

A.S.C. POLICY 1.1

ALBERTA SECURITIES COMMISSION POLICY STATEMENTS - GENERAL

1. The following items set forth certain comments and general matters relating to Policy Statements issued or to be issued by the Alberta Securities Commission (the "Commission").
2. The A.S.C. Policy Statements are intended to set forth certain basic policies of the Commission relating to securities regulation in the Province of Alberta and the role of the Commission with respect thereto and, accordingly, the Commission expects compliance with its Policy Statements. Policies are issued primarily for the purpose of
 - 2.1 setting forth interpretations of certain sections of the Alberta Securities Act (the "Act") and the Regulations thereunder, and
 - 2.2 establishing guidelines in respect of certain matters arising out of the Act and the Regulations.

The Commission and its Director shall always exercise their discretion in applying the policies and, in exercising their discretion, may modify or waive certain requirements of the policies while still remaining consistent with the spirit of the policies if, in their opinion and in light of the entire fact situation, special or unusual circumstances justify variation therefrom.

3. If the Commission or its Director become aware of an actual or potential abuse in relation to the trading in securities that is prejudicial to the public interest and requires immediate remedial action, an appropriate policy or blanket order may be issued to prevent the abuse and, at the first opportunity, such policy or blanket order may be presented for enactment into the Act or Regulations, or the policy or blanket order, as the case may be, may be repealed if and when the circumstances that gave rise to the abuse are no longer present. The issuance of such a policy or blanket order also serves the purpose of providing an opportunity for public comment. Accordingly, the Commission and its Director have the right to take remedial action to ensure adherence to securities legislation, policy and the spirit of securities legislation.
4. A table of contents to the A.S.C. Policy Statements has been prepared and will be revised and updated on an ongoing basis as additions or changes are made to the Policy Statements. The Policy Statements have been divided, by subject matter, into separate sections as follows:

Section 1 - Alberta Securities Commission Policy Statements - General

Section 2 - Alberta Securities Commission procedures and Related Matters

Section 3 - Registration Matters

Section 4 - Prospectus Requirements

Section 5 - Distributions under Prospectus Exemptions

Section 6 - Continuous Disclosure

Section 7 - Mutual Funds

The Policy Statements included in Section 1 are numbered 1.1, 1.2 and so on and the other sections are numbered on a similar basis. Policy Statements issued by the Commission from time to time will be inserted in the appropriate section and assigned the next number. It is hoped that this method of indexing will facilitate reference to the Policy Statements.

5. In addition to the Policy Statements, the Commission has issued certain Notices and Blanket Orders in the course of administering the Act and the Regulations. These Notices and Blanket Orders are set forth under separate tabs in the Policies and Procedures Manual issued by the Commission and are accompanied by separate tables of contents.

Effective date: March 15, 1987