

ALBERTA SECURITIES COMMISSION

IN THE MATTER OF THE SECURITIES ACT  
AND

IN THE MATTER OF A NATIONAL POLICY RELATING TO  
A SUMMARY STATEMENT IN A PROSPECTUS OF STATUTORY RIGHTS  
OF ACTION, WITHDRAWAL, RESCISSION AND DAMAGES

*ORDER*  
(*SECTION 185*)

1. WHEREAS the Director has made an application to the Alberta Securities Commission (the "Commission") for an order pursuant to section 185 of the Securities Act (S.A. 1981, c.S-6. 1, as amended) (the "Act");
2. AND WHEREAS the present form of disclosure of statutory rights of withdrawal, rescission and damages, which must be included in a prospectus, lacks clarity due to the practice of attempting to provide a detailed exposition of the precise rights contained in each statute across Canada;
3. AND WHEREAS the Canadian Securities Administrators ("CSA") at their April 1983 meeting approved, in principle, a National Policy (hereinafter called the "National Policy") relating to a summary statement in a prospectus of statutory rights of action or withdrawal, rescission and damages (hereinafter called the "Summary Statement of the Statutory Rights of Action");
4. AND WHEREAS the Summary Statement of the Statutory Rights of Action would provide clarity in a prospectus;
5. AND WHEREAS it is uncertain if section 92 of the Act would permit the use of the Summary Statement of the Statutory Rights of Action to be included in a prospectus;
6. AND WHEREAS the Commission, in principle, is prepared to approve the National Policy and hence the Summary Statement of the Statutory Rights of Action;
7. AND WHEREAS the Commission is of the opinion that it would not be prejudicial to the public interest to do so;
8. IT IS HEREBY ORDERED pursuant to section 185 of the Act that every person or company filing a prospectus shall be exempted from section 92 of the Act provided that the following statement or variation appropriate to the Commission is contained in the prospectus:

"Securities legislation in several of the provinces provide purchasers with the right to withdraw from an agreement to purchase the securities within two business days after receipt or deemed receipt of this

prospectus, and any amendment, as well as remedies for rescission or, in certain provinces or territories, damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of his province. The purchaser should refer to any applicable provisions of the securities legislation of his province or territory for the particulars of these rights or consult with a legal adviser."

Dated at the City of EDMONTON  
in the Province of ALBERTA  
this 5th Day of May, 1983

ALBERTA SECURITIES COMMISSION