

ALBERTA SECURITIES COMMISSION

NOTICE

Amendments to Alberta Securities Regulation Fee Schedule

January 3, 2006

Fee Schedule Revisions

On November 30, 2005 the Alberta Government approved an order in council (558/2005) amending the Fee Schedule attached to Alberta Securities Regulation **effective December 30, 2005**.

The amendments to the Fee Schedule that came into effect on December 30th include one substantive revision (item 9) and two minor housekeeping revisions (items 5 and 6). Item 9 of the Fee Schedule has been revised to reflect the expanded access to the short form prospectus system resulting from the repeal and replacement of National Instrument 44-101 *Short Form Offering Distributions* (New NI 44-101) effective December 30, 2005.

New Short Form Prospectus System

New NI 44-101 modifies the qualification, disclosure and other requirements of the short form prospectus system to permit most issuers with reporting issuer status to access the streamlined short form prospectus system. Section 2.8(1) of New NI 44-101 requires issuers to file a one-time notice of intention to be qualified to file a short form prospectus (a qualification notice) at least 10 business days prior to filing its first preliminary short form prospectus under New NI 44-101.

Impact on Annual Financial Statement Filing Fees

Those issuers that were qualified to use the short form prospectus system prior to December 30, 2005 will continue to pay the prescribed \$2000 filing fee when filing their annual audited financial statements. An issuer with reporting issuer status in Alberta that elects to file a qualification notice under New NI 44-101 prior to filing its annual financial statements will also trigger the \$2000 filing fee that applies to annual financial statements filed by issuers qualified to use the short form prospectus system under New NI 44-101.

Those issuers that file their annual financial statements accompanied with the applicable \$250 filing fee, before electing to utilize the short form prospectus system will be responsible for remitting an additional filing fee of \$1750 concurrently with the filing of the qualification notice.

A copy of the amendments to the Fee Schedule is attached to this Notice.

Appendix A

O.C. 558/2005

A.R. 236/2005

November 30, 2005

The Lieutenant Governor in Council makes the Securities Amendment Regulation set out in the attached Appendix.

For Information only

Recommended by: Minister of Finance

Authority: Securities Act
(section 223)

APPENDIX

Securities Act

SECURITIES AMENDMENT REGULATION

1 The *Securities Regulation* (AR 115/95) is amended by this Regulation.

2 The Schedule is amended

(a) in section 5 by repealing subsection (1) and substituting the following:

5(1) Subject to subsection (2), a report of exempt distribution required to be filed in connection with the use of an exemption from the prospectus requirements under Alberta securities laws shall be accompanied by a fee equal to \$100 and the amount, if any, by which,

(a) in the case of a money market mutual fund, 0.02% of the net proceeds,

(b) in the case of any other mutual fund, 0.02% of the gross proceeds, or

(c) in any other case, 0.025% of the gross proceeds

realized in Alberta by the issuer or selling security holder from the distribution in respect of which the report of exempt distribution is filed exceeds \$100.

(b) in section 6(1) by striking out "sections 86(1)(o) and 131(1)(h) of the Act" and substituting "section 2.1 of NI 45-106";

(c) by repealing section 9 and substituting the following:

9(1) The annual financial statements filed by or on behalf of a reporting issuer for the purpose of annual continuous disclosure shall be accompanied by a fee of

(a) \$2000, if the reporting issuer has filed in any jurisdiction of Canada a notice declaring its intention to be qualified to file a short form prospectus under NI 44-101, or

(b) \$250, in all other cases.

(2) If a reporting issuer has paid the fee referred to in subsection (1)(b) but subsequently files, in any jurisdiction of Canada, a notice declaring its intention to be qualified to file a short form prospectus under NI 44-101, the reporting issuer shall pay to the Commission an additional fee of \$1750 concurrently with the filing of the notice.

(3) In addition to the fee payable under subsection (1), annual financial statements filed outside the prescribed time period by or on behalf of a reporting issuer for the purpose of annual continuous disclosure shall be accompanied by a fee of \$100.

3 This Regulation comes into force on December 30, 2005.