

ALBERTA SECURITIES COMMISSION

IN THE MATTER OF THE SECURITIES ACT
(S.A. 1981, C. S-6.1, AS AMENDED) (THE "ACT")

AND

IN THE MATTER OF ALBERTA SECURITIES COMMISSION POLICY 2.4 -
CERTIFICATES OF NO DEFAULT AND LIST OF DEFAULTING REPORTING
ISSUERS UNDER SECTION 113 OF THE SECURITIES ACT

ORDER

(SECTION 185)

1. WHEREAS the Chief of Securities Administration (the "Chief") has made an application to the Board of the Alberta Securities Commission (the "Board") for an order pursuant to section 185 of the Act to exempt certain persons or companies from subsections 109(2)(a)(ii) or 112(1)(d) of the Act when relying on a certificate issued by the Chief pursuant to section 113 of the Act where the issuer's only default under the Act or the Regulation to the Act (the "Regulation") is the non-payment of prescribed fees and charges as set out in Schedule 1 to the Regulation;
2. AND WHEREAS it was represented by the Chief to the Board that:
 - 2.1 the Board by resolution dated May 18, 1993 approved and adopted certain amendments to Alberta Securities Commission Policy 2.4 - Certificates of No Default and List of Defaulting Reporting Issuers under section 113 of the Securities Act (the "Policy");
 - 2.2 the Policy provides that an issuer will be included on the list of defaulting reporting issuers maintained pursuant to section 113(2) of the Act for failure to pay prescribed fees and charges set out in Schedule 1 to the Regulation;
 - 2.3 subsection 109(2)(a)(ii) and 112(1)(d) of the Act provide that securities acquired pursuant to certain exemptions under the Act may be sold only if, among other things, the issuer is a reporting issuer and is not in default of any requirement of the Act or the Regulation;
 - 2.4 the failure to pay prescribed fees and charges set out in Schedule 1 to the Regulation is a default under the Regulation and a certificate issued pursuant to section 113 of the Act would indicate that the issuer is in default thereby preventing a vendor from reselling securities of that issuer;
3. AND WHEREAS the Board is satisfied that to do so would not be prejudicial to the public interest;
4. IT IS HEREBY ORDERED pursuant to section 185 of the Act that any person or company wishing to resell securities of an issuer pursuant to section 109 or 112 of the Act is exempt from

subsections 109(2)(a)(ii) or 112(l)(d) (insofar only as subsection 112(l)(d) requires that an issuer not be in default of any requirement of the Act or the Regulation), as the case may be, where the only default of the issuer, which could result in a certificate issued pursuant to section 113 of the Act indicating that the issuer is in default, is the failure to pay the prescribed fees and charges set out in Schedule 1 to the Regulation provided that:

- 4.1 the person or a company obtains from the Chief a certificate pursuant to section 113 of the Act which indicates that the issuer is included in a list of defaulting reporting issuers maintained by the Agency of the Alberta Securities Commission (the "Agency"); and
 - 4.2 the person or company receives written confirmation from the Agency that the issuer is only on the list of defaulting issuers because of a failure to pay the prescribed fees and charges set out in Schedule 1 to the Regulation;
5. AND IT IS FURTHER ORDERED that this Order will become effective as of July 1, 1993.

Dated at the City of EDMONTON
in the Province of ALBERTA
this 18th day of May, 1993

ALBERTA SECURITIES COMMISSION BOARD