

**ALBERTA SECURITIES COMMISSION
BLANKET ORDER**

**Sections 213 and 214 of the *Securities Act*
(R.S.A. 2000, c. S-4, as amended)
and National Instrument 51-102
*Continuous Disclosure Obligations***

***Interim Relief from Certain Continuous Disclosure
and Proxy Solicitation Requirements***

Background

- (a) National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102") has been made an Alberta Securities Commission Rule, effective March 30, 2004.
- (b) NI 51-102 will apply to reporting issuers other than "investment funds", as defined in NI 51-102, and is intended to supersede and replace a number of continuous disclosure and proxy solicitation provisions currently contained in the *Securities Act* (Alberta) (the "Act") and the *ASC Rules (General)* (the "Rules").
- (c) Under the terms of NI 51-102, Part 9 *Proxy Solicitation and Information Circulars* of NI 51-102 ("Part 9") will not come into effect until June 1, 2004.
- (d) Proposed National Instrument 81-106 *Investment Fund Continuous Disclosure* ("NI 81-106") will address continuous disclosure and proxy solicitation obligations of investment funds, but its implementation is expected to occur after implementation of NI 51-102.
- (e) Certain amendments to and repeals of provisions of the Act (the "Amendments") concerning continuous disclosure and proxy solicitation are awaiting proclamation.
- (f) It is expected that certain continuous disclosure and proxy solicitation provisions of the Rules will be repealed with effect upon or after the later of the implementation of NI 51-102 and the implementation of NI 81-106.
- (g) On December 18, 2003 the Commission issued Blanket Order 51-507 to provide transitional relief from certain provisions of the Rules upon the implementation of NI 51-102, which relief was premised on the expectation that the Amendments would be proclaimed in force concurrently with the implementation of NI 51-102.
- (h) It is now expected that the Amendments will not be proclaimed in force with effect prior to the later of the implementation of NI 51-102 and the implementation of NI 81-106.

- (i) The Commission considers that it is desirable:
- (i) to permit reporting issuers to comply with Part 9 instead of with the provisions of the Act and the Rules specified in paragraphs 2(a)(i) and (ii) of this blanket order (collectively, the “Current Proxy Requirements”) from March 30, 2004 to June 1, 2004;
 - (ii) to exempt reporting issuers that are subject to, and comply with, NI 51-102 from the provisions of the Act and the Rules specified in paragraphs 2(b)(i) and (ii) and 2(c)(i) and (ii) of this blanket order (collectively, the “Current CD Requirements”), from March 30, 2004 until the repeal or amendment, as applicable, of the Current CD Requirements; and
 - (iii) to exempt reporting issuers that are subject to, and comply with, NI 51-102 from the Current Proxy Requirements from June 1, 2004 until the repeal of the Current Proxy Requirements.

Order

1. IT IS HEREBY ORDERED pursuant to section 214 of the Act that Blanket Order 51-507 is revoked;
2. IT IS HEREBY FURTHER ORDERED pursuant to section 213 of the Act that:

Permission for interim application of the new proxy requirements

- (a) from March 30, 2004 until June 1, 2004, a reporting issuer that is subject to NI 51-102 and that complies with Part 9 is exempt from:
- (i) subsection 152(1) and sections 155 and 156 of the Act; and
 - (ii) sections 163 through 169 of the Rules;

Exemption from Current CD Requirements relating to financial statements

- (b) from March 30, 2004, a reporting issuer that is subject to NI 51-102 and complies with Part 4 *Financial Statements* of NI 51-102 is exempt from:
- (i) sections 148, 149 and 150 of the Act; and
 - (ii) sections 146, 147, 148, 151 and 160 of the Rules;

for financial statements relating to financial years commencing on or after January 1, 2004 and to interim periods within those financial years;

Exemption from other Current CD Requirements

- (c) from March 30, 2004, a reporting issuer that is subject to NI 51-102 and complies with Part 7 *Material Change Reports* of NI 51-102 is exempt from section 146 of the Act and section 143 of the Rules;

- (d) from March 30, 2004, a reporting issuer that is subject to NI 51-102 is exempt from subsection 152(2) of the Act and section 162 of the Rules; and

Permanent exemption from Current Proxy Requirements

- (e) from June 1, 2004, a reporting issuer that is subject to NI 51-102 and complies with Part 9 is exempt from the Current Proxy Requirements.

DATED at the City of Calgary)
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 in the Province of Alberta) "original signed by"
) Glenda A. Campbell, Q.C., Vice-Chair
 this 6th day of February, 2004)
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) "original signed by"
) Stephen R. Murison, Vice-Chair
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