

**ALBERTA SECURITIES COMMISSION
NOTICE**

**IMPLEMENTATION OF ASC RULE 45-508
*INTERIM AMENDMENTS TO CERTAIN APPENDICES TO MULTILATERAL
INSTRUMENT 45-102 RESALE OF SECURITIES
AND REVOCATION OF BLANKET ORDER 45-505***

July 15, 2002

Background and Effective Date

The Commission has adopted ASC Rule 45-508 *Interim Amendments to Certain Appendices to Multilateral Instrument 45-102 Resale of Securities* ("Rule 45-508") as a rule. Rule 45-508 was published on June 12, 2002 for 30 days. No material changes have been made to Rule 45-508. Rule 45-508 will be effective July 31, 2002.

The Commission has revoked Blanket Order 45-505 *Interim Resale Relief for securities acquired under section 107(1)(h) or (x) of the Securities Act or pursuant to a right to purchase convert or exchange previously acquired under sections 107(1)(h) and (x) of the Act or sections 122(b)(c) or (d) of the ASC Rules* ("Blanket Order 45-505") effective July 31, 2002.

Rule 45-508 is intended as an interim step until Multilateral Instrument 45-102 *Resale of Securities* (the "Resale Rule") can be amended directly.

Summary

The purpose of Rule 45-508 is to:

1. impose a restricted period on underlying securities acquired on exercise or conversion of convertible securities acquired under Multilateral Instrument 45-103 *Capital Raising Exemptions*;
2. replace Blanket Order 45-505; and
3. update the statutory references in the appendices to the Resale Rule.

With regard to the circumstances described in #1, above, a restricted period will only apply if the distribution date of the convertible security (ie. the right to purchase, convert or exchange) is on or after July 31, 2002. However, with regard to underlying securities acquired on exercise or conversion of convertible securities acquired under sections 122(b) and (d) of the Rules, a restricted period will apply to the underlying securities regardless of the distribution date of the convertible or exchangeable security. No transition period has been provided for these trades because Blanket Order 45-505 dealt with them previously and is just being replaced.

Questions

If, after reading the rule, you have any questions, please contact:

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