

Note: [14 Sep 2005] – The following is a restatement of ASC Rule 45-502. It incorporates amendments to this document that came into effect on September 14, 2005. This restatement is provided for your convenience and should not be relied upon as authoritative.

**ALBERTA SECURITIES COMMISSION
RULE 45-502 TRADE WITH RESP**

PART 1 DEFINITIONS

1.1 In this Rule:

- (a) “Beneficiary” means an individual who is:
 - (i) for the purpose of section 2.1, the beneficiary of an RESP to which a security is traded pursuant to that section; or
 - (ii) for the purpose of section 2.2, the beneficiary of an RESP which trades in a security pursuant to that section;
- (b) “prospectus exemption” means an exemption from the requirements of section 110 of the Act;
- (c) “RESP” means a registered education savings plan within the meaning of the term under the *Income Tax Act* (Canada).

PART 2 EXEMPTIONS FROM REGISTRATION AND PROSPECTUS REQUIREMENTS

2.1 Exemption for Trade to RESP by Beneficiary

Sections 75 and 110 of the Act do not apply to a trade in a security that was previously acquired under a prospectus exemption and that is subject to resale restrictions under national Instrument 45-102 *Resale of Securities* if the trade:

- (a) is made to an RESP by:
 - (i) the Beneficiary;
 - (ii) a company that is, directly or indirectly, beneficially owned and controlled solely by the Beneficiary; or
 - (iii) another RESP of which the Beneficiary is the beneficiary; and
- (b) does not otherwise result in a change in the beneficial ownership of the security.

2.2 Exemption for Trade by RESP to Beneficiary

Sections 75 and 110 of the Act do not apply to a trade in a security that was previously acquired under a prospectus exemption and that is subject to resale restrictions in National Instrument 45-102 *Resale of Securities* if the trade:

- (a) is made by an RESP to:
 - (i) the Beneficiary;
 - (ii) a company that is, directly or indirectly, beneficially owned and controlled solely by the Beneficiary; or
 - (iii) another RESP of which the Beneficiary is the beneficiary; and
- (b) does not otherwise result in a change in the beneficial ownership of the security.

2.3 Further Trade a Distribution

A further trade in a security that was previously acquired by an RESP in a trade made in reliance on the exemptions provided in section 2.1, or previously disposed of by an RESP in a trade made in reliance on the exemptions provided in section 2.2, shall be a distribution unless made in compliance with Alberta securities laws as if the person or company making the further trade had acquired the security on the date and in reliance on the prospectus exemption pursuant to which the security had been acquired by the person or company from whom the RESP acquired the security.

PART 3 EFFECTIVE DATE

3.1 Effective Date

This Rule comes into force on September 30, 1999.

[restated September 14, 2005]