

ALBERTA SECURITIES COMMISSION
BLANKET ORDER 45-538

Citation: Self-Certified Investor Prospectus Exemption, 2021 ABASC 38 Date: 20210330

Definitions

1. Terms defined in the *Securities Act* (Alberta) (the **Act**) or National Instrument 14-101 *Definitions* have the same meaning in this Blanket Order.

2. In this Blanket Order:

"Accredited Investor" has the meaning ascribed to it in National Instrument 45-106 *Prospectus Exemptions*;

"Acknowledgement" means a document in the form specified in Annex 2 *Acknowledgement* to this Blanket Order;

"Corresponding Exemption" means Financial and Consumer Affairs Authority of Saskatchewan General Order 45-538 *Self-Certified Investor Prospectus Exemption* and any order or ruling of another securities regulatory authority or securities regulator in Canada that provides an exemption from the prospectus requirement that is substantially similar to this Blanket Order;

"Listed Issuer Investment" means the distribution of a security where both of the following apply

- (a) the issuer has a class of equity security currently listed and posted for trading on the TSX Venture Exchange, the Toronto Stock Exchange, the Canadian Securities Exchange or Neo Exchange Inc. and is not in default of the periodic and timely disclosure requirements applicable to it as a reporting issuer, and
- (b) the purchaser has received advice regarding the suitability of the investment from a person or company, registered under securities legislation in the jurisdiction of the purchaser, that is qualified in the circumstances to provide such advice;

"Participating Jurisdiction" means Alberta and Saskatchewan and each other jurisdiction of Canada that adopts a Corresponding Exemption;

"Private Issuer" has the meaning ascribed to it in National Instrument 45-106 *Prospectus Exemptions*;

"Qualifying Criteria" means the criteria specified in Schedule A *Qualifying Criteria* to Annex 2 *Acknowledgement* to this Blanket Order, as amended from time to time;

"Self-Certified Investor" means a person or company that has completed the Acknowledgement and has solemnly declared a Statutory Declaration, as contemplated in subsection 3(e) of this Blanket Order;

"Seller" means the person or company distributing a security;

"SPV" means an entity formed as a special purpose vehicle in which investors invest with a view to investing in one or more other issuers;

"Statutory Declaration" means a completed statutory declaration in the form specified in Annex 1 *Statutory Declaration* to this Blanket Order.

Blanket Order

3. The Commission orders under section 213 of the Act that the prospectus requirement in section 110 of the Act does not apply to a distribution of securities provided all of the following apply:

- (a) the head office of the issuer is located in a Participating Jurisdiction;
- (b) except in the case of a Listed Issuer Investment,
 - (i) the aggregate acquisition cost of the securities of the issuer acquired by the purchaser under this Blanket Order or a Corresponding Exemption in the calendar year does not exceed \$10 000, and
 - (ii) the purchaser represents to the Seller in the subscription or purchase agreement that the aggregate acquisition cost of the securities of all issuers acquired by the purchaser in the calendar year under this Blanket Order or a Corresponding Exemption, other than a Listed Issuer Investment, does not exceed \$30 000;
- (c) in the case of a distribution by an issuer, the distribution to the purchaser is made concurrently with a distribution to an Accredited Investor;
- (c.1) the purchaser is provided access to substantially the same information about the securities being distributed as would be provided to an Accredited Investor;
- (d) the purchaser purchases as principal;
- (e) at or before the time the purchaser signs the agreement to purchase the securities, the Seller obtains from the purchaser a completed Statutory Declaration, that is dated within 36 months of the distribution and to which is attached a completed Acknowledgement in which the purchaser has completed both
 - (i) Part A confirming that the purchaser meets the Qualifying Criteria, and

- (ii) Part B confirming that the purchaser has read and understood each of the acknowledgements in that part;
- (f) the Seller does not know and would not reasonably be expected to know that the statements made by the purchaser in the Acknowledgement or the representation referred to in section 3(b)(ii) of this Blanket Order are false;
- (g) in the case of a distribution by an issuer that is not a Private Issuer, the issuer, on or before the 10th day after the closing of the distribution, files a completed Form 45-106F1 *Report of Exempt Distribution*, together with the applicable fee;
- (h) the Seller retains a copy of the Statutory Declaration and Acknowledgement for 8 years after the distribution.

Special Purpose Vehicle Investment

3.1 The Commission orders under section 213 of the Act that the prospectus requirement in section 110 of the Act does not apply to a distribution of securities to an SPV provided all of the following apply:

- (a) all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are Accredited Investors and Self-Certified Investors;
- (b) the SPV distributes its securities to Self-Certified Investors in compliance with this Blanket Order or a Corresponding Exemption;
- (c) Self-Certified Investors have not contributed in aggregate more than 25% of the total funds invested in the SPV.

Resale restrictions

4. The Commission, considering that it would not be prejudicial to the public interest to do so, orders under section 144(2) of the Act that the first trade of a security acquired under section 3 or 3.1 is subject to section 2.5 of National Instrument 45-102 *Resale of Securities*.

Executive Director authorization

5. The Commission, under section 22(4) of the Act, hereby authorizes the Executive Director to amend from time to time Schedule A *Qualifying Criteria* to Annex 2 *Acknowledgement* of this Blanket Order to specify such other designations, education, experience and financial requirements that the Executive Director determines demonstrate financial or investment education and experience generally comparable to that specified by the Commission in this Blanket Order.

Effective date and expiry date

This Blanket Order is varied effective July 28, 2022 and expires on April 1, 2024.

For the Commission:

"original signed by"

Tom Cotter
Vice-Chair

"original signed by"

Kari Horn
Vice-Chair

THE VERSION IS NO LONGER CURRENT -
See VARIATION EFFECTIVE 01 APR 2024
(INITIALLY VARIED PER 2022 ABASC 97 Dated 28 JUL 2022)