6.1 *continuous disclosure exemptions* – make orders pursuant to section 213 of the Act in relation to Part 12 of the Act.

***Authorization to Make Orders for Confidentiality of Filings***

7. Pursuant to section 22(4) of the Act, the Commission hereby authorizes the Delegates, acting individually, to do any act or thing required or permitted to be done by the Commission under section 221(5) of the Act, in relation to any material or class of material deposited with the Secretary or Executive Director:
  - 7.1 in respect of all Delegates, in connection with a decision made pursuant to this authorization by that Delegate;
  - 7.2 in respect of the Management Delegates and Corporate Finance Delegates, in connection with:
    - 7.2.1 an application for an exemption from the prospectus requirements under section 19.1 of NI 41-101, section 8.1 of NI 44-101, section 11.1 of NI 44-102, section 6.1 of NI 44-103 or section 144 of the Act;
    - 7.2.2 an application for an exemption from the continuous disclosure requirements under section 13.1 of NI 51-102; or
    - 7.2.3 a request for a confidential material change report under section 7.1 of NI 51-102;
  - 7.3 in respect of the Management Delegates and Market Regulation Delegates, in connection with:
    - 7.3.1 an application for an exemption from the registration requirements under section 6.1 of NI 31-102, section 15.1 of NI 31-103, section 7.1 of NI 33-109 or section 144 of the Act;
    - 7.3.2 the delivery of any books and records or other information under section 60.1 of the Act;
    - 7.3.3 an application for recognition under section 62, 64, 67, 68 or 109 of the Act;
    - 7.3.4 an application to establish a council, committee or other ancillary body under section 65 of the Act; or
    - 7.3.5 an application for acceptance of the form of an exchange contract under section 107 of the Act; and
  - 7.4 in respect of the Accounting Delegate, in connection with an application for an exemption from the continuous disclosure requirements under section 13.1 of NI 51-102.

***Revocation and Variation***

8. Pursuant to sections 22(4) and 214 of the Act, the Commission hereby authorizes:
- 8.1 the Management Delegates, acting individually, to revoke or vary any decision made by any Delegate pursuant to this authorization or any decision made by any delegate under any prior authorization order granted pursuant to section 22(4) of the Act, if in the opinion of the Management Delegate to do so would not be prejudicial to the public interest;
  - 8.2 the Market Regulation Delegates, acting individually, to revoke or vary any decision made by a Market Regulation Delegate pursuant to this authorization or any decision made by a Manager, Market Regulation or an Assistant Manager, Registration under any prior authorization order granted pursuant to section 22(4) of the Act, if in the opinion of the Market Regulation Delegate to do so would not be prejudicial to the public interest;
  - 8.3 the Corporate Finance Delegates, acting individually, to revoke or vary any decision made by a Corporate Finance Delegate pursuant to this authorization or any decision made by an Associate Director, Corporate Finance or Manager, Corporate Finance under any prior authorization order granted pursuant to section 22(4) of the Act, if in the opinion of the Corporate Finance Delegate to do so would not be prejudicial to the public interest; and
  - 8.4 the Accounting Delegate to revoke or vary any decision made by the Accounting Delegate pursuant to this authorization or any decision made by a Chief Accountant, a Deputy Chief Accountant or an Associate Chief Accountant under any prior authorization order granted pursuant to section 22(4) of the Act, if in the opinion of the Accounting Delegate to do so would not be prejudicial to the public interest.

***General***

9. The prior authorization dated October 22, 2007 that was granted pursuant to section 22(4) of the Act is revoked, without prejudice to the effectiveness of any lawful exercise prior to the date of this revocation of powers and duties assigned under that authorization.
10. Notwithstanding this written authorization, the Commission may do any act or thing in respect of which this authorization was given.
11. This authorization order takes effect on December 18, 2009.

"original signed by"  
Glenda Campbell, QC, Vice-Chair

"original signed by"  
Stephen Murison, Vice-Chair