

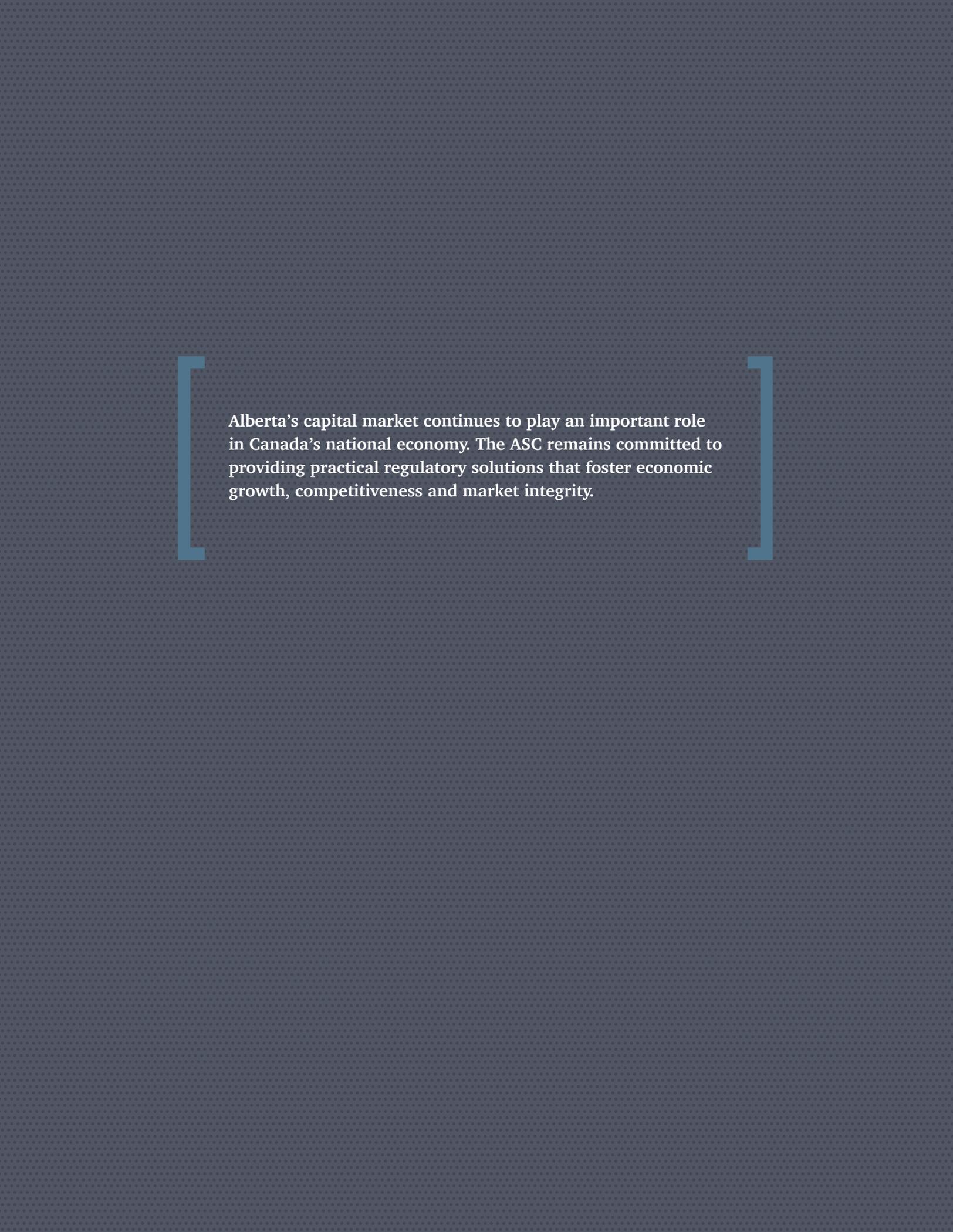


# Intelligent regulation.

# Investor protection.

FOCUSED, PRACTICAL AND COLLABORATIVE.





Alberta's capital market continues to play an important role in Canada's national economy. The ASC remains committed to providing practical regulatory solutions that foster economic growth, competitiveness and market integrity.

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# Message from the Chair



Alberta's industries, and the innovative and entrepreneurial spirit that makes them grow, are key drivers fuelling our capital market, which in turn plays such an important role in Canada's national economy.

## A CHANGING RELATIONSHIP BRINGS NEW OPPORTUNITY

For generations, Alberta and Canada have enjoyed a strong, mutually beneficial relationship with the U.S. These bonds fostered economic growth, stability and investment opportunities on both sides of the border.

Today, we are forced to confront unsettling times, with ever-changing geopolitical dynamics and technological advancements that influence both Canadian and international capital markets. The challenges posed by our closest ally have spurred new strategic thinking to safeguard our economic interests.

While I agree that this uncertainty is challenging, I also believe these circumstances offer opportunities for Canada to innovate, reconsider our competitive advantage, diversify our economy, strengthen our global relationships and grow our capital markets for the long term.

## A THREE-YEAR PLAN FOR STABILITY AND GROWTH

The Alberta Securities Commission (ASC) is a practical, focused and collaborative regulatory agency. We are dedicated to protecting investors and fostering a fair and efficient capital market in Alberta that encourages economic growth, resilience and market integrity. The ASC continues to monitor and consider fast-moving international forces to assess potential implications for our market and we remain committed to providing practical and appropriate regulatory solutions.

Given the current economic environment, the ASC's three-year strategy is more important than ever. I strongly believe that our plan will guide us as we navigate these uncertain times, and that it will also enable us to be resilient.

Fiscal 2025 (F2025) is the second year of the ASC's three-year strategic plan and this report highlights some of what we achieved. This year was marked by advancements in responsible innovation

Given the geopolitical and economic environment we are operating in, the ASC's three-year strategic plan is more important than ever. Our plan continues to guide us as we navigate these uncertain times, enabling us to realize our potential and be resilient.



and significant stakeholder engagement, reinforcing the ASC's position as a relevant and practical regulator that is responsive to market participants and emerging trends.

#### **WORKING TOWARDS COMMON GOALS: ASC AND THE CSA**

Our regulatory work is a close collaboration with fellow provincial and territorial securities regulators from across our vast and diverse nation, through the Canadian Securities Administrators (CSA). The CSA brings us together to share ideas and work to design and implement policy and regulations that are consistent to support the smooth operation of Canada's securities industry, and to disrupt bad actors and hold them accountable. I am proud to continue to Chair the CSA, and that the ASC has a strong voice at the table.

I believe that intelligent regulation and investor protection provide all market participants with the structure, confidence and clarity needed to move forward and help our country compete and prosper.

As previously noted, the global economic landscape has changed rapidly and significantly. After much consideration, the CSA paused its work on the development of a new mandatory climate-related disclosure rule and amendments to the existing diversity-related disclosure requirements. This pause aims to reduce mandatory regulatory burden to support the international competitiveness of Canada's capital markets while providing flexibility for the CSA to revisit the projects in the future.

The CSA is now focusing on introducing measures to reduce regulatory burden and support the competitiveness of Canada's capital markets without sacrificing investor protection. In April, we introduced three blanket orders to support market participants that choose to go public, maintain a listing, and

contribute to capital formation in Canada. This is the start of actions the CSA is taking to make it easier and more cost-effective for businesses to raise capital and grow in Canada.

#### **FINHUB, AI AND CRYPTO: FOSTERING INNOVATION**

Over the last year, the ASC and the CSA have continued to evolve our support for the technology sector, fostering innovation in Canada's capital markets. The ASC is the Chair of the CSA's Financial Innovation Hub (FinHub), an initiative intended to support innovation in the Canadian capital markets, benefiting investors and market participants. This year, as part of the FinHub, we were pleased to launch the CSA Collaboratory – a dedicated testing environment for regulators to engage more intensively with both established market participants and innovative businesses pioneering new tools and business practices.

The first test in the Collaboratory explores the theme of data portability as it relates to electronic know-your-client solutions (eKYC). Those that work within the Collaboratory are looking forward to subsequent tests that will assess innovations under real-world conditions in support of Canada's evolving capital markets.

As artificial intelligence (AI) evolves, the CSA took the opportunity to engage market participants on how securities legislation applies to AI systems, as described on page 9. Input from these stakeholders will play a critical role in informing future initiatives to refine the regulatory framework applicable to the use of AI systems in capital markets.

This year, we made additional strides towards a coordinated regulatory regime for crypto assets and crypto asset trading platforms (CTPs) by providing guidance on the securities law requirements that apply to CTPs, and by clarifying the CSA's

approach to value-referenced crypto assets (VRCAs). More information on these developments is available on page 10.

### TOWARDS A STRONGER START-UP ECONOMY

The ASC recognizes the value of a strong and vibrant start-up and entrepreneurial community in our province. To further demonstrate our commitment to growth in this area, the ASC has entered into a partnership with Platform Calgary and Edmonton Unlimited, each of whom support Alberta start-ups with interactive learning environments, mentorship, education and resources. We're excited to see how our joint programming in Calgary and Edmonton will fill the private market knowledge gap among first-time founders and investors.

### ENFORCEMENT DEMANDS CONSTANT VIGILANCE

The ASC's enforcement efforts are a critical component of our investor protection mandate. Accordingly, the ASC continues to look for new ways to detect, disrupt and deter misconduct, and to hold offenders accountable. We concluded several enforcement files in F2025, most notably Ronald James Aitkens, who was sentenced to four years in jail after fraudulently diverting at least \$10.7 million of \$35 million raised from nearly 1,500 investors to his personal companies. Aitkens – a noted repeat offender – had previously failed to appear in court for sentencing after being found guilty of fraud and making false or misleading statements in an offering memorandum contrary to the *Alberta Securities Act*. A Canada-wide warrant was issued for his arrest after it was believed he had fled to the U.S. Thanks to strong collaboration between law enforcement agencies on both sides of the border, he was located in Montana in August 2024 and returned to Canada to face sentencing.

In September 2024, the ASC launched the ScamShield: Investor Protection Challenge, in partnership with the Edmonton Police Foundation and the Edmonton Police Service, to address the significant harm posed by online investment fraud. The Challenge, described on page 18, received more than 30 submissions from around the globe and two concepts were chosen to move forward to the next stage. Both are now in development and we plan to share more about these tools in the coming months. Once vetted and launched, they will complement and enhance the full range of free and unbiased investor resources available on our [CheckFirst.ca](https://www.checkfirst.ca) website.

### ENGAGEMENT INFORMS OUR THINKING

In addition to seeking comment and feedback on proposed rules and policies, the ASC also strives to engage with market participants at numerous in-person and virtual events throughout the year.

In December, we gathered an extraordinary group of speakers and panellists for our eighth annual ASC Connect conference. This year's theme of "Fostering a thriving Alberta market" focused discussion on innovation and its critical role in the diversification of Alberta's economy; the implications of changes

to capital formation and investor participation in our private and public markets; and the impact of AI and machine learning technologies on capital markets.

### A DEDICATED AND INSIGHTFUL TEAM

On behalf of our senior management team, I would like to recognize and express my thanks to three groups of individuals who continue to make significant contributions to the ASC. We would not be able to fulfill our mandate were it not for the efforts of employees, advisory committee members and Commission Members. It is our hard-working employees who make a difference in our market every day and whose commitment to serving Albertans is unparalleled and profoundly valued. The ASC has a strong foundation thanks to the dedication of our Commission Members and we are also privileged to have access to outstanding market insight through the members of our eight advisory committees. We are so fortunate to work with all these outstanding individuals who contribute their commitment and hours of service, providing their valuable insight, market experience and wisdom.

### A TIME TO EXPAND OUR HORIZONS

As we move into the last year of our three-year strategic plan, I believe the ASC's principles of intelligent regulation, effective compliance oversight, enforcement and education, and a culture of engagement, will continue to guide us through difficult times ahead.

Despite all that is unfolding around us, I know for certain that Alberta remains a crucial part of Canada and that our capital market is important. Alberta's entrepreneurial and hard-working voice is essential as Canada considers how to move forward.

We now find ourselves embarking on a new path that will require us to take global realities into consideration – a path that demands we consider alternative ways of fulfilling our mandate. By working within the CSA, we can help strengthen our Canadian markets and support a brighter future for our country.



**Stan Magidson, KC**  
Chair and Chief Executive Officer

## MISSION, VISION, STRATEGY AND VALUES AT-A-GLANCE

F2025 was the second year of our strategic plan that is guiding our priorities to the end of F2026. This flexible plan allows us to address the emerging trends, challenges and opportunities that we face in achieving our vision to be a practical, best-in-class regulator and to protect investors from improper, misleading or fraudulent practices.

This annual report provides an update on our progress and offers highlights from F2025 within each of the three pillars of our strategic plan. Our work this past year demonstrates how we are a focused and innovative securities regulator that aims to foster a thriving capital market in Alberta.

### MISSION

To foster a fair and efficient capital market in Alberta and to protect investors.

### VISION

To be a practical, intelligent, best-in-class regulator. We strive to protect investors from improper, misleading or fraudulent practices while allowing our capital market to thrive.

### STRATEGY

The pillars of our strategy to realize our mission and vision are:

Intelligent regulation aimed at fostering a thriving capital market

Protect investors and market integrity through effective compliance oversight, enforcement and education

Foster a culture of engagement

### VALUES

The values that guide employee action at the ASC are:

STAKEHOLDER RESPONSIVENESS

QUALITY RESULTS

CONTINUOUS IMPROVEMENT

TEAMWORK

PRINCIPLED ENVIRONMENT

## PILLAR ONE

# Intelligent regulation aimed at fostering a thriving capital market



### ADDRESSING EMERGING REGULATORY FRONTIERS

The global economic and geopolitical landscape has rapidly and significantly changed in recent months, resulting in increased uncertainty and rising competitiveness concerns for Canadian issuers. In response, the ASC and CSA are focusing on initiatives to make Canadian markets more competitive, efficient and resilient.

In April 2025, the CSA [announced coordinated blanket orders](#) intended to make it easier and more cost-effective for businesses to raise capital and grow in Canada, without sacrificing investor protections. These actions represent

steps the CSA is taking to support the competitiveness of market participants that choose to go public, maintain a listing, and contribute to capital formation.

Additionally in April 2025, the CSA [paused its work](#) on the development of a new mandatory climate-related disclosure rule and amendments to the existing diversity-related disclosure requirements. This is being done to support Canadian markets and issuers as they adapt to the recent developments in the U.S. and globally.

During the pause on the climate- and diversity-related disclosure projects, current securities legislation in Canada requires disclosure of certain climate-related information in an issuer's regulatory filings if such information is material. Non-venture issuers will also continue to be required to provide diversity-related disclosures regarding the representation of women on their boards and in executive officer positions based on the existing requirements under National Instrument 58-101 *Disclosure of Corporate Governance Practices*.

Further related to National Instrument 58-101, in F2025, the ASC participated with other CSA members in publishing



We recognize that intelligent regulation is key to protecting investors and fostering a fair and efficient capital market.

the results of the 10<sup>th</sup> consecutive annual review of disclosures relating to women on boards and in executive officer positions. The review indicated that 29 per cent of board seats were held by women this year, and 90 per cent of issuers had at least one woman on their board. Seventy-two per cent of issuers had at least one woman in an executive officer position.

Alberta's largest companies continue to have the highest percentage of gender diversity among board members. One hundred per cent have two or more women on their board, and 89 per cent report one or more women in their executive ranks. We expect that this will be the final year that we conduct a review of the above-noted disclosures.

The CSA will continue to monitor domestic and international developments with respect to climate- and diversity-related disclosure.

Technological advancements, including artificial intelligence (AI) and other innovations in financial technology, are creating new opportunities and challenges and reshaping the investor experience and available services.

The ASC leads the CSA's Financial Innovation Hub (FinHub), which supports innovation in the Canadian capital markets that benefits investors. Through the FinHub, the CSA takes a proactive approach to considering new technologies and innovative business models, including assessing the scope and nature of regulatory implications and evaluating what may be required to modernize the securities regulatory framework for such innovations.

To support this work, in February 2025 the CSA FinHub launched its Collaboratory, a resource to explore the market impact and regulatory implications of new technologies and business models. It is a collaboration and engagement space that also serves as a testing environment, where new ideas and business models can be assessed under real-world conditions.

The first test in the Collaboratory considers issues raised by all aspects of data portability, with a focus on electronic know-your-client practices (eKYC). The test seeks to gather information related to privacy and security concerns, the use of data portability in mitigating investor risk, and possible regulatory barriers affecting the development of data portability solutions.

Several CSA member jurisdictions conducted proactive consultations on data portability with registrants, eKYC providers, researchers, and other regulators, and are now reviewing the comments and feedback received.

Recognizing the proliferation of the use of AI, the CSA FinHub created an AI in Capital Markets Working Group to investigate use cases and risks, and the CSA published a notice intended to provide clarity and guidance on how securities legislation applies to the use of these systems by market participants. [Staff Notice and Consultation 11-348 Applicability of Canadian Securities Laws and the Use of Artificial Intelligence Systems in Capital Markets](#) also sought stakeholder feedback on the evolving role of AI systems and opportunities to tailor or modify current approaches to oversight and regulation considering these advancements. Responses from market participants will play a critical role in

informing future initiatives to refine the regulatory framework applicable to the use of AI systems in capital markets.

The CSA continues to advance a coordinated regulatory regime for crypto assets and crypto asset trading platforms (CTPs). The ASC took part in two CSA initiatives intended to provide CTPs with clarity on regulators' expectations with respect to their continued operation in Canada.

First, the CSA provided guidance on applicable securities law requirements that clarified that certain CTPs in Canada were expected to register as investment dealers and become members of the Canadian Investment Regulatory Organization (CIRO). The CSA also provided an update to CTPs on the implementation of its interim approach to value-referenced crypto assets (VRCAs). Following two deadline extensions, CTPs had until December 31, 2024 to either comply with the terms and conditions of their registration and exemptive relief decisions, or their pre-registration undertakings (PRUs), with respect to VRCAs, or to propose alternatives that address the CSA's investor protection concerns. After that date, registered CTPs or CTPs operating under a PRU are only able to offer VRCAs for trading on their platforms that comply with the conditions of their registration and exemptive relief decisions, or their PRUs. The CSA continues to analyze and develop policy concerning novel operational aspects of the intermediation of crypto assets, such as custody.

### QUESTIONING THE REGULATORY STATUS QUO

As regulators, we must adapt to changing market conditions while providing a level of stability upon which market participants can depend. We continually monitor and consider alternative approaches, scanning both the domestic and international regulatory environments to inform our position and policy priorities on a variety of securities regulatory matters.

In April 2024, the CSA published [Staff Notice 21-334 Next Steps to Facilitate Access to Real-Time Market Data](#), which summarizes the comments received in response to the consultation paper published in November 2022. The staff notice advises stakeholders of the CSA's next steps to address the access to and use of real-time market data, which provides vital information about equity securities markets. Access to this data is key for market participants, investors and their advisers to make informed investment decisions, along with order routing and execution decisions.

As outlined in the staff notice, the CSA established an industry committee to review our data fees methodology (DFM). The committee, chaired by an independent consultant and composed of various stakeholders, commenced its work in January 2025. Once the committee's review is complete, its recommendations will be published. The DFM is a quantitative model that is used by the CSA to help inform decision making with regards to professional fees charged by marketplaces.

The CSA published two [research reports](#) that examined developments in the investment fund industry and investor behaviour following the implementation of the Client Relationship Model Phase 2 (CRM2) amendments. We found that CRM2 improved how financial information is disclosed to investors by requiring greater transparency about the cost and performance of client accounts.

The [research findings](#) suggest that overall industry behaviour has been shifting in directions that are consistent with the study's hypothesis on the impact of these regulations. The findings also provide evidence that disclosure-based regulations may be an effective tool in changing industry and investor behaviour.

Over the 2013 to 2020 study period, research on investment fund fees found that management expense ratios (MERs) and management fees decreased for both mutual funds and exchange traded funds (ETFs). The distribution of investment shifted towards funds that charged lower fees and, overall, investment fund managers reduced the fees they charged investors. The research also documented improvements in risk-adjusted, gross investment performance based on the study's model benchmarks. These results are in line with the anticipated effects of the CRM2 amendments, which provided investors with better information on the costs and performance of their investments.

In June 2024, the ASC, along with several other Canadian securities regulators, announced an initiative intended to support capital-raising by early-stage businesses by allowing exempt market dealers (EMDs) to participate as selling group members in prospectus offerings.

EMDs play an important role in assisting start-ups and small- to medium-sized businesses to raise capital by distributing those businesses' securities under prospectus exemptions. However, as the businesses grow and seek financing through prospectus offerings, EMDs are unable to participate in those





prospectus offerings due to restrictions on their permitted activities. The time-limited exemption enables EMDs to maintain their relationships with those issuers and opens more capital-raising opportunities for Canadian small businesses.

The CSA also continues to work towards the creation of a regulatory framework for an independent dispute resolution service whose decisions would be binding. [National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations](#) currently sets out the requirement that registered dealers and advisers outside Québec must take reasonable steps to make the dispute resolution services of the Ombudsman for Banking Services and Investments (OBSI) available to their clients. In working to create binding authority, the CSA is seeking to strike the correct balance within the system.

The CSA previously proposed a framework to address these limitations in effectiveness under which OBSI would be the designated or recognized independent dispute resolution service for the investment industry, with authority to issue binding decisions, and would be overseen by the CSA jurisdictions. The proposed regulatory framework also included proposed rule amendments to certain complaint handling provisions under Canadian securities law. Stakeholders were invited to participate in a comment period, which ended on February 28, 2024. The CSA is considering the feedback and plans to issue a further publication for comment in the second half of 2025 that includes the CSA's proposed approach to oversight.

As noted above, the ASC and the CSA work hard to stay attuned to domestic and international regulatory developments by engaging with market participants to gather information and better understand their perspectives. F2025 saw a significant number of proposals and requests for feedback to inform policy development as well as amendments.

In September 2024, the United States Securities and Exchange Commission (SEC) announced adoption of [rule changes](#) to certain fundamental aspects of U.S. market structure. Most CSA members and CIRO then provided an update on their work to consider the impact of these SEC rule changes on Canadian equity market structure.

In January 2025, participating securities regulatory authorities and CIRO published a notice and request for comment on proposed amendments to [National Instrument 23-101 Trading Rules](#) and proposed changes to [Companion Policy 23-101 Trading Rules](#) related to recent rule changes concerning the equity trading fee cap announced by the SEC. The CSA and CIRO are now reviewing the comments received.

The planned implementation date for the SEC Final Rules was November 3, 2025, however, on December 12, 2024, the SEC issued an order staying the implementation of the SEC Final Rules pending legal challenges in the U.S. The proposed amendments and companion policy changes and proposed Universal Market Integrity Rules (UMIR) amendments would not be implemented in Canada before the SEC Final Rules are implemented in the U.S.

The CSA began consultation in September 2024 on proposed amendments to [National Instrument 94-101 Mandatory Central Counterparty Clearing of Derivatives](#). The proposed amendments aim to update the list of mandatory clearable derivatives to reflect the transition of Canadian financial markets to new overnight risk-free interest rate benchmarks; to add new classes of interest rate swaps; and to add credit default swaps referencing certain indexes. The comments received are now under review.

On September 28, 2024, the Derivatives Business Conduct Rule and related Blanket Order 93-930 came into effect. [National Instrument 93-101 Derivatives: Business Conduct](#) sets out a comprehensive regime for regulating the business conduct of dealers and advisers in the OTC derivatives market, and the Blanket Order temporarily exempts (i) derivatives firms from certain obligations when transacting with certain investment funds (until the CSA can appropriately amend National Instrument 93-101); and (ii) senior derivatives managers from certain reporting obligations relating to the period September 28 to December 31, 2024. [A corresponding FAQ](#) to provide clarity for derivatives firms to operationalize the business conduct requirements was also published in September 2024.

The CSA has published for comment [proposed amendments to the principal distributor model](#) that clarify that a principal

distributor may only act as a principal distributor for mutual funds in the same mutual fund family and require disclosure of principal distributor arrangements and compensation to investors purchasing mutual fund securities distributed by principal distributors. (A principal distributor would remain free to distribute funds from multiple fund families in its capacity as a participating dealer.) These changes have been proposed to foster a more transparent and fairer marketplace for all participants and to protect investors.

The CSA also consulted on two other matters, including whether there are circumstances in which a principal distributor should be allowed to have multiple principal distributor relationships, and how dealers are using chargebacks when distributing mutual funds. Both projects align with the CSA's 2022–2025 Business Plan, which highlights the importance of assessing whether additional mutual fund sales practice rule modernization is needed to improve investor protection and maintain investor confidence in Canadian capital markets. In November 2024, the CSA published for comment proposed amendments relating to the principal distributor model of distribution of mutual funds, which would clarify that a principal distributor could only act for mutual funds in the same mutual fund family. The comment period was extended to the end of April 2025 and CSA staff are now reviewing the comments received. With respect to chargebacks, the CSA anticipates publishing proposed rules for public comment in mid-2025.

To better align system fee revenues with projected national systems operating costs, the CSA published for comment proposed amendments to [Multilateral Instrument 13-102 System Fees](#). The proposed fees would ensure sufficient funding to operate the CSA's national systems, including SEDAR+ and the National Registration Database (NRD), over a five-year period starting in late 2025. Based on cost-recovery, the amendments reflect the reduced revenue and cost increases incurred by the CSA in developing and operating the national systems due to significant increases in IT labour costs, along with cost increases for technology and cybersecurity risk mitigation. The comment period closed in February 2025, and the CSA anticipates publishing a final Notice in the second half of 2025.

Rule amendments supporting the move to a shorter settlement cycle for equity and long-term debt market trades came into force in Canada on May 27, 2024. The amendments to [National Instrument 24-101 Institutional Trade Matching and Settlement](#) align with the industry's move to reduce the time by which institutional trades must be matched from two days after the date to one (T+1). T+1 provides a framework for ensuring efficient and timely settlement of institutional trades (equity and debt) by registered dealers and advisers and is consistent with the associated regulatory changes in the U.S.

Final amendments were also published in May 2024 to help mutual funds that voluntarily shorten their trade settlement cycles to T+1 following the transition by North American securities markets to T+1.

The Canadian Dollar Offered Rate (CDOR) was published for the last time on June 28, 2024, as part of the transition to the Canadian Overnight Repo Rate Average (CORRA) as a key financial benchmark for Canadian derivatives and securities. The cessation of CDOR was authorized by the CSA and came about following international efforts to restructure and strengthen interest rate benchmarks. The transition was spearheaded by the Canadian Alternative Reference Rate Working Group.

## REDUCING REGULATORY BURDEN

This year, we continued to prioritize reducing regulatory burden to foster innovation and promote market efficiency for the benefit of our capital market. Much of the work in F2025 included seeking input from market participants.

In May 2024, certain CSA jurisdictions proposed changes to the assurance report requirements for designated benchmarks in [Multilateral Instrument 25-102 Designated Benchmarks and Benchmark Administrators](#) in order to address certain technical issues encountered by accounting firms when preparing these reports. Comments received during the consultation were reviewed by the CSA for purposes of the final amendments to be published in 2025.

This year was marked by advancements in responsible innovation and significant stakeholder engagement, reinforcing the ASC's position as a relevant and practical regulator that is responsive to market participants and emerging trends.

In September 2024, the CSA published for comment a series of proposed amendments aimed at modernizing the continuous disclosure regime for investment funds. These proposals are designed to streamline disclosure requirements to reduce the regulatory burden on investment fund managers while enhancing the overall quality of information available to investors.

One of the proposed amendments would replace the existing annual and interim management report of fund performance (MRFP) with a new annual and interim fund report. The proposed fund report was developed using [behavioural insights research](#), which provides information on how people think, behave and make decisions. This included carrying out rigorous investor testing aimed at comparing the effectiveness of several alternative proposed versions of the fund report against a sample MRFP. The CSA is now reviewing the comments received.

Two other continuous disclosure-related proposals would provide exemptions from certain conflict of interest reporting requirements in securities legislation if other similar requirements are satisfied, and would eliminate some required class- or series-level disclosures from investment fund financial statements that are not required by International Financial Reporting Standards.

The CSA announced in November 2024 [final rules](#) modernizing the prospectus filing model for investment funds that reduce regulatory burden without affecting the quality or timeliness of information available to investors. Under the new rules, which took effect on March 3, 2025, investment funds in continuous distribution will now be able to file prospectuses every two years instead of annually. Investors continue to have access to continuous disclosure documents, as well as the Fund Facts and the ETF Facts.

In November, the CSA sought feedback on revised proposed changes to implement an access model for certain disclosure documents of non-investment fund reporting issuers. The CSA had published initial proposals in 2022 with a view to modernizing the way documents are made available to investors. The revised proposal incorporated feedback received on the

original proposal, including from the CSA Investor Advisory Panel, and proposes leveraging new functionality within SEDAR+, allowing investors to sign up to be notified when documents have been filed and providing a link to those documents. It will give issuers another alternative method of sharing continuous disclosure documents, including annual financial statements, interim financial reports and related management's discussion & analysis (MD&A), instead of following the current requirements found in securities legislation.

The model will further enhance investors' awareness of the availability of continuous disclosure documents and how they can be accessed electronically. This builds on the access model for prospectuses that was published in final form on January 11, 2024 and came into force on April 16, 2024. The comment period for the revised proposal ended on February 17, 2025 and comments are now under review.

Also in November, the CSA announced that its members would consider delegating certain registration functions and powers in respect of mutual fund dealers and their individual representatives to CIRO. CIRO has been performing certain registration functions for some CSA members under delegated authority, including investment dealer registration functions in Alberta. The goal of this project is to harmonize the registration regime for CIRO dealer members across the CSA, to improve efficiency, reduce regulatory burden and allow the CSA to focus on policy matters. On April 1, 2025, the ASC delegated certain additional registration functions and powers to CIRO, including the responsibility for mutual fund dealer registration functions in Alberta.

Final amendments to [Multilateral Instrument 96-101 Trade Repositories and Derivatives Data Reporting](#) were published in July 2024, with an effective date of July 25, 2025, in order to harmonize OTC derivatives data reporting with global standards, including those set by the Committee on Payments and Market Infrastructures and International Organization of Securities Commissions (CPMI-IOSCO). The amendments made by all CSA jurisdictions to their respective OTC derivatives trade reporting



rules are expected to simplify reporting systems and reduce compliance costs for derivatives market participants, and to improve data quality and consistency for regulators. Updates also include a harmonized CSA Derivatives Data Technical Manual, enhanced data validation and verification requirements for reporting counterparties, extended reporting deadlines for end-users, and updated requirements for trade repository governance.

On October 31, the CSA published [Coordinated Blanket Order 96-932 Re Temporary Exemptions from Certain Derivatives Data Reporting Requirements](#) in order to provide immediate exemptions for non-dealer reporting counterparties to benefit from certain regulatory burden reductions prior to the effective date of the trade reporting amendments.

[Coordinated Blanket Order 96-933](#), which provides temporary exemptions from certain derivatives data reporting requirements relating to unique product identifiers for commodity derivatives, was published in February 2025. The Coordinated Blanket Order enables market participants to continue to report unique product identifiers for commodity derivatives as required under current derivatives trade reporting rules after [amendments to those rules](#) come into effect on July 25, 2025. The CSA intends to coordinate revocation of the Blanket Order to align with the CFTC's future implementation of the new Unique Product Identifiers (UPI) specifications for the commodity asset class, or may otherwise revoke the exemptions if we determine that the



new UPI specifications are sufficiently calibrated for the various types of commodities underlying the derivatives being traded in Canada.

## ENGAGING EFFECTIVELY WITH OTHER REGULATORS

For the ASC to continue to be a practical, best-in-class regulator, we recognize that collaboration with other regulators across the country and internationally remains key. By bringing an intelligent and harmonized approach to regulation and to the administration of Canadian securities laws, we work to protect investors from harmful or fraudulent practices and foster a fair and efficient capital market.

Our Enforcement division liaises with counterparts from across the country, as well as law enforcement agencies and other partners locally and internationally, to support an approach that is collaborative and fosters better information sharing. This in turn allows for more timely responses to securities misconduct, including market manipulation and fraud.

ASC subject matter experts regularly lead and co-lead CSA policy initiatives, bringing experience and a perspective that accounts for the unique nature of the Alberta market. Some of the initiatives we lead or co-lead include data governance, market analysis program advanced analytics, continuous disclosure burden reduction, climate-related disclosure, diversity disclosure, trade reporting, as well as crypto-related projects, such as margin and leverage, staking, custody, and the operation of CTPs in Canada or those accessible to Canadians. The ASC also regularly supports CSA-related procurement activity and manages the CSA's intellectual property portfolio as the Intellectual Property Designated Principal Administrator on behalf of the other CSA jurisdictions.

The ASC continues to lead or is actively involved in a number of CSA committees and working groups, such as the Legislative and Regulatory Coordination Committee, Systemic Risk Committee, the Corporate Finance Steering Committee, the Investment Funds and Structured Product Steering Committee, the Chief Accountants Committee, the Communications Committee, the Registration Operational Working Group, the Registrant Oversight Working Group, the Data Governance Group, and more. We also lead the CSA's Financial Innovation Hub to coordinate the approach to financial innovation across Canada.

Nationally and internationally, the ASC is involved in the Heads of Regulatory Agencies (HoA) Committee, the North American Securities Administrators Association (NASAA), IOSCO (including vice-chairing Committee 7 on Derivatives), the Global Financial Innovation Network (GFIN), and other groups that allow us to stay abreast of and collaborate on important issues that may impact the Canadian capital markets. These partnerships allow us to be aware of emerging issues early, so that we can monitor and plan approaches to address and mitigate potential risks.

## CAPITAL MARKET STATISTICS

(As of December 31, 2024)

Alberta continues to be one of Canada’s most important capital markets. We are Canada’s leading energy jurisdiction, and industries such as oil and gas, utilities, pipelines, renewable energy and agriculture play critical roles in our economy.

# \$827B

### MARKET CAPITALIZATION OF LISTED REPORTING ISSUERS HEADQUARTERED IN ALBERTA.

The 14 per cent increase in market capitalization compared to 2023 reflects the strong performance of Alberta’s energy sector, which continues to be a key driver of growth among listed reporting issuers headquartered in the province.

# \$20.4B

### AMOUNT RAISED BY ALBERTA-BASED ISSUERS IN THE PROSPECTUS-EXEMPT MARKET.

Seventy-four per cent of which was debt. Equity, units, and other securities made up the remaining.

# \$9.3B

### AMOUNT RAISED BY ALBERTA-BASED ISSUERS IN THE PUBLIC MARKET.

Eighty per cent of which was debt. Equity, units, and other securities made up the remaining.

# \$374B

### MARKET CAPITALIZATION OF OIL AND GAS COMPANIES.

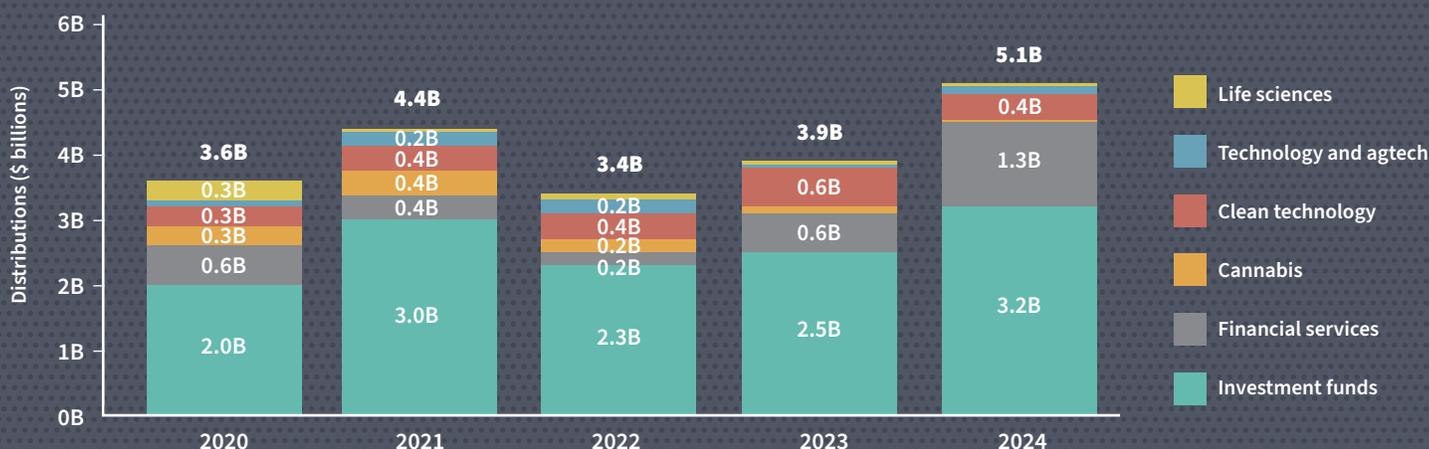
# \$219B

### MARKET CAPITALIZATION OF UTILITIES AND PIPELINES.

# \$14.2B

### MARKET CAPITALIZATION IN THE FOLLOWING EMERGING SECTORS: LIFE SCIENCES, TECHNOLOGY AND AGTECH, CLEAN TECHNOLOGY, CANNABIS, AND FINANCIAL SERVICES.

### DISTRIBUTIONS IN SECTORS WITH GROWTH POTENTIAL:\*



\*Since the 2024 Annual Report, the totals in some previous years may have changed due to a variety of reasons, including changes in data source values for issuer’s head office, name and industry categorization, as well as staff assumptions. Each fiscal year, the ASC database is updated to reflect these changes.

## PILLAR TWO

# Protect investors and market integrity through effective compliance oversight, enforcement and education



### ENSURING EFFECTIVE COMPLIANCE OVERSIGHT

A key responsibility of the ASC is to effectively oversee compliance. We actively monitor trends, risks and emerging issues in securities and derivatives market structures, as well as related trading, dealing and advising activities, to support confidence in Alberta's capital market. Working with our CSA colleagues, we provide market guidance through staff notices that outline regulatory expectations for compliance with securities laws. We take a forward-looking approach to oversight and regulation that helps market participants navigate regulatory requirements and

maintain important investor protection measures.

In October 2024, the CSA marked 10 years of OTC derivatives trade reporting in Canada. This reporting improves transparency in the derivatives market and is essential for effective regulatory oversight, including the ability to identify and address systemic risk and potential market abuse. The CSA's recent amendments to the derivatives trade reporting rules will streamline and internationally harmonize derivatives data reporting and improve its quality.

In November 2024, the CSA published its [biennial report](#) on the Continuous Disclosure Review Program. Reviews are conducted to assess reporting issuers' compliance with securities laws and help them improve the completeness and quality of their disclosures. The report provides an overview of the CSA's review program results and highlights key findings and outcomes over the past two fiscal years. It is an important resource intended to help public companies, and their advisers, understand and comply with their continuous disclosure obligations.

Moreover, our Corporate Finance division conducts both full and issue-oriented reviews, with key findings and insights shared with reporting issuers through the annual [Corporate Finance Disclosure](#) and [Energy Matters](#) Reports. These reports, along with corresponding virtual information sessions, provide guidance and observations to support compliance as described on page 21.

The Corporate Finance division also hosted various webinars and presentations throughout the year, including one to [assist directors and officers](#) of reporting issuers with understanding compliance obligations related to reporting under [National Instrument 51-101 Standards of Disclosure For Oil and Gas Activities](#) and another to [assist with understanding how to file a report of exempt distribution](#) under [National Instrument 45-106 Prospectus Exemptions](#). The ASC also hosted 10 educational sessions across the province on the rules around private capital raising and provided guidance to Alberta-based reporting issuers on the availability and process to apply for management cease-trade orders in the event an issuer anticipates any delays in filing their annual or interim financial reports.

The Market Regulation division conducts routine and for-cause compliance examinations to test compliance with regulatory requirements as part of its ongoing risk-based oversight of Alberta-based registered firms and infrastructure entities. We may take regulatory action to ensure that firms correct compliance deficiencies when identified, including imposing terms and conditions on a firm's registration, requiring compliance monitoring oversight, and, if necessary, making

referrals to the ASC's Enforcement division and notifying other CSA jurisdictions. In March 2025, the division also [launched a process to receive complaints](#) concerning the trading of energy derivatives contracts that may be contrary to securities laws.

During 2024, the CSA and CIRO substantially completed examinations testing the implementation of the Client Focused Reforms, in the areas of KYC, know your product (KYP), and suitability. The CSA and CIRO will report the results in 2025.

### EXPANDING ENFORCEMENT TOOLS

As technology evolves, so does the potential for harmful activities in our market. The speed at which bad actors operate is increasing at an alarming rate, making enforcement a cornerstone of what we do every day. The ASC's collaborative approach is key to its ability to detect, disrupt and deter wrongdoing in our capital markets.

The Enforcement division regularly works together with other ASC divisions and with external partners to support a full-spectrum approach to enforcement. Our work spans from disrupting and preventing securities misconduct to empowering the public with education, resources and the ability to report fraudulent activity, to investigating and prosecuting breaches of securities laws. These efforts are critical to maintaining trust and confidence in Alberta's capital market.

The ASC continues to work in partnership with Canadian provincial and territorial securities regulators, and collaborates with other regulatory agencies and law enforcement



The ASC monitors current market activity, anticipates future challenges, collaborates with other organizations and acts decisively to promote confidence, inform and protect investors and support market integrity.

organizations, the Alberta Crown Prosecution Service, the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) and others. Together with partners, we gather intelligence, issue warnings and investor alerts, and take other action to protect Albertans and our capital market. We also obtain interim orders, which are intended to protect against ongoing harm while an investigation is underway.

The misconduct and scams identified by and reported to the ASC often originate from outside of Alberta. To address these rapidly evolving global trends, the ASC recognizes the importance of engaging with other stakeholders to find new strategies and approaches, particularly with respect to online investment frauds. These scams continue to be the most common complaint reported to the ASC.

Addressing online investment fraud requires a multi-pronged approach. Building on existing tools and approaches, the ASC [partnered with the Edmonton Police Foundation and the Edmonton Police Service to launch the ScamShield: Investor Protection Challenge](#). This challenge sought new and innovative solutions to address the growing threat of online crypto investment fraud to complement the work already being done by the ASC and police.

This challenge provided an opportunity for those in academia, technology, and innovation to work together with enforcement partners to propose new and novel ways to stop further victimization locally and potentially on a national scale.

More than 30 submissions were received, and a diverse panel of judges [selected two concepts](#) that are now in development. Once completed and following further stress testing, the new tools will serve as an important addition to the ASC's investor protection resources available on [CheckFirst.ca](#).

Recognizing the important role whistleblowers play in exposing misconduct that would otherwise be difficult to detect, the ASC partnered with the BC Securities Commission, the Ontario Securities Commission and the Autorité des marchés financiers to formally recognize World Whistleblower Day on June 23. This

was an opportunity to commend those who take action to expose misconduct, illegal practices and unethical behaviour in our market. To build on this support, the ASC also launched an Office of the Whistleblower awareness campaign in November 2024 to keep this resource top of mind, particularly for those who may be able to report wrongdoing.

## F2025 KEY ENFORCEMENT DECISIONS AND ORDERS

The ASC's Enforcement division works to stop misconduct and deter future violations of Alberta securities laws. When an ASC panel determines through administrative proceedings that a violation has occurred, it may impose sanctions, such as administrative penalties, disgorgement of ill-gotten gains, market bans, suspensions or terminations of registration, or other restrictions on capital market activities. In some cases, misconduct may be addressed through a settlement agreement where it serves the public interest.

When appropriate, the ASC's Joint Serious Offences Team (JSOT) collaborates with the RCMP to investigate quasi-criminal and criminal offences, which are then prosecuted through the courts. These cases can result in prison sentences, fines, restitution orders, and criminal records. More information about JSOT can be found on page 19.

In F2025, we concluded settlement agreements with two reporting issuers. [Avila Energy Corporation and its \(former\) CEO, Leonard Van Betuw](#), admitted to misrepresentations in breach of Alberta securities laws by making misleading, untrue or incomplete statements in an offering document that was filed with the ASC. The statements pertained to how Avila intended to use \$1.5 million of the offering proceeds. The respondents also filed a misleading or untrue certificate with the ASC as part of the offering document. As part of the settlement, the respondents jointly paid the ASC \$60,000. Avila has undertaken to provide training for all current officers, directors and audit committee members of Avila in public company obligations, governance and disclosure. Van Betuw agreed to resign as an officer or director of any reporting issuer, is subject to several prohibitions, and



The banner features a dark blue background with a glowing shield icon in the center, surrounded by various digital and security-related icons like a Wi-Fi symbol, a padlock, and a document. The text is white and orange, providing details about the challenge and its partners.

Community Solutions Accelerator  
A Better Alberta With and For Everyone

# ScamShield

## Investor Protection Challenge

Seeking new and innovative solutions to address online crypto investment fraud.

ASC  
Alberta Securities Commission

EDMONTON  
POLICE  
FOUNDATION

EDMONTON  
POLICE  
SERVICE

must complete training in best practices for public company governance and disclosure.

In the second settlement, [Atacama Resources International Inc. \(Atacama\) and Glenn Brian Grant](#) admitted to issuing securities in breach of an ASC Cease Trade Order (CTO). In July 2018, the ASC issued a CTO against Atacama for failing to file periodic disclosure as required under the *Securities Act* (Alberta). While subject to the CTO, Atacama traded in securities with a number of individuals, including Grant and individuals closely connected to the company. Grant authorized these trades and also engaged in acts, negotiations and conduct in furtherance of trades in securities of Atacama, in breach of the CTO. Atacama and Grant paid an administrative penalty in the amount of \$30,000, and Grant is prohibited from acting as a director or officer of any reporting issuer for a period of five years. He has also undertaken to complete training in best practices for public company governance and disclosure.

ASC panels issued decisions in two cases involving fraud. [Paul Lackan](#) was found to have perpetrated a fraud on investors, most of whom were clients of his accounting business. He raised over \$153,000 from investors and the panel found that he misappropriated at least \$115,000 of that amount, spending it on personal expenses and on unrelated business expenses. The panel permanently banned Lackan from Alberta's capital market and ordered an array of monetary sanctions against him.

An ASC panel found that [Raymond Cawaling and RTAX Financial Corp.](#) illegally distributed securities and perpetrated a fraud by misleading investors and using investor funds for undisclosed and unauthorized purposes. The respondents raised approximately \$1 million from investors, telling them the funds would be used to invest in or provide loans to third parties, including an overseas mining company. A large portion of the money was instead redirected for personal use, to repay unrelated debts, and to pay principal and interest to other investors. A decision by the panel is pending on what, if any, sanction or cost recovery orders will be made against the respondents.

Following a trial in the Alberta Court of Justice on charges under the *Securities Act* (Alberta), Ronald James Aitkens was found guilty in 2020 of fraud and making false or misleading statements in an offering memorandum. After Aitkens failed to appear at his November 2023 sentencing hearing before the court, a warrant was issued for his arrest. Through international collaboration, Aitkens was subsequently arrested in August 2024 by law enforcement in the U.S. and returned to Canada. He was [sentenced](#) by the court to four years in jail and an array of permanent market-access bans. Aitkens has filed an appeal of his conviction and sentence.

The ASC has issued its first case involving finfluencers – a term commonly used to refer to individuals who create online content focusing on finance, investment products, and advice. In April 2025, a panel issued the ASC's first-ever decision on section 103.1(2) of the *Securities Act* (Alberta) in [Jayconomics](#), involving respondents who created and posted material about four issuers on various social media platforms. The panel found that the impugned posts promoted or could reasonably have been

expected to promote the purchase of those issuers' respective securities. Further, most but not all of the impugned posts were found to have been made on behalf of those issuers yet did not disclose this, either clearly and conspicuously or at all. The sanctions phase of this matter is not yet complete.

Non-monetary sanctions orders issued by other securities regulators in Canada are automatically reciprocated in Alberta. In addition, the ASC may issue public interest orders where a person or company has been found by a court to have contravened laws respecting trading in securities or derivatives. In F2025, we issued public interest orders permanently prohibiting [Benjamin Daniel Koorbatoff](#), [William Jordan McBean](#), [David John Del Bianco](#) and [Charles DeBono](#) from participating in Alberta's capital market following their criminal convictions.

Following investigations by the Joint Serious Offences Team (JSOT), charges were laid in F2025 in these cases:

- An individual was [charged](#) with four counts of fraud over \$5,000 and one count of laundering the proceeds of crime under the Criminal Code, in relation to \$3.5 million raised from investors. The allegations have not been proven.
- An individual was [charged](#) with one count of fraud over \$5,000 and one count of laundering the proceeds of crime under the Criminal Code, in relation to \$2.4 million raised from investors. The allegations have not been proven.

As a result of charges previously laid by JSOT, sentencing occurred in two cases:

- Kenneth Charles Fowler (a.k.a. Ken Davidson) of Calgary was [sentenced](#) in May 2024 to a 12-month conditional sentence, ordered to pay restitution in the amount of \$50,000, and received market-access prohibitions. The sentencing occurred after Fowler pleaded guilty to one count of disobeying a court order, contrary to section 127 of the Criminal Code, for acting in any capacity that would require registration. The court order arose from a previous case in which Fowler was convicted of breaching Alberta securities laws.
- Cheryl-Lynne Braun [pleaded guilty](#) to three counts of fraud over \$5,000 under the Criminal Code. Braun raised \$268,000 from investors for real estate investments but instead used investor funds for unauthorized and personal purposes. Braun was sentenced in July 2024 to 12 months in jail.

## PILLAR THREE

# Foster a culture of engagement



### ENGAGING OUR STAKEHOLDERS

Each year, the ASC engages with market participants to foster open communication and collaboration, as this is a critical part of the administration of provincial securities laws. We consider the evolving trends, developments and factors influencing our stakeholders and are committed to remaining current on the challenges and opportunities shaping Alberta's capital market. Our priority is fostering two-way dialogue with stakeholders, addressing their needs and incorporating valuable feedback into our work, as appropriate. These engagement efforts provide an avenue to share insights, consider pressing issues, and explore new developments with industry experts.

To better support intelligent regulation, the ASC has eight advisory committees made up of industry representatives, academics, professionals and other subject matter experts, who contribute their time and expertise to help keep our staff updated on industry and other professional expert views and current business practices. They provide advice on the development of new or amended securities regulation related to corporate finance, access to capital, market regulation, derivatives, intermediation, the energy industry, financial innovation and the impact of new technologies.

Supporting Alberta reporting issuers in delivering the highest quality disclosure and financial reporting is critical because it enhances investors' ability to make informed decisions. Each year, the ASC develops several market-focused publications to inform and educate issuers, registrants and other market participants. [The Alberta Capital Market Report](#) provides an in-depth analysis of the Alberta capital market in relation to other major capital markets in Canada, which offers important context for market participants and the public to consider. We also published the annual 2024

[Corporate Finance Disclosure Report](#) and the [Energy Matters Report](#) to share insights from the Corporate Finance division's disclosure reviews for reporting issuers. Further, each year we hold a webinar in relation to each of these reports, allowing market participants to engage with us and ask questions.

Corporate Finance staff engaged extensively with Alberta market participants around diversity disclosure, climate-related disclosure and the implications of the greenwashing amendments to the *Competition Act* to understand the issues raised and to ensure the feedback is considered as part of CSA efforts.

We also attended several events around Alberta to raise awareness of the rules around capital raising for small businesses, including newer prospectus exemptions, such as the self-certified investor exemption and the small business financing exemption. We continue to look for opportunities to engage with entrepreneurs, small businesses and others who could benefit from awareness of the exemptions and the need to follow securities regulations to access capital in Alberta while maintaining investor protection.

Our Market Regulation team [hosted in-person outreach and education seminars](#) in Calgary and Edmonton to provide relevant

and timely information for registrants. The team also hosted the annual CSA Derivatives Committee in-person meetings to advance derivatives-related policy initiatives.

The Advanced Research and Knowledge Management (ARKM) division engaged extensively with Alberta and Canadian market and industry participants, service providers, and academics in the financial technology, crypto asset, and AI space, both providing timely information and gathering feedback on policy considerations for the use of emerging technologies in the capital markets.

Our website remains a key resource for securities law information and developments, and we continually look to enhance [asc.ca](#) with relevant, plain-language content and resources to assist market participants.

In December 2024, we hosted our eighth annual [ASC Connect](#) conference. Hundreds of market participants from Alberta and beyond gathered to hear insightful conversations around the theme of 'Fostering a thriving Alberta market.' Speakers and panellists discussed innovation and its critical role in the diversification of Alberta's economy; the implications of changes to capital formation and investor participation in our private and public markets; the impact of AI and machine learning



Hundreds of market participants from Alberta and beyond gathered at ASC Connect to hear insightful conversations around the theme of "Fostering a thriving Alberta market".



technologies on capital markets; and much more. The event sold out, and 97 per cent of attendees surveyed indicated the event was good or excellent.

We also hosted the 2025 Global Financial Innovation Network (GFIN) Annual General Meeting and Global Conference in March 2025. A total of 79 delegates of international regulators attended (both virtually and in person) and participated in a wide range of presentations, discussion panels and other information sessions, on the innovation industry's most prominent topics. This included tokenization, crypto asset regulation, AI in the financial markets, data portability and open finance, and decentralized finance.

Under the theme 'The future of financial regulations in the digital age,' the event was an opportunity to showcase Alberta's market and our regulatory engagement to an international audience, featuring its evolving capital market, the province's fintech ecosystem, and innovative approaches at both local and national levels.

As described on page 5, the CSA Collaboratory launch, along with the data portability discussion paper and staff notice and consultation on the use of AI in the capital markets, also served as opportunities to broaden our engagement with new and existing stakeholders. We also participated in panel discussions and presentations on crypto asset market developments, AI and other technology-driven, securities-related matters to a variety of professional audiences throughout the year.

The ASC collaborated on the CSA's third annual [systemic risk survey](#), which provides regulators with important information on market participants' views about the stability of the Canadian financial system. Their main concerns at the time of the survey, which was conducted between October 10 and November 4, 2024, were household debt, cyber vulnerabilities, the geopolitical environment, and the housing market. Information collected in this survey helps the CSA gather critical information on changing

risk perceptions and consider appropriate risk mitigation initiatives within securities law jurisdiction, in line with one of the CSA's core mandates.

In 2022, the ASC created the ASC Capital Market Scholarships with the University of Calgary's Haskayne School of Business, and two students are now enrolled in the program. These scholarships are intended to support five full-time Indigenous students in achieving a Bachelor of Commerce degree, enabling more Indigenous peoples to participate in and enhance Alberta's capital market.

At a national level, the ASC continues to be involved with the CSA's Taskforce on Indigenous Peoples in the Capital Markets. We support the work to establish a new role within the CSA for an Indigenous Engagement Specialist. This individual will be a key resource to develop a consistent approach to engagement with Indigenous communities in our policy and investor education work across Canada.

## ENGAGING INVESTORS

The ASC continues to expand and enhance its outreach, education and communication activities. We provide free and unbiased informational resources and engage with Albertans in person and online about trends and risks so that investors can make informed decisions.

Each year, we continue to see new variations of fraud targeting Albertans. As part of our mandate to protect investors, we strive to engage with people of all ages to provide timely and relevant information. We maintain and enhance tools and resources available on our websites, [checkfirst.ca](#) and [asc.ca](#), and encourage current and potential investors to [sign up for our monthly CheckFirst newsletter](#).

In June, the ASC participated in the release of the [CSA's 2024 Investor Index](#), a long-running survey, first published in 2006, that

provides valuable insight into Canadian investing trends and fraud in an ever-evolving financial landscape. This year's Index found that more Canadians are using social media for investment information, nearly half of investors say they prefer 'do-it-yourself' investing and fewer investors report having a financial advisor in 2024. The Index also noted that investment fraud was on an upward trend for younger investors. Surveying investor behaviour on a regular basis allows the CSA and its member jurisdictions to enhance existing investor education tools and develop targeted new programs to help Canadians invest wisely and avoid fraud.

Established in 2022, the CSA's Investor Advisory Panel (CSA IAP) engages with retail investors in a more structured and sustained manner, which has provided valuable insight to a number of projects and initiatives. The CSA IAP, which includes representation from Alberta, assists in pan-Canadian policymaking, furthers the CSA's investor protection mandate and promotes coordination across the country. The group represents retail investors and assists the CSA with its mandate, with a view to informing securities regulation and policy development, and enhancing investor involvement in market regulation by promoting dialogue between retail investors and securities regulatory authorities.

### ENGAGING AND EMPOWERING OUR STAFF

As a provincial regulator, the ASC remains deeply embedded within the Alberta community. Located in the heart of downtown Calgary, our office serves as a hub for employee collaboration, industry engagement and opportunities to give back to our community.

The ASC has been a tenant of Centennial Place since it opened in 2010. In 2023, the ASC launched a multi-year Workplace Strategy project to determine its future physical spaces, engaging employees and leaders throughout the process and considering various factors. The ASC signed a new 15-year lease with Oxford Properties in August 2024, marking the successful execution of the Workplace Strategy project. Our Workplace Strategy project, and the decision to renew our lease, reaffirmed the importance of continuing to be present in downtown Calgary and to maintain our commitment to being an engaged regulator and an important member of the Calgary community.

The ASC was once again named one of Alberta's top employers for the 11<sup>th</sup> consecutive year. This achievement recognizes our dedication to offering [an exceptional workplace](#) where employees feel valued and can grow in their profession. The ASC was recognized for encouraging employee health and wellness, its seasonal culture-building activities, as well as its commitment to promoting a balanced lifestyle in a professional work environment.

To support employee engagement, we continue to leverage technology to facilitate our work, host quarterly virtual town hall meetings, and promote the use of technology for employees to connect and collaborate. Our ARKM division delivers a technical education and training program designed to boost employee learning across the organization. This initiative, along with a series of expert speakers and training sessions, is available as part of our professional development resources.

Additionally, the ASC is initiating an organization-wide learning and development project. This project aims to identify the key learning needs, opportunities for enhancement, and priorities of



Employees came together to unveil and celebrate the addition of the ASC name on the exterior signage of Centennial Place.

staff at all levels. The findings will inform the creation of a learning and development needs assessment that is strategically aligned with the organization's overall learning goals and objectives.

The ASC once again hosted a United Way campaign to give back to the community. Through the generosity of employees and Commission members, the ASC raised approximately \$45,000 for Calgarians in need, making it one of the most successful campaigns in recent years. The total funds raised were more than 30 per cent greater compared to the previous year. This year's campaign featured a variety of community-based events and employee challenges that brought people together through fun and friendly competition, contributing to a lasting impact in our city and province.

The ASC successfully moved forward on the second year of our F2024–2026 strategic plan, primarily due to the dedication and commitment of our employees. We acknowledge the professionalism, commitment and spirit of our employees who work every day to enhance our capital market through practical, focused and innovative efforts.

We acknowledge the professionalism, commitment and spirit of our employees who work every day to enhance our capital market through practical, focused and innovative efforts.

## SUSTAINABILITY

The ASC is fortunate to have leaders who are talented and dedicated, bringing a wealth of diverse experiences, skills, and backgrounds. They provide guidance, inspire trust, and cultivate a collaborative and growth-focused environment, which contributes to a professional, energetic and collegial culture. Additionally, our staff are diverse in age, ethnicity, gender, and other personal characteristics.

With respect to gender representation on the Commission and among executive officers, our recruitment process aims to achieve gender diversity while ensuring that Members and executive officers collectively possess the necessary skills and experience to fulfill the organization's mandate of sustaining a fair and efficient capital market and protecting investors. Although the ASC does not set specific gender diversity targets for board or executive officer positions, the representation of women in these groups is generally balanced, as illustrated in the table on page 29. The ASC remains committed to considering diversity in staff and executive officer recruitment and when recommending candidates for future Commission Member positions to the Government of Alberta.

Our offices are located in one of the few LEED Platinum buildings in Canada and the first in Alberta. LEED is an international standard for sustainability excellence and green building leadership. As noted on page 23, the ASC launched a multi-year Workplace Strategy in 2023, which sought input from employees and considered various other factors, including environmental factors. This work culminated in the ASC signing on to a 15-year lease in F2025 with Oxford Properties to remain in Centennial Place. This building is sustainably designed with accessibility, energy efficiency, water savings, and indoor air quality in mind. Our office waste management program goes beyond the basics, and includes facilities to collect electronics, batteries, pens, markers, printer toners, and more for recycling. This program successfully diverts 86 percent of waste from landfills and has been recognized as a success story by The City of Calgary.



*Siksika Nation Chief Ouray Crowfoot kindly hosted ASC Chair and CEO Stan Magidson and Director of Communications & Investor Education Hilary McMeekin for a meeting in October 2024.*

## REACHING A BROADER AUDIENCE



2,790

**ALBERTANS PARTICIPATED IN OR VIEWED ONE OF OUR INVESTMENT LITERACY PROGRAMS OR SPEAKING SESSIONS.**

Sessions and programs were held in partnership with a number of community organizations, including public libraries, post-secondary schools and Indigenous lodges, financial institutions, seniors' associations, crime prevention organizations, City of Calgary economic development initiatives, Indigenous financial literacy programs and immigrant organizations.

1,556

**MARKET PARTICIPANTS ATTENDED ONE OR MORE OF OUR KEY INDUSTRY EVENTS, INCLUDING ASC CONNECT.**

Other events included: the Corporate Finance Disclosure and Energy Matters information sessions; the Report of Exempt Distribution webinar; the 2024 Registrant outreach and education seminars; and the GFN Annual Meeting and Global Conference.

8,693

**INDUSTRY REPRESENTATIVES WERE REACHED, VIRTUALLY AND IN-PERSON, THROUGH 97 PRESENTATIONS, SESSIONS AND CONSULTATIONS HELD BY ASC STAFF.**

Timely topics included AI in the capital markets, rules around capital raising for small businesses, client-focused reforms, protecting market integrity and crypto-asset regulation.

57.24M

**TOTAL IMPRESSIONS THROUGH ADVERTISING AND ONLINE ENGAGEMENT, BUILDING AWARENESS OF THE ASC AND ITS RESOURCES WITH ALBERTANS OF ALL AGES.**

1,505

**INQUIRIES INTO THE PUBLIC INFORMATION OFFICE.**

297

**MENTIONS IN NEWS STORIES AND 80 NEWS RELEASES DISTRIBUTED ABOUT ASC AND CSA ACTIVITIES.**



## Executive Management Team

### OFFICE OF THE CHAIR AND CHIEF EXECUTIVE OFFICER

#### **Stan Magidson, Chair and Chief Executive Officer**

The Chair and Chief Executive Officer is responsible for representing the ASC, addressing emerging issues in securities regulation, and leading the ASC in strategic planning and achieving its organizational objectives. The Chair has direct oversight responsibilities for the Communications and Investor Education division and the offices of the Executive Director and the General Counsel. The Chair is appointed by the Lieutenant Governor in Council and reports to the Members and to the Minister of Finance.

### OFFICE OF THE EXECUTIVE DIRECTOR

#### **Samir Sabharwal, Executive Director**

The Executive Director reports to the Chair and Chief Executive Officer, is the ASC's Chief Administrative Officer, and is responsible for ensuring that all business divisions of the ASC operate effectively and efficiently. The Executive Director is responsible for directly overseeing the divisions of Corporate Finance, Enforcement, Market Regulation, Information Technology, Human Resources and Corporate Services, the Office of the Chief Accountant, Financial Services, and Advanced Research and Knowledge Management. The Executive Director also participates in meetings of the ASC's Human Resources and Audit committees, and chairs the Senior Management and Strategic Planning committees. Pursuant to the *Securities Act* (Alberta), the Executive Director has statutory decision-making authority for specified matters, including registration, receipts for prospectuses and in

relation to investigations and hearings. The Executive Director is also the chief officer of the ASC under the *Public Interest Disclosure* (Whistleblower Protection) Act (Alberta) that came into force on June 1, 2013.\*

#### *Standing from left to right*

**MELINDA DREWE  
DENISE WEERES  
RYAN CLEMENTS  
KATRINA PROKOPY  
BRIAN BANDERK  
CYNTHIA CAMPBELL  
ALEX CONAC  
LYNN TSUTSUMI  
BENNY LEVEILLE**

#### *Seated from left to right*

**STAN MAGIDSON  
HILARY McMEEKIN  
SAMIR SABHARWAL**

## ADVANCED RESEARCH AND KNOWLEDGE MANAGEMENT

### Ryan Clements, Director

The Advanced Research and Knowledge Management division supports the ASC's mandate by leading a data analytics program that supports data-driven, evidence-based, policy, operational, and business decisions. It leads the development of an education and training program that is unique to the ASC, focused on the skills and knowledge needed in a securities regulatory environment. The division also serves as an expert internal resource for updates, research, and analysis on existing, increasing and emerging risks that require regulatory responses, and considers the impact of innovation in capital markets through technology testing.

## COMMUNICATIONS AND INVESTOR EDUCATION

### Hilary McMeekin, Director

The Communications and Investor Education division provides strategic communications counsel and support to all areas of the ASC. We work to engage and inform employees, investors, and market participants in a manner that encourages a fair and efficient capital market and meets the organization's objectives. The division's award-winning CheckFirst.ca website, materials and ongoing consumer education are focused on providing Albertans with relevant and timely information about investing and how they can protect themselves from investment fraud. Through various communications strategies and channels, our mission is to promote transparent, relevant and timely information to support intelligent securities regulation and investor protection in Alberta and throughout Canada.

## CORPORATE FINANCE

### Denise Weeres, Director

The Corporate Finance division is engaged in the regulation of issuers (and their insiders) participating in the Alberta capital market, including both corporate issuers and investment funds raising money publicly or privately. This involves the development of rules and policy and the administration of them, i.e. reviewing offering documents, continuous disclosure documents, takeover bids and shareholder meeting matters, and insider and control person reporting. Staff make recommendations respecting discretionary exemptions from securities law and they are engaged in oversight of the TSX Venture Exchange. Specialized teams focus on priority issues such as "all things energy" (including oil and gas reserves/resource disclosure), environmental and governance disclosure, investment funds, M&A activity, and exploring ways to support capital formation and a competitive capital market in Alberta.

## ENFORCEMENT

### Cynthia Campbell, Director

The Enforcement division enforces Alberta securities laws by discovering, investigating and prosecuting breaches of those laws with a view to both stopping current misconduct and preventing it in the future. This division's goal is to protect investors and foster the integrity of Alberta's capital market through deterrence, disruption and accountability. It engages in proactive, fair and visible enforcement action locally and collaborates with the Commission's compliance divisions, other securities regulators, and Canadian and foreign police services.

## FINANCIAL SERVICES

### Alex Conac, Chief Financial Officer

The Financial Services division is responsible for effective internal control over financial reporting, enterprise risk management programs, annual budget preparation, fee rule (13-501) administration, coordination of risk management processes, automation of financial and reporting processes, and accurate and timely financial reporting to senior management, Commission Members and the Minister of Finance.

## HUMAN RESOURCES AND CORPORATE SERVICES

### Melinda Drewe, Director

The Human Resources and Corporate Services division provides specialized support that enables employees and management to effectively fulfill the ASC's mandate. The division is focused on the development and implementation of high-quality strategies, programs and policies that are aligned with the ASC's strategic and operational initiatives. Corporate Services' core functions include purchasing, security, business continuity, health and safety, facility management and records management. Human Resources includes the areas of recruitment, compensation, benefits management, performance management, learning and development and employee relations.

## INFORMATION TECHNOLOGY

### Benny Leveille, Chief Information Officer

The Information Technology division is responsible for the operational and strategic management of technology services that enables the ASC to fulfill its mandate. It is responsible for the development, implementation, training and management of information systems across the organization.

## MARKET REGULATION

### Lynn Tsutsumi, Director

Market Regulation provides regulation to the Alberta capital market by developing and administering rules and policies relating to registrants (dealers, advisers and investment fund managers), equities and derivatives exchanges and clearing agencies, crypto asset trading platforms, trade repositories and self-regulatory organizations (SROs). Staff register market participants that are in the business of trading and advising in securities and derivatives and managing investment funds; perform compliance examinations of registrants; and review exemption applications. Staff recognize or exempt infrastructure entities doing business in the province, and SROs, and conduct oversight of the Canadian Investment Regulatory Organization (CIRO), the TSX Venture Exchange, ICE-NGX Canada Inc. and trade repositories conducting business in Alberta.

## OFFICE OF THE CHIEF ACCOUNTANT

### Brian Banderk, Chief Accountant

The Office of the Chief Accountant (OCA) provides expert knowledge in accounting, auditing and financial reporting matters to the Commission Members, the Chair, the Executive Director and ASC staff. The OCA also provides guidance to issuers, registrants and their advisers in those areas of expertise, as it relates to securities regulation. In addition, the OCA interacts regularly with Canadian and international standard setters, oversight bodies, other regulators, and professional bodies related to its areas of expertise. This division is involved in policy initiatives that relate to accounting, auditing, and financial reporting and provides training as needed to the professional accountants within the organization.

## OFFICE OF THE GENERAL COUNSEL

### Katrina Prokopy, General Counsel

The General Counsel reports to the Chair and oversees the Office of the General Counsel (OGC). The OGC is the in-house legal, policy, strategy and risk management resource for the ASC. The OGC provides legal advice to the Commission Members, the Chair, the Executive Director and staff on a wide range of matters, including those relating to securities regulatory policy, administrative law, corporate law and novel issues intersecting with securities laws. In addition, the OGC is responsible for the corporate secretarial and legislative functions, and provides advice on corporate governance matters and the application of Alberta's privacy and access laws.

\* The Public Interest Disclosure (Whistleblower Protection) Act (Alberta) applies to most public entities in the Province of Alberta, including the Alberta Securities Commission. The Act enables the disclosure and investigation of wrongdoings alleged to have occurred at a public entity in Alberta. It also protects individuals who report alleged wrongdoings from reprisal. Section 32 of the Act requires annual reporting on all disclosures that have been made in accordance with the Act. Since the Act came into force on June 1, 2013, there have been no disclosures received by the designated officer; accordingly, there were no disclosures acted upon or investigated.



## Commission Members

During F2025, there were 12 Members, including the designated Chair and two full-time Vice-Chairs.

The Chair acts as the ASC's Chief Executive Officer and is responsible for the overall operation of the Commission. Members act as the ASC's board of directors, overseeing the management of the ASC. They guide regulatory policy and consider and approve new CSA and ASC rules under the *Securities Act* (Alberta). They also act as an administrative tribunal and form panels that conduct hearings into matters in discharge of the ASC's mandate.

Alberta's Lieutenant Governor in Council appoints ASC Commission Members and designates one of the ASC's Independent Members as the "Lead Independent Member." A majority of the Members are "Independent" as that term is applied in National Instrument 52-110 *Audit Committees* (NI 52-110). The Chair and Vice-Chairs are involved in the day-to-day activities of the ASC, so are not classified as Independent.

### MEMBERS

*Standing from left to right*

**KAREN KIM**  
**TRUDY CURRAN**  
**BRYCE TINGLE**  
**KARI HORN**  
*Vice-Chair*  
**DOUG MAIR**  
**JAMES (JIM) OOSTERBAAN**  
**GAIL HARDING**  
**MATTHEW BOOTLE**

*Seated from left to right*

**TOM COTTER**  
*Vice-Chair*  
**RAYMOND CROSSLEY**  
*Lead Independent Member*  
**STAN MAGIDSON**  
*Chair and Chief Executive Officer*  
**ANDREA WHYTE**

Meetings of the Members are held on a monthly basis. Independent Members meet *in camera* (in private) following each meeting in the absence of the Chair and Vice-Chairs. The ASC has three board committees: Governance, Human Resources and Audit. All three are made up exclusively of Independent Members.

All members of the Audit Committee are “financially literate” as that term is used in NI 52-110. As part of the ASC’s orientation program, new Members are provided with a briefing book detailing the operations of the ASC and the duties and responsibilities of the Members. Each member of the ASC’s senior management team meets with new Members to provide an overview of the operations of their respective divisions. In addition, Members are encouraged to attend appropriate courses or programs for further instruction relevant to their duties and responsibilities. The ASC’s Governance Policy, which contains a description of the ASC’s orientation program for new Members and continuing education for all Members, is available at [asc.ca](http://asc.ca).

For a current list of active Commission Members, including details of credentials and experience, visit [asc.ca](http://asc.ca).

## ATTENDANCE <sup>1</sup>

### Stan Magidson, Chair

Term Expiry – June 30, 2026  
Currently in Term – 2  
Commission – 12/12 (100%)  
Audit Committee – 5/5 (100%)  
Governance Committee – 4/4 (100%)  
Human Resources Committee – 4/4 (100%)

### Tom Cotter, Vice-Chair

Term Expiry – March 12, 2026  
Currently in Term – 2  
Commission – 11/12 (91.7%)

### Kari Horn, Vice-Chair

Term Expiry – April 30, 2030  
Currently in Term – 2  
Commission – 12/12 (100%)

### Raymond Crossley

*Lead Independent Member*  
Term Expiry – March 31, 2027  
Currently in Term – 3\*  
Commission – 12/12 (100%)  
Audit Committee – 5/5 (100%)  
Governance Committee – 4/4 (100%)  
Human Resources Committee – 4/4 (100%)

### Matthew Bootle

Term Expiry – March 31, 2028  
Currently in Term – 3\*  
Commission – 12/12 (100%)  
Audit Committee – 5/5 (100%)

### Trudy Curran

Term Expiry – March 31, 2026  
Currently in Term – 3\*  
Commission – 11/12 (91.7%)  
Governance Committee – 4/4 (100%)

### Gail Harding

Term Expiry – March 31, 2028  
Currently in Term – 3\*  
Commission – 12/12 (100%)  
Human Resources Committee – 4/4 (100%)

### Karen Kim

Term Expiry – March 31, 2026  
Currently in Term – 3\*  
Commission – 12/12 (100%)  
Audit Committee – 5/5 (100%)

### Doug Mair

Term Expiry – March 31, 2027  
Currently in Term – 2  
Commission – 12/12 (100%)  
Human Resources Committee – 4/4 (100%)

### James (Jim) Oosterbaan

Term Expiry – March 31, 2026  
Currently in Term – 3\*  
Commission – 12/12 (100%)  
Governance Committee – 3/3 (100%)\*\*  
Human Resources Committee – 3/3 (100%)

### Bryce Tingle

Term Expiry – March 31, 2028  
Currently in Term – 2  
Commission – 12/12 (100%)  
Audit Committee – 5/5 (100%)

### Andrea Whyte

Term Expiry – November 6, 2027  
Currently in Term – 1  
Commission – 5/5 (100%)  
Human Resources Committee – 1/1 (100%)

## COMMISSION MEMBER COMMITTEES

The F2025 Board Committees were made up of the members listed below. All were Independent except Stan Magidson, who sat as an *ex officio* member where indicated.

### Audit Committee

Karen Kim (Chair)  
Matthew Bootle  
Bryce Tingle  
Raymond Crossley (*ex officio*)  
Stan Magidson (*ex officio*)

### Governance Committee

Raymond Crossley (Chair)  
Trudy Curran  
Jim Oosterbaan  
Stan Magidson (*ex officio*)

### HR Committee

Gail Harding (Chair)  
Doug Mair  
Jim Oosterbaan  
Andrea Whyte  
Raymond Crossley (*ex officio*)  
Stan Magidson (*ex officio*)

	F2025				F2024			
	Female		Male		Female		Male	
	#	%	#	%	#	%	#	%
Independent Members	4	44.4	5	55.6	3	33.3	6	66.7
Chair, Vice-Chairs	1	33.3	2	66.7	1	33.3	2	66.7
Executive Management	6	50	6	50	6	50	6	50

<sup>1</sup> Commission Members are appointed to three-year terms, the Chair is appointed to a five-year term and the Vice-Chairs are appointed to six-year terms.

\* In accordance with amendments to the ASC’s Governance Policy, Commission Members may now be appointed for three terms.

\*\* Mr. Oosterbaan moved from the Human Resources Committee to the Governance Committee in September 2024.

**THREE-YEAR STATISTICAL SUMMARY 2025**

<i>As of March 31, 2025</i>	<b>F2025</b>	F2024	F2023
<b>Enforcement activity</b>			
Complaints received	<b>790</b>	728	531
Concluded investigations	<b>241</b>	271	264
Current cases	<b>131</b>	160	153
Whistleblower tips received	<b>50</b>	31	22
Interim cease trade orders	<b>1</b>	4	1
Halt trade orders	<b>0</b>	0	0
Settlement agreements	<b>3</b>	3	1
Hearings commenced	<b>3</b>	3	2
Settlements agreed to <sup>1</sup>	<b>\$120,000</b>	\$440,000	\$20,000
Settlements collected <sup>2</sup>	<b>\$121,000</b>	\$470,000	\$29,000
Administrative penalties levied	<b>\$60,000</b>	\$720,000	\$400,000
Administrative penalties recovered	<b>\$151,892</b>	\$351,000	\$333,739
Prosecutions initiated in Court	<b>2</b>	1	1
Companies and individuals banned <sup>3</sup>	<b>10</b>	17	11
Appeal hearings	<b>0</b>	1	1
Cease trade orders <sup>4</sup>	<b>49</b>	37	26
<b>Active reporting issuers</b>			
Principal regulator – Alberta	<b>462</b>	485	490
Principal regulator – other	<b>7,522</b>	7,576	7,745
Total	<b>7,984</b>	8,061	8,235
<b>Prospectuses and mutual funds</b>			
Principal regulator – Alberta	<b>48</b>	51	69
Principal regulator – other	<b>607</b>	577	637
Total	<b>655</b>	628	706
<b>Rights offerings</b>			
Principal regulator – Alberta	<b>0</b>	1	3
Principal regulator – other	<b>0</b>	3	14
Total	<b>0</b>	4	17
<b>Exemption applications (Corporate Finance)</b>			
Principal regulator – Alberta	<b>52</b>	42	53
Principal regulator – other	<b>8</b>	6	15
Total	<b>60</b>	48	68
<b>Continuous disclosure reviews (principal regulator – Alberta)</b>			
Full	<b>40</b>	29	28
Issue-oriented reviews and data collections	<b>194</b>	242	198
Total	<b>234</b>	271	226
<b>Total registered firms</b>			
Principal regulator – Alberta	<b>115</b>	112	111
Principal regulator – other	<b>905</b>	899	891
Total	<b>1,020</b>	1,011	1,002
<b>Total registered individuals<sup>5</sup></b>			
Alberta resident	<b>14,056</b>	13,694	12,988
Non-Alberta resident	<b>23,051</b>	22,478	21,933
Total	<b>37,107</b>	36,172	35,921

Reciprocal orders are no longer reported. As of July 1, 2015, the ASC automatically reciprocates orders made by other securities regulators in Canada.

<sup>1</sup> Settlements including costs and disgorgements.

<sup>2</sup> This amount includes installment payments on a prior year settlement agreement.

<sup>3</sup> This amount includes court-ordered bans.

<sup>4</sup> These orders are the result of failure to comply with ASC filing requirements.

<sup>5</sup> Amounts do not include permitted individuals (CEO, CFO, COO or shareholders owning 10 per cent or more of the voting securities of a firm) who are tracked in the National Registration Database, but are not registrants.

# Management's Discussion & Analysis

This Management Discussion & Analysis (MD&A), prepared as of May 28, 2025, should be read in conjunction with the Alberta Securities Commission's March 31, 2025 annual audited financial statements and the accompanying notes, prepared in accordance with Canadian Public Sector Accounting Standards. Certain statements outlining Fiscal 2026 expectations are forward-looking and are subject to risks and uncertainties. Furthermore, assumptions in the "Fiscal 2026 Outlook" section, although reasonable at the date of publication, are not guarantees of future performance. The results or events predicted in these statements and assumptions may differ materially from actual results or events. Factors that could cause results or events to differ from current expectations are described in the "Risks and Uncertainties" section.

References to "we", "our" or "the ASC" refer to the Alberta Securities Commission. In this MD&A, references to years, such as F2025, refer to the fiscal years of the ASC ending March 31. All amounts are in Canadian dollars.

The ASC maintains accounting and internal control systems to provide reasonable assurance that its financial information is complete, reliable and accurate, and that its assets are adequately protected. Commission Members, through the Audit Committee, have an oversight role to ensure the integrity of the reported information. Specific processes to ensure the ASC's financial accountability and oversight include:

- preparation of an annual budget that is reviewed by the Audit Committee and approved by Commission Members;
- reports of actual versus budget performance and updated full-year forecasts;
- the requirement for Commission approval of significant unbudgeted expenses or reallocations; and
- quarterly testing of the design and effectiveness of critical financial controls.

The ASC's annual budget is approved by Alberta's Minister of Finance. The ASC's annual budget and financial statements are consolidated with the Government of Alberta's financial reporting.

## Overview

The ASC is the industry-funded regulatory agency responsible for administering the Province's securities laws. It is entrusted with fostering a fair and efficient capital market in Alberta and protecting investors. As a member of the Canadian Securities Administrators (CSA), the ASC works to improve, coordinate and harmonize the regulation of Canada's capital markets.

## FINANCIAL HIGHLIGHTS

thousands of dollars

F2025  
F2024

### REVENUES

Annual financial statements fees <sup>1</sup>		<b>21,155</b> 20,563
Registration fees <sup>1</sup>		<b>19,426</b> 19,187
Distribution of securities fees <sup>1</sup>		<b>18,395</b> 17,067
Interest income		<b>5,886</b> 3,784
SEDI, exempt distributions and registration late filing fees <sup>1</sup>		<b>710</b> 486
Other enforcement receipts		<b>121</b> 470
Administrative penalties		<b>152</b> 351
Orders (applications)		<b>115</b> 203
Conference and other		<b>36</b> 1
Investment income		- 5,804
Realized loss on investments		- (12,880)
<b>Total F2025</b>		<b>65,996</b>
Total F2024		55,036

### EXPENSES

Salaries and benefits		<b>42,448</b> 39,838
Premises		<b>5,372</b> 4,950
Administration		<b>5,155</b> 4,500
Professional services		<b>3,856</b> 2,771
Amortization of tangible capital assets		<b>1,257</b> 1,103
Investor education		<b>1,052</b> 925
Other expenses <sup>2</sup>		- 237
<b>Total F2025</b>		<b>59,140</b>
Total F2024		54,324

### DIVISION EXPENSES

Enforcement		<b>10,896</b> 10,280
Information Technology		<b>8,495</b> 6,932
Corporate Finance		<b>8,125</b> 7,539
Market Regulation		<b>8,124</b> 7,945
Communications and Investor Education		<b>3,653</b> 3,226
Corporate Resources		<b>3,516</b> 3,505
Office of the Chair and Members		<b>3,459</b> 2,911
Advanced Research and Knowledge Management		<b>1,511</b> 1,435
Financial Services		<b>1,454</b> 1,641
Office of the General Counsel		<b>1,379</b> 1,174
Office of the Executive Director		<b>1,134</b> 914
Office of the Chief Accountant		<b>765</b> 769
Expenses not allocated <sup>3</sup>		<b>6,629</b> 6,053
<b>Total F2025</b>		<b>59,140</b>
Total F2024		54,324

<sup>1</sup> Revenue is reported as net of recoverability.

<sup>2</sup> Other expenses for F2024 include investment expense and impairment.

<sup>3</sup> Expenses not allocated include amortization of tangible capital assets and premises.

**SELECTED ANNUAL INFORMATION**

<i>thousands of dollars</i>	<b>F2025</b>	<b>F2025</b>	F2024	F2023
	<b>Budget</b>	<b>Actual</b>	Actual	Actual
Revenues	<b>65,513</b>	<b>65,996</b>	55,036	60,860
Regulatory expenses	<b>65,224</b>	<b>59,140</b>	54,324	48,494
Operating surplus	<b>289</b>	<b>6,856</b>	712	12,366
<b>Financial assets</b>				
Cash		<b>154,683</b>	147,885	23,990
Investments		-	-	121,526
Accounts receivable		<b>626</b>	1,511	451
<b>Liabilities</b>				
Lease inducements		<b>164</b>	413	662
Accrued pension liability		<b>8,948</b>	9,246	9,945
<b>Net financial assets</b>		<b>141,465</b>	135,311	131,350
<b>Accumulated surplus</b>		<b>147,374</b>	140,518	134,798
<b>Tangible capital assets</b>		<b>4,586</b>	4,286	2,695
<b>Capital additions</b>	<b>3,050</b>	<b>1,557</b>	2,694	386

## Highlights

The ASC had a \$6.9 million operating surplus in F2025 compared with an operating surplus of \$712,000 in F2024.

Total revenue of \$66.0 million for the year ended March 31, 2025 was \$11.0 million (19.9 per cent) higher than the prior year. The increase is primarily due to the impact of prior year net investment losses of \$7.1 million compared to the current year (\$nil) as a result of the ASC's divestment of its investment portfolio. This increase was also driven by higher fee revenue and higher interest income, which was partially offset by lower enforcement receipts and administrative penalties.

The fee revenue increased due to higher fees from the distribution of securities sold in Alberta, annual financial statement filing fees, registration filing fees and late filing fees.

Administrative penalties and other enforcement receipts were \$548,000 (66.7 per cent) lower than the prior year due to a lower number of administrative recoveries of prior-year assessments collected in F2025. Other enforcement receipts fluctuate annually because of variability in the types of cases, the timing of their resolution and success in collections efforts.

Total expenses of \$59.1 million for F2025 were \$4.8 million (8.9 per cent) higher than the prior year. The regulatory expenses increased from the prior year primarily due to higher salaries and benefits, professional services, administration and premises costs because of additional investments were made in staff resources and information technology as part of the ASC's multi-year strategic initiatives. This increase was partially offset by \$nil investment expense recorded in F2025.

The operating surplus of \$6.9 million resulted in an accumulated operating surplus of \$147.4 million by the end of F2025. The surplus is monitored to ensure sufficient funds are available for future strategic initiatives, the expansion of any oversight responsibilities and to safeguard the ASC in the event of a market decrease that may impact revenues.

## Analysis of Fiscal 2025 Operating Results

<b>REVENUES</b>			
<i>thousands of dollars</i>	<b>F2025</b>	<b>F2025</b>	F2024
	<b>Budget</b>	<b>Actual</b>	Actual
<b>Fees</b>			
Annual financial statements	<b>21,000</b>	<b>21,155</b>	20,563
Distribution of securities	<b>16,950</b>	<b>18,395</b>	17,067
Registration	<b>20,730</b>	<b>19,426</b>	19,187
SEDI, exempt distributions and registration late filing fees	<b>430</b>	<b>710</b>	486
Orders (applications)	<b>160</b>	<b>115</b>	203
Total fees	<b>59,270</b>	<b>59,801</b>	57,506
<b>Other revenues</b>			
Investment income	-	-	5,804
Realized loss on investments	-	-	(12,880)
Interest income	<b>5,813</b>	<b>5,886</b>	3,784
Other enforcement receipts	<b>300</b>	<b>121</b>	470
Administrative penalties	<b>100</b>	<b>152</b>	351
Conference and other	<b>30</b>	<b>36</b>	1
Total revenue	<b>65,513</b>	<b>65,996</b>	55,036

In F2025, the ASC recognized 90.6 per cent (84.7 per cent in F2024) of its total revenue from fees paid by Alberta capital market participants. Participation fees, in addition to other enforcement receipts and interest income, fund our operations. The ASC does not receive transfers from government tax revenue.

## Fees

### ANNUAL FINANCIAL STATEMENTS

Participation fees are paid when a market participant becomes a reporting issuer through Alberta's capital markets. Fees from reporting issuers are recognized at the time the annual financial statements are filed. The ASC recognizes an accounts receivable balance in instances where the annual financial statement filing was not accompanied by the required participation fee or where only partial payment was made. As of March 31, 2025, the net realizable value of annual financial statement filing fee receivable was \$114,000 (\$145,000 as of March 31, 2024).

Fees for reporting issuers, other than investment funds, are determined using a tiered fee structure based on average market capitalization. Investment funds pay a flat filing fee. Annual financial statement filing fees totalled \$21.1 million (\$20.6 million in F2024), which was \$155,000 (0.7 per cent) more than the budget and \$592,000 (2.9 per cent) more than the prior year. These fees accounted for 35.4 per cent of the ASC's total fee revenue (35.8 per cent in F2024).

The increase in annual financial statements filing fees over the prior year was due to an increase in the average market capitalization as well as the impact of the timing of when financial statements were filed, partially offset by a decrease in the number of Alberta reporting issuers. The total number of active reporting issuers in Alberta at March 31, 2025 was 7,987 (8,095 at March 31, 2024), with an average market capitalization during F2025 of \$7,487 billion (\$6,431 billion in F2024).

## FEES FROM DISTRIBUTION OF SECURITIES

Fees from distribution of securities are paid when a participant files a prospectus related to securities offerings, applications for prospectus filings or exemptive relief filings. These fees are due upon the filing of the document. The ASC recognizes an accounts receivable balance in instances where a filing was not accompanied by the required fee or where only partial payment was made. As of March 31, 2025, the net realizable value of distribution of securities fee receivable was \$104,000 (\$663,000 at March 31, 2024).

Fees from distribution of securities have both fixed and variable components. The fixed component is charged for each prospectus or prospectus-exempt distribution filed in Alberta. The fixed transaction fee component of distribution fees totalled \$7.7 million, which was higher than F2024 (\$7.4 million) primarily due to a higher number of exempt offerings and preliminary prospectus filings from mutual fund reporting issuers, partially offset by a lower number of preliminary prospectus filings. The fixed transaction fees accounted for 12.9 per cent (12.8 per cent in F2024) of total fees. The variable fee component is calculated based on the proceeds obtained from public (prospectus) and private (prospectus-exempt) distributions of securities sold in Alberta. The variable fee component accounted for \$10.7 million in F2025 (\$9.7 million in F2024) and 17.9 per cent (16.9 per cent in F2024) of total fees. The increase in F2025 was due to higher proceeds from mutual fund reporting issuers, partially offset by lower proceeds from prospectus-exempt issuers.

Fees from distribution of securities vary with the level of capital market activity, equity issuances and mutual fund sales. The primary drivers are changes in public and private securities distributions and mutual fund sales. Equity market volatility has an impact on fees from distribution of securities. As a result, F2025 had an overall increase of \$1.3 million (7.8 per cent) in fees from distribution of securities compared to F2024.

## REGISTRATIONS

Registration fees are paid when a firm or individual wishes to register as a dealer, advisor or investment fund manager within the capital markets. The ASC has the authority to claim annual registration renewal fees for registered individuals and firms as of the stated deadlines. An accounts receivable balance is recognized in instances where the registrant has not paid the annual fee at the prescribed deadline or has made a partial payment.

Fee revenue of \$19.4 million in F2025 (\$19.2 million in F2024) was recognized from registered firms and individuals, with 74.8 per cent of these fees recognized from registration renewals. Registration fees accounted for 32.5 per cent of total fees (33.4 per cent in F2024). As of March 31, 2025, there were 1,020 firms and 37,107 individuals registered in Alberta, compared to 1,011 firms and 36,172 individuals registered as of March 31, 2024. Registration fees were lower than the budget, primarily due to a lower number of individual registrants and new firms. Registration fee revenue was higher than the prior year, primarily due to a higher number of individual registrants and new firms.

## LATE FILING FEES RELATING TO EXEMPT DISTRIBUTIONS, REGISTRATION AND THE SYSTEM FOR ELECTRONIC DISCLOSURE BY INSIDERS (SEDI)

Late fees are charged when a market participant submits filings after the deadline. The ASC recognized late filing fees of \$710,000 in F2025 (\$486,000 in F2024), which mostly consisted of late fees on insider report filings and prospectus-exempt distributions.

## ORDERS (APPLICATIONS)

Orders or applications fees are charged when a market participant requires a review of an exemption, distribution or other special request. The F2025 revenue for orders was \$88,000 (43.3 per cent) lower than in the prior year. In F2025, \$115,000 was recognized from 118 applications (\$203,000 from 132 applications in F2024). The fee per application is dependent on the category of the application filed.

## Other Revenue Sources

### INTEREST INCOME

The F2025 interest income of \$5.9 million (\$3.8 million in F2024) was higher than the prior year by \$2.1 million (55.5 per cent), and higher than the budget by \$73,000 (1.2 per cent). The variance over prior year was as a result of the ASC's divestment of its investment portfolio in F2024. Proceeds were deposited into the ASC's primary bank account, which is part of the Province's Consolidated Liquidity Solution (CLS). As a CLS participant, the ASC is paid interest on a monthly basis on the cash balance at an interest rate based on a 12-week rolling average of the Province's 3-month cost of borrowing. The interest receivable is reported on an accrual basis. As of March 31, 2025, the interest receivable was \$368,000 (\$624,000 as of March 31, 2024). The ASC received an average return of 4.08 per cent from its deposits in the CLS (4.95 per cent in F2024).

## OTHER ENFORCEMENT RECEIPTS

<i>thousands of dollars</i>	F2025	F2024
<b>Settlement receipts</b>		
Assessed	120	260
Recoveries of prior-year assessments	1	10
<b>Cost recoveries</b>		
Assessed	47	506
Adjustments for expected recoverability	(47)	(452)
<b>Disgorgements</b>		
Assessed	115	3,971
Adjustments for expected recoverability	(115)	(3,825)
Total	121	470

Settlement receipts arise from negotiated settlements that include a financial payment. Cost recovery receipts can either be agreed to in settlements or ordered by an ASC panel. Disgorgements are orders to pay amounts relating to funds obtained from actions that violate the *Securities Act* (Alberta). Other enforcement receipts depend on the circumstances of specific cases and vary from year to year.

## ADMINISTRATIVE PENALTIES

<i>thousands of dollars</i>	F2025	F2024
<b>Administrative penalties</b>		
Assessed penalties	60	720
Adjustments for expected recoverability	(60)	(710)
Recoveries of prior-year assessments	152	341
Total	152	351

Administrative penalties are financial penalties imposed by an ASC panel resulting from a hearing. Similar to other enforcement receipts, the amount of these penalties depends on the circumstances of specific cases and varies from year to year. The ASC annually transfers administrative penalties revenue, less eligible expenditures, to a restricted cash account. Restricted cash is segregated from other assets because of statutory limitations on the use of these funds. The *Securities Act* (Alberta) requires the use of revenue received from administrative penalties to be used towards operating expenditures that educate investors and enhance participants' knowledge of how securities markets operate.

Restricted cash remained at zero in F2025, as a result of a transfer of \$152,000 (\$351,000 in F2024) to fund eligible expenditures.

In F2025, the transfer amount consisted of prior-year collections of \$152,000 (\$341,000 in F2024) as well as \$36,000 of conference fees (\$910 in F2024). No interest income on administrative penalties was earned in F2025 (no interest in F2024). See Note 3 of the March 31, 2025 annual audited financial statements for more information.

Administrative penalties and other enforcement receipts, including disgorgements, settlement payments and cost recoveries, are recognized when the decision is issued by the ASC or an agreement is reached. The amount of revenue recognized will be the amount

received or receivable. The realizable value of the receivable balance will be determined based on the expected recoverability of administrative penalties and other enforcement receipts.

Administrative penalties and other enforcement receipts totalled \$273,000 in F2025 (\$821,000 in F2024) compared to a five-year average of \$620,000 in receipts. The ASC actively pursues unpaid amounts using external legal counsel, taking steps such as judgment and writ registration, asset seizures and questionings in aid of execution. Recoveries are often limited because respondents have minimal resources at the time of assessment. In F2025, the ASC recognized and collected \$152,000 of prior-year assessment costs and other enforcement receipts (\$351,000 in F2024).

## Comparative and Budget Expense Analysis

The ASC's F2025 budget was approved by the Commission on December 13, 2023. The Alberta Treasury Board later approved ASC's F2025 budget with changes on February 29, 2024. In F2025, operating expenses were 9.3 per cent below budget. Details by expense category follow.

### REGULATORY EXPENSES

<i>thousands of dollars</i>	<b>F2025</b>	<b>F2025</b>	F2024
	<b>Budget</b>	<b>Actual</b>	Actual
Salaries and benefits	<b>43,460</b>	<b>42,448</b>	39,838
Administration	<b>7,002</b>	<b>5,155</b>	4,500
Premises	<b>5,555</b>	<b>5,372</b>	4,950
Professional services	<b>6,007</b>	<b>3,856</b>	2,771
Amortization of tangible capital assets	<b>2,100</b>	<b>1,257</b>	1,103
Investor education	<b>1,100</b>	<b>1,052</b>	925
Investment expense	-	-	237
<b>Total</b>	<b>65,224</b>	<b>59,140</b>	54,324

### SALARIES AND BENEFITS

Compensation expenses accounted for 71.8 per cent of total costs in F2025 (73.3 per cent in F2024) and increased by \$2.6 million (6.6 per cent) from the prior year. This was primarily due to additional full-time employees in F2025, higher salaries and benefits, and higher supplemental pension expense. The ASC had an average of 244 full-time employees during the year (236 in F2024). The salaries and benefits expenses were \$1.0 million (2.3 per cent) lower than budget primarily due to a higher-than-budgeted employee vacancy rate, with an average of 28 FTE during F2025 (17 FTE in F2024).

### ADMINISTRATION

Administration costs increased by \$655,000 (14.5 per cent) in F2025 compared to F2024. These costs were \$1.8 million lower than budget and accounted for 8.7 per cent of total costs (8.3 per cent in F2024). The administration cost category includes office operations, independent member fees, travel and doubtful accounts.

Office operating costs increased by \$573,000 (15.1 per cent) compared with the prior year, primarily due to higher information technology (IT) costs. The office operating costs were \$1.6 million (26.5 per cent) lower than budget primarily due to cost savings as a result of delays in some IT projects, and lower than expected materials and supplies and rental equipment costs.

Independent member fee rates were increased in F2025 effective January 1. Independent member fees were higher than the prior year by \$3,000 (1.0 per cent) and lower than budget by \$267,000 (44.0 per cent) due to fewer hearing days than expected. Travel expenses were higher than the prior year by \$50,000 (16.4 per cent) and lower than budget by \$95,000 (21.3 per cent). Generally, travel expenses are required primarily for participation in CSA matters, enforcement activities and professional development.

The ASC recognized \$90,000 (0.2 per cent) as doubtful accounts in F2025 (\$61,000 in F2024). The ASC assesses its ability to collect on current net realizable balances as of March 31 of the fiscal year. Balances older than 90 days are deemed uncollectible and are expensed on the Statement of Operations.

## PREMISES

Premises costs made up 9.1 per cent of total costs in F2025 (9.1 per cent in F2024). These costs increased by \$422,000 (8.5 per cent) in F2025 compared to the prior year due to additional leased space acquired to accommodate an increase in headcount, and were lower than budget by \$183,000 (3.3 per cent) due to lower operating expenses.

## PROFESSIONAL SERVICES

Professional services costs include contract services and CSA projects which accounted for 6.5 per cent of total costs in F2025 (5.1 per cent in F2024). These costs were higher than the prior year by \$1.1 million (39.1 per cent) due to increased services for IT projects, and were \$2.1 million (35.8 per cent) less than budget due to delays in the timing of IT projects and lower consultation services related to enforcement, corporate services and human resources activities.

All CSA projects, including the development of harmonized securities policies and rules, and shared CSA information systems, are coordinated through a permanent secretariat located in Montreal, Quebec. CSA operating costs are borne on a formula based on a percentage of the population. The ASC's portion for F2025 was \$527,000, being 12.1 per cent (\$541,000, being 14.9 per cent in F2024) of these costs.

## AMORTIZATION OF TANGIBLE CAPITAL ASSETS

Amortization expense accounted for 2.1 per cent of total costs in F2025 (2.0 per cent in F2024). This cost increased by \$154,000 (14.0 per cent) in F2025 compared to the prior year due to higher capital additions in the fiscal year. Amortization was lower than budget by \$843,000 (40.1 per cent) due to postponement and timing differences on completion of some capital projects.

## INVESTOR EDUCATION

Investor education costs were higher than the prior year by \$127,000 (13.7 per cent) and lower than budget by \$48,000 (4.4 per cent). The ASC's Investor Education program aims to build awareness of the ASC as a go-to resource for unbiased, trustworthy and accessible information about investing. Programs run year-round to grow investment literacy across Alberta through traditional and digital advertising and marketing, face-to-face engagement, partnerships, presentations and classes with all age groups in Alberta.

## INVESTMENT EXPENSE

Investment expense was \$nil in F2025 compared to \$237,000 in F2024 due to the liquidation of investments that occurred in F2024. As a result of this, the ASC holds no investments and no investment expense was incurred as of March 31, 2025.

## CAPITAL EXPENDITURES

<i>thousands of dollars</i>	<b>F2025</b>	<b>F2025</b>	F2024
	<b>Budget</b>	<b>Actual</b>	Actual
Computer equipment and software	<b>1,800</b>	<b>1,145</b>	1,554
Leaseholds	<b>950</b>	<b>158</b>	604
Furniture and equipment	<b>300</b>	<b>254</b>	536
<b>Total</b>	<b>3,050</b>	<b>1,557</b>	2,694

In F2025, capital expenditures were primarily related to IT projects, including hardware and software upgrades, leasehold improvements and office furniture purchases.

## Quarterly Variance Analysis

### QUARTERLY RESULTS SUMMARY

	thousands of dollars							
	F2025				F2024			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
	(Jan-Mar)	(Oct-Dec)	(Jul-Sep)	(Apr-Jun)	(Jan-Mar)	(Oct-Dec)	(Jul-Sep)	(Apr-Jun)
<b>Revenue</b>								
Fees and other	20,962	22,429	6,395	10,324	20,528	21,376	5,281	11,143
Investment income (loss)	-	-	-	-	-	37	1,435	4,332
Realized losses on investments	-	-	-	-	-	(12,880)	-	-
Interest income	1,140	1,310	1,632	1,804	1,805	1,501	230	248
	22,102	23,739	8,027	12,128	22,333	10,034	6,946	15,723
<b>Regulatory expenses</b>								
Salaries and benefits	11,783	10,326	10,416	9,923	11,149	9,874	9,376	9,439
Other	5,443	4,092	3,461	3,696	4,070	3,750	3,359	3,307
	17,226	14,418	13,877	13,619	15,219	13,624	12,735	12,746
Operating surplus (deficit)	4,876	9,321	(5,850)	(1,491)	7,114	(3,590)	(5,789)	2,977
Investments	-	-	-	-	-	-	118,996	122,397
Cash	154,683	132,656	139,628	144,989	147,885	126,402	14,161	21,477

### FEE REVENUE

Quarterly fee revenue is variable due to the timing of fee-related filings from reporting issuers and the variable portion of prospectus and prospectus-exempt fees, which fluctuate with market activity. The majority of total fee revenue is recognized in the third and fourth quarter each year, primarily due to annual registration renewal and annual financial statements filing fees. The majority of the annual registration renewal fees are recognized as of December 31, and the majority of annual financial statements filing fees are recognized from February to April.

### REGULATORY EXPENSES

The ASC pays CIRO a portion of CIRO members' annual registration renewal fees. \$525,000 was paid in F2025 (\$525,000 in F2024).

Other expenses vary from quarter to quarter because of the timing of expenditures. For example, professional services for enforcement activities depend on the nature of investigations, the timing of expert reports and the testimony required for hearings and trials.

Investor Education programs and activities occur year-round to reach, engage and educate Albertans.

## Contractual Obligations

Commitments to outside organizations, as of March 31, 2025, totalled \$85.0 million (\$90.3 million in F2024). Commitments include leases of premises (including parking) to 2040, rental of office equipment to 2027 and software subscriptions to 2028. See Note 11 of the March 31, 2025 annual audited financial statements for the commitments schedule.

The ASC has contractual commitments for a supplemental pension plan for certain senior executives. Payment amounts are dependent on the future decisions of plan participants and are recorded as liabilities.

## Liquidity and Financial Assets

Revenues are recognized at various points throughout the year, while expenses are predominantly incurred evenly over the course of the year. As a result, cash flow is closely monitored to ensure sufficient funding for operational activities. The accumulated surplus is utilized to execute the ASC's strategic initiatives, to enhance the organization's capacity to address expanding oversight responsibilities and to adapt to fluctuating market conditions.

The ASC's financial instruments include cash, accounts receivable, accounts payable and accrued liabilities.

As of March 31, 2025, the ASC held \$154.7 million in cash compared to \$147.9 million in prior year. Cash is held in the ASC's bank accounts, which are part of the CLS. As a CLS participant, the ASC is paid interest on a monthly basis on the cash balance at an interest rate based on a 12-week rolling average of the Province's 3-month cost of borrowing.

## Related Party Transactions

The ASC is related, through the Government of Alberta, to all provincial government ministries, agencies, boards, commissions and Crown corporations. See Note 13 in the March 31, 2025 annual audited financial statements for related party transactions.

## CSA National Systems

See Note 10 in the March 31, 2025 annual audited financial statements for more information concerning the CSA National Systems.

## Risk Management Initiatives

### BUSINESS CONTINUITY

The ASC Corporate Crisis Management Plan includes business continuity, disaster recovery and cybersecurity incident response plans ensuring the organization's critical operations continue after an unplanned disruption, disaster or cyberattack. Critical systems are designed with redundancy levels, including two geographically diverse replicated data centres ensuring data is safe and secure. Annual tests are conducted, ensuring the ability to re-establish critical operations allowing the ASC to meet essential business needs following a disruption. During normal operations, critical systems are available remotely, allowing many ASC staff the flexibility to work on a hybrid model, or work from home if ASC offices are not accessible.

### RISK ASSESSMENT AND MITIGATION

Key risks to the effective operations of the ASC include loss of key personnel, disruption and loss of IT systems, crises beyond the ASC's control, and loss of public confidence in the ASC. The ASC has a comprehensive crisis management program, including systems, protocols and controls designed to lessen the impact on business processes and minimize any negative impacts.

During F2025, the ASC performed a targeted review of its Enterprise Risk Management (ERM) program for F2026 period. The program facilitates the identification, analysis, mitigation and monitoring of internal and external risks that threaten the achievement of the ASC's strategic objectives. This risk review was performed in conjunction with the development of the ASC's annual update of the three-year strategic plan. The review concluded that all reasonable steps had been taken, or are being taken, to mitigate risks to the extent that they are within the control of the organization. A comprehensive review is planned in F2026 for F2027-29 periods.

The ASC continued with its hybrid work model in F2025, allowing many ASC staff the flexibility to work from home and the office. Remote working continues to be a heightened risk for cybersecurity and data protection, mitigated through specialized cybersecurity systems and cybersecurity awareness training. Annual audits, reviews and updates are conducted on our IT policies, processes and procedures to mitigate cybersecurity risks continually.

A new accounting system was implemented in F2025, which enhanced the financial management, financial reporting and operating efficiency. Following the implementation, an update to internal controls was made to reflect the system changes.

In addition to annual risk reviews, the ASC monitors risk on a real-time basis and continues to implement measures to improve the control environment.

## MINISTERIAL BUDGET APPROVAL

Significant financial reporting and planning requirements include Ministerial approval of annual ASC budgets, any subsequent changes that materially modify the budget, and quarterly reporting to the Minister of actual financial results and budget amendments.

## Fiscal 2026 Outlook

The ASC's priority is to provide intelligent regulation that facilitates an adaptable and enduring capital market, and which supports efforts to encourage growth and the diversification of our economy while ensuring investors are protected from improper, misleading or fraudulent practices.

### REVENUE

F2026 revenue is budgeted to be \$63.9 million, a decrease of \$1.6 million (2.4 per cent) from the F2025 budgeted revenue. This decrease primarily reflects a change in assumptions related to the interest income, the number of Alberta reporting issuers, their average market capitalization, the number of registrants, and capital-raising-related activities in the Alberta market.

### REGULATORY EXPENSES

F2026 regulatory expenses are budgeted to be \$72.5 million, an increase of \$7.3 million (11.2 per cent) from the F2025 budgeted regulatory expenses. The increase in cost estimates is primarily attributed to investments in full-time employees, affecting salaries and benefits (\$5.0 million) and IT expenses (\$1.6 million). These investments support the ASC's strategic plan to enhance digital services and adopt cloud-based solutions. Additionally, other administrative expenditures are anticipated to increase due to expected inflationary pressures.

### LIQUIDITY AND CASH FLOW

Existing cash balances are sufficient to fund the ASC's F2026 operations and capital purchases.

### RISKS AND UNCERTAINTIES

The budget is based on the ASC's experience, assessment of trends and application of key assumptions relating to future events. These assumptions include fee income trends consistent with that of Canadian capital markets, current interest rates used in the calculation of interest income, a staff vacancy rate based on actual historical rates, and specific project costs for IT, training and recruitment.

Factors that could impact the ASC's financial performance include:

- geopolitical tensions and potential trade disputes impacting market stability and investor confidence;
- capital market volatility and the impact on fees paid in connection with the distribution of securities, registration and the filing of annual financial statements;
- interest rate fluctuations and their impact on interest income;
- inflationary pressures' impact on cost assumptions and fee revenue;
- business plan changes and their impact on cost assumptions; and
- disruption of CSA national systems fee processing that delays fee receipts at the ASC's year-end.

# Financial Statements

## Management's Responsibility for Financial Reporting

The accompanying Alberta Securities Commission (ASC) financial statements and all other information relating to the ASC contained in this annual report have been prepared and presented by management, which is responsible for the integrity and fair presentation of the information.

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards. The financial statements necessarily include certain amounts based on the informed judgments and best estimates of management. The financial information contained elsewhere in this annual report is consistent with that in the financial statements.

In fulfilling its responsibilities and recognizing the limits inherent in all systems, the ASC has developed and maintains a system of internal control to produce reliable information for reporting requirements. The systems are designed to provide reasonable assurance that ASC transactions are properly authorized, assets are safeguarded from loss, and the accounting records are a reliable basis for the preparation of the financial statements.

The Auditor General of Alberta, the ASC's external auditor appointed under the *Auditor General Act*, performed an independent external audit of these financial statements in accordance with Canadian generally accepted auditing standards and has expressed his opinion in the accompanying Independent Auditor's Report.

ASC Members are responsible for ensuring that management fulfills its responsibilities for financial reporting and internal controls. The Members exercise this responsibility through the Audit Committee. In both the presence and absence of management, the Audit Committee meets with the external auditors to discuss the audit, including any findings as to the integrity of financial reporting processes and the adequacy of our systems of internal controls. The external auditors have full and unrestricted access to the Members of the Audit Committee.

[Original signed by]

**STAN MAGIDSON**  
Chair and Chief Executive Officer

[Original signed by]

**SAMIR SABHARWAL**  
Executive Director

May 28, 2025

## Independent Auditor's Report

To the Members of the Alberta Securities Commission

### Report on the Financial Statements

#### Opinion

I have audited the financial statements of the Alberta Securities Commission, which comprise the statement of financial position as at March 31, 2025, and the statements of operations, remeasurement gains and losses, change in net financial assets, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Alberta Securities Commission as at March 31, 2025, and the results of its operations, its remeasurement gains and losses, its changes in net financial assets, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

#### Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Alberta Securities Commission in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Other information

Management is responsible for the other information. The other information comprises the information included in the *Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

## **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Alberta Securities Commission's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Alberta Securities Commission's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Alberta Securities Commission's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Alberta Securities Commission's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Alberta Securities Commission to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]  
Auditor General

May 28, 2025  
Edmonton, Alberta

**STATEMENT OF FINANCIAL POSITION**

<i>thousands of dollars</i>	<b>At March 31, 2025</b>	At March 31, 2024
<b>Financial Assets</b>		
Cash (Note 3)	<b>154,683</b>	147,885
Accounts receivable	<b>626</b>	1,511
	<b>155,309</b>	149,396
<b>Liabilities</b>		
Accounts payable and accrued liabilities (Note 7)	<b>4,732</b>	4,426
Lease inducements	<b>164</b>	413
Accrued pension liability (Note 8)	<b>8,948</b>	9,246
	<b>13,844</b>	14,085
<b>Net Financial Assets</b>	<b>141,465</b>	135,311
<b>Non-Financial Assets</b>		
Tangible capital assets (Note 6)	<b>4,586</b>	4,286
Prepaid expenses	<b>1,323</b>	921
	<b>5,909</b>	5,207
<b>Net Assets</b>		
Accumulated Surplus	<b>147,374</b>	140,518
	<b>147,374</b>	140,518

*Commitments and contingent liabilities (Note 11)*

*The accompanying notes and schedule are part of these financial statements.*

Approved by the Members.

[Original signed by]

**STAN MAGIDSON**

Chair and Chief Executive Officer

[Original signed by]

**KAREN KIM**

Chair of the Audit Committee

May 28, 2025

**STATEMENT OF CHANGE IN NET FINANCIAL ASSETS**

	For year ended March 31		
	2025	2025	2024
	Budget (Note 12)	Actual	Actual
<i>thousands of dollars</i>			
<b>Annual Operating Surplus</b>	<b>289</b>	<b>6,856</b>	712
Acquisition of tangible capital assets (Note 6)	<b>(3,050)</b>	<b>(1,557)</b>	(2,694)
Amortization of tangible capital assets	<b>2,100</b>	<b>1,257</b>	1,103
Prepayment of expenses	-	<b>(3,186)</b>	(2,231)
Reduction of prepaid expenses	-	<b>2,784</b>	2,063
Net remeasurement gain	-	-	5,008
(Decrease) / Increase in net financial assets	<b>(661)</b>	<b>6,154</b>	3,961
Net financial assets, beginning of year	<b>135,311</b>	<b>135,311</b>	131,350
Net financial assets, end of year	<b>134,650</b>	<b>141,465</b>	135,311

The accompanying notes and schedule are part of these financial statements.

**STATEMENT OF OPERATIONS***thousands of dollars*

For year ended March 31

	<b>2025</b>	<b>2025</b>	2024
	<b>Budget (Note 12)</b>	<b>Actual</b>	Actual
<b>Revenues</b>			
Fees (Note 9(A))	<b>59,270</b>	<b>59,801</b>	57,506
Investment income (Note 4)	-	-	5,804
Realized loss on portfolio investments (Note 4)	-	-	(12,880)
Interest income (Note 2(E))	<b>5,813</b>	<b>5,886</b>	3,784
Other enforcement receipts (Note 9(B))	<b>300</b>	<b>121</b>	470
Administrative penalties (Note 3)	<b>100</b>	<b>152</b>	351
Conference and other	<b>30</b>	<b>36</b>	1
	<b>65,513</b>	<b>65,996</b>	55,036
<b>Regulatory Expenses</b>			
Salaries and benefits	<b>43,460</b>	<b>42,448</b>	39,838
Administration	<b>7,002</b>	<b>5,155</b>	4,500
Premises	<b>5,555</b>	<b>5,372</b>	4,950
Professional services	<b>6,007</b>	<b>3,856</b>	2,771
Amortization of tangible capital assets (Note 6)	<b>2,100</b>	<b>1,257</b>	1,103
Investor education	<b>1,100</b>	<b>1,052</b>	925
Investment expense	-	-	237
	<b>65,224</b>	<b>59,140</b>	54,324
<b>Annual Operating Surplus</b>	<b>289</b>	<b>6,856</b>	712
<b>Accumulated Operating Surplus, beginning of year</b>	<b>140,518</b>	<b>140,518</b>	139,806
<b>Accumulated Operating Surplus, end of year</b>	<b>140,807</b>	<b>147,374</b>	140,518

The accompanying notes and schedule are part of these financial statements.

**STATEMENT OF REMEASUREMENT GAINS AND LOSSES**

<i>thousands of dollars</i>	For year ended March 31	
	2025	2024
Accumulated remeasurement losses, beginning of year	-	(5,008)
Unrealized losses on portfolio investments during the year	-	(7,872)
Amounts reclassified during the year to the Statement of Operations (Note 4)	-	12,880
Net remeasurement gains for the year	-	5,008
Accumulated remeasurement gains (losses), end of year	-	-

The accompanying notes and schedule are part of these financial statements.

**STATEMENT OF CASH FLOWS**

<i>thousands of dollars</i>	For year ended March 31	
	2025	2024
<b>Operating Transactions</b>		
Fees and other	<b>60,204</b>	56,762
Payments to and on behalf of employees	<b>(42,552)</b>	(40,381)
Payments to suppliers for goods and services	<b>(15,390)</b>	(13,114)
Interest income	<b>6,143</b>	3,197
Administrative penalties (Note 3)	<b>152</b>	351
Other enforcement receipts (Note 9(B))	<b>121</b>	470
Cash received from operating transactions	<b>8,678</b>	7,285
<b>Capital Transactions</b>		
Cash used to acquire tangible capital assets	<b>(1,880)</b>	(2,574)
Cash used in capital transactions	<b>(1,880)</b>	(2,574)
<b>Investing Transactions</b>		
Proceeds on sale of portfolio investments	-	119,184
Cash received from investing transactions	-	119,184
Increase in cash	<b>6,798</b>	123,895
Cash, beginning of year	<b>147,885</b>	23,990
Cash, end of year	<b>154,683</b>	147,885

The accompanying notes and schedule are part of these financial statements.

# Notes to the Financial Statements

March 31, 2025

## Note 1: Nature of Operations

The Alberta Securities Commission (ASC) is a corporation pursuant to section 11 of the *Securities Act*, RSA 2000, c. S-4 (the *Act*). The ASC operates under the authority of the *Act*, with a mandate to administer and enforce the securities laws within the Province of Alberta. As a public body, the ASC is exempt from the *Income Tax Act* (Canada) and the *Excise Tax Act* (Canada).

## Note 2: Significant Accounting Policies and Reporting Practices

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS).

### A) VALUATION OF FINANCIAL ASSETS AND LIABILITIES

Cash, accounts payable and accrued liabilities are recognized at cost. The fair values of each of these line items approximate their carrying values due to their short-term nature. Accounts receivable are recognized at the lower of cost or net recoverable value. A valuation allowance is recognized when recovery is uncertain. The majority of the accounts receivable balances consist of outstanding revenue receivable and interest receivable from the Province for the participation in the Consolidated Liquidity Solution (CLS) (Note 3).

Financial assets are tested annually for impairment. When financial assets are impaired, impairment losses are recorded in the Statement of Operations. See Note 2(G) for the valuation of the accrued pension liability.

### B) TANGIBLE CAPITAL ASSETS

Tangible capital assets are recognized at cost less accumulated amortization, which includes amounts directly related to the acquisition, design, construction, development, improvement or betterment of the assets. Work in progress, which includes leasehold improvements, furniture and equipment, and computer equipment and software, is not amortized until after a project is complete (or substantially complete) and the asset is put into service.

Tangible capital assets are written down when conditions indicate that they no longer contribute to the ASC's ability to provide goods and services or when the value of future economic benefits associated with the tangible capital assets are less than their net book value. The net write-downs are accounted for as expenses in the Statement of Operations. Assets are amortized on a straight-line basis over their estimated useful lives as follows:

Computer equipment and software	3 years
Furniture and equipment	10 years
Leasehold	one lease (with amendments) ending November 2025 and renewed through November 2040

### C) PREPAID EXPENSES

Prepaid expenses are recognized at cost and amortized based on the terms of the agreement.

### D) FEES, ADMINISTRATIVE PENALTIES AND OTHER ENFORCEMENT RECEIPTS RECOGNITION

The ASC's revenue streams are non-exchange transactions with no performance obligations. As such, it recognizes revenue when it has the authority to claim or retain an inflow of economic resources, and has identified a past transaction or event that gives rise to an asset. As a result, the amount of revenue recognized is the amount received or receivable. The realizable value of the receivable is determined based on the expected recoverability derived from historical data.

Administrative penalties and other enforcement receipts, including disgorgements, settlement payments and cost recoveries, are recognized when the decision is issued by the ASC or an agreement is reached. The amount of revenue recognized is the amount received or receivable. The realizable value of the receivable is determined based on the expected recoverability of administrative penalties and other enforcement receipts.

### E) INTEREST INCOME

As a CLS participant, the ASC is paid interest on a monthly basis on the cash balance at an interest rate based on a 12-week rolling average of the Province's 3-month cost of borrowing. The interest receivable is reported on an accrual basis.

## F) EXPENSES

Expenses are reported on an accrual basis. The costs of all goods consumed and services received during the year are expensed.

## G) EMPLOYEE FUTURE BENEFITS

The ASC participates in the Public Service Pension Plan (PSPP), a multi-employer defined benefit pension plan. This plan is accounted for as a defined contribution plan because the ASC has insufficient information to apply defined benefit plan accounting. Pension expenses consist of employer contributions related to the current service of employees during the year and additional employer contributions for service relating to prior years. These contributions are calculated based on actuarially pre-determined amounts that are expected, along with investment income, to provide the plan's future benefits.

The ASC maintains a supplemental retirement plan for certain designated executives of the ASC. This plan is limited to existing participants; no new participants have been added since 2014. The cost of the pension is actuarially determined using the projected unit credit cost method pro-rated on service as well as management's best estimate of economic assumptions. Past service costs and actuarial gains and losses arising from assumption changes are amortized on a straight-line basis over the average remaining service period of the related employee group in the Supplemental Pension Plan (SPP). There is no remaining service period of active employees in the SPP.

The ASC also maintains a plan whereby it makes Registered Retirement Savings Plan (RRSP) contributions on behalf of certain employees of the ASC. The contributions are calculated based on a fixed percentage of the employee's salary to a maximum of the RRSP contribution limit as specified in the *Income Tax Act* (Canada). The expense included in these financial statements represents the current contributions made on behalf of these employees.

## H) LEASE INDUCEMENTS

Cash payments received as lease inducements are deferred and amortized on a straight-line basis over the lease terms.

## I) MEASUREMENT UNCERTAINTY

Financial statements prepared in conformity with PSAS require management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Estimates include the value of accrued employee benefit liabilities, the net realizable value of accounts receivable and the useful lives of tangible capital assets. Actual results could differ from these estimates.

The estimated net realizable value for uncollectible administrative penalties and cost recoveries is based on an assessment of an ability to pay at the time of penalty assessment. Subsequent collection actions and changes in the ability to pay may result in recovery of amounts previously considered uncollectible. It is not possible to estimate the amount, if any, of subsequent recoveries.

## J) RESTRICTED CASH

The *Act* requires the revenue from administrative penalties to be used for certain operating expenditures that educate investors and enhance participants' knowledge of how securities markets operate.

## K) ACCOUNTING CHANGES

### FUTURE ACCOUNTING CHANGES

On April 1, 2026, ASC will adopt the following new conceptual framework and accounting standard as approved by the Public Sector Accounting Board:

#### *The Conceptual Framework for Financial Reporting in the Public Sector (Conceptual Framework) (effective April 1, 2026)*

The Conceptual Framework is the foundation for public sector financial reporting standard setting. It replaces the conceptual aspects of Section PS 1000 *Financial Statement Concepts* and Section PS 1100 *Financial Statement Objectives*. This conceptual framework highlights considerations fundamental for the consistent application of accounting issues in the absence of specific standards.

#### *PS 1202 Financial Statement Presentation (PS 1202) (effective April 1, 2026)*

Section PS 1202 sets out general and specific requirements for the presentation of information in general purpose financial statements. The financial statement presentation principles are based on the concepts within the Conceptual Framework.

Management is currently assessing the impact of the Conceptual Framework and PS 1202 on the financial statements.

### Note 3: Cash and Restricted Cash

Cash includes the ASC's demand deposits in the CLS. For the year ended March 31, 2025, the ASC received an average return of 4.08 per cent from its deposits in the CLS (4.95 per cent in F2024).

<i>thousands of dollars</i>	2025	2024
Cash	154,683	147,885

Net financial assets include accumulated net administrative penalty revenue represented as restricted cash. The change in restricted cash consists of:

<i>thousands of dollars</i>	2025	2024
<b>Administrative Penalties</b>		
Assessed penalties	60	720
Adjustments for expected recoverability	(60)	(710)
Plus recoveries of prior-year assessments	152	341
	152	351
<b>Administrative Penalties</b>	152	351
Plus conference fees	36	-
Less eligible restricted cash expenses (investor education)	(188)	(351)
Change in restricted cash	-	-
Restricted Cash, beginning of year	-	-
Restricted Cash, end of year	-	-

## Note 4: Portfolio Investments

In Q2 F2024, the Alberta Treasury Board and Finance notified the ASC of its requirement for the ASC to divest its portfolio investments under CLS. Based on this directive, the ASC authorized the Alberta Investment Management Corporation (AIMCo) to liquidate its portfolio investments, and on September 13, 2023 the Commission approved AIMCo's recommendation for managing the liquidation of the portfolio investments. AIMCo completed this liquidation in Q3 F2024 (Liquidation Event). As a result, the ASC has recorded a realized loss of \$12.9 million on liquidating all of its portfolio investments, which is recognized in "realized loss on portfolio investments" in the Statement of Operations for the year ended March 31, 2024. This included recognition of \$7.1 million in losses for the year ended March 31, 2024. All the proceeds from the Liquidation Event were transferred immediately to the ASC's primary bank account, which is part of the CLS. As a result of the Liquidation Event, the ASC had \$nil portfolio investments as at March 31, 2024 and March 31, 2025.

<i>thousands of dollars</i>	<b>For the year ended March 31, 2024</b>				
	<b>Portfolio Investment Income</b>	<b>Realized Portfolio Investment (Losses)</b>	<b>Total Portfolio Investment Income (Losses)</b>	<b>Unrealized Portfolio Investment (Losses) Gains</b>	<b>Portfolio Return</b>
Fixed-income securities	709	(11,459)	(10,750)	-	(3.23%)
Canadian equities	337	(249)	88	-	(0.40%)
Global equities	4,722	(1,172)	3,550	-	3.33%
Money market deposit	36	-	36	-	3.11%
	<b>5,804</b>	<b>(12,880)</b>	<b>(7,076)</b>	<b>-</b>	<b>(1.25%)</b>

## Note 5: Risk Management

The ASC was not exposed to material foreign currency, interest rate, liquidity or credit risks in F2025.

The ASC's financial assets and liabilities are not exposed to significant interest rate risk as at March 31, 2025 due to their short-term nature. The ASC's cash is held by a Schedule I financial institution and is included in the CLS. A 1.0 per cent change in the interest rate would impact the ASC's annual operating surplus as follows:

<i>thousands of dollars</i>	<b>1% increase in rates</b>	<b>1% decrease in rates</b>
Cash balance	\$1,547	(\$1,547)

## Note 6: Tangible Capital Assets

<i>thousands of dollars</i>	<b>Computer Equipment and Software</b>	<b>Furniture and Equipment</b>	<b>Leaseholds</b>	<b>2025 Total</b>	2024 Total
<b>Estimated useful life</b>	3 years	10 years	Lease duration		
<b>Cost</b>					
Beginning of year	<b>5,342</b>	<b>3,869</b>	<b>7,936</b>	<b>17,147</b>	14,659
Additions	<b>1,145</b>	<b>254</b>	<b>158</b>	<b>1,557</b>	2,694
Disposals	<b>(386)</b>	<b>(187)</b>	-	<b>(573)</b>	(206)
	<b>6,101</b>	<b>3,936</b>	<b>8,094</b>	<b>18,131</b>	17,147
<b>Accumulated amortization</b>					
Beginning of year	<b>3,652</b>	<b>2,794</b>	<b>6,415</b>	<b>12,861</b>	11,964
Amortization expense	<b>889</b>	<b>162</b>	<b>206</b>	<b>1,257</b>	1,103
Disposals	<b>(386)</b>	<b>(187)</b>	-	<b>(573)</b>	(206)
	<b>4,155</b>	<b>2,769</b>	<b>6,621</b>	<b>13,545</b>	12,861
<b>Net book value</b>	<b>1,946</b>	<b>1,167</b>	<b>1,473</b>	<b>4,586</b>	4,286

## Note 7: Accounts Payable and Accrued Liabilities

<i>thousands of dollars</i>	<b>2025</b>	2024
Trade payables	<b>2,140</b>	2,032
Accrued vacation	<b>1,447</b>	1,347
Payroll payables	<b>1,145</b>	1,047
	<b>4,732</b>	4,426

## Note 8: Accrued Pension Liability and Pension Expense

The following pension expense for the plans is included in the Statement of Operations under salaries and benefits:

<i>thousands of dollars</i>	<b>2025</b>	2024
Public Service Pension Plan	<b>1,631</b>	1,515
Registered Retirement Savings Plan	<b>1,780</b>	1,659
Supplemental Pension Plan	<b>223</b>	(221)
	<b>3,634</b>	2,953

### A) PUBLIC SERVICE PENSION PLAN

The ASC participates in the PSPP. The PSPP reported a surplus of \$6,474 million as at December 31, 2024 (\$4,543 million as at December 31, 2023). The ASC is not responsible for future funding of any plan deficit other than through contribution increases.

### B) REGISTERED RETIREMENT SAVINGS PLAN

The ASC makes RRSP contributions on behalf of employees who do not participate in the Public Service Pension Plan.

### C) SUPPLEMENTAL PENSION PLAN

The ASC has a SPP for certain designated executives of the ASC. The provisions of the SPP were established pursuant to a written agreement with each designated executive.

The SPP provides pension benefits to the designated executives based on pensionable earnings that are defined by reference to base salary in excess of the limit imposed by the *Income Tax Act* (Canada) on registered pension arrangements.

Pension benefits from the SPP are payable on or after the attainment of age 55 and are equal to 1.75 per cent of the highest average pensionable earnings (average over five years) for each year of service as a designated executive. Members of the SPP become vested in the plan after two years of service.

The SPP is unfunded, and the benefits will be paid as they come due from the assets of the ASC.

An actuarial valuation of the SPP is generally undertaken every three years. The previous SPP valuation was performed in March 2023 and remained valid through to March 31, 2025. The next valuation is scheduled for March 2026. The results of the actuarial valuation and management's cost estimates as they apply to the SPP are summarized below:

<i>thousands of dollars</i>	2025	2024
<b>Supplemental Pension Plan</b>		
Accrued benefit and unfunded obligation	8,948	8,981
Unamortized actuarial gains	–	265
Accrued benefit liability	8,948	9,246

<i>thousands of dollars</i>	2025	2024
<b>Accrued Benefit Obligation</b>		
Accrued benefit obligation at beginning of year	8,981	8,980
Service cost	92	88
Interest cost	396	390
Benefits paid	(521)	(477)
Accrued benefit obligation at end of year	8,948	8,981

<i>thousands of dollars</i>	2025	2024
<b>Pension Expense for the Supplemental Pension Plan</b>		
Service cost	92	88
Interest cost	396	390
Amortization of actuarial gains during the year	(265)	(699)
	223	(221)

The assumptions used in the actuarial valuation of the SPP and the projections are summarized below. The discount rate and other economic assumptions were established as management's best estimate in collaboration with the actuary. Demographic assumptions were selected by the actuary based on a best estimate of the future experience of the plans.

<b>Assumptions</b>	<b>2025</b>	2024
Discount rate, year-end obligation	<b>4.50%</b>	4.50%
Discount rate, annual pension expense	<b>4.50%</b>	4.50%
Rate of inflation, year-end obligation	<b>2.00%</b>	2.00%
Salary increases, year-end obligation	<b>4.00%</b>	4.00%
Remaining service life, year-end obligation	<b>0 years</b>	1 year

## Note 9: Fees and Other Enforcement Receipts

### A) FEES

<i>thousands of dollars</i>	<b>2025</b>	2024
<b>Fees</b>		
Annual financial statements	<b>21,215</b>	20,625
Registration	<b>19,453</b>	19,207
Distribution of securities	<b>18,528</b>	17,209
SEDI, exempt distributions and registration late filing fees	<b>808</b>	583
Orders (applications)	<b>115</b>	203
Adjustments for expected recoverability	<b>(318)</b>	(321)
Total fee revenue recorded	<b>59,801</b>	57,506

### B) OTHER ENFORCEMENT RECEIPTS

<i>thousands of dollars</i>	<b>2025</b>	2024
<b>Other Enforcement Receipts</b>		
Settlement payments, disgorgements and cost recoveries assessed	<b>282</b>	4,737
Adjustments for expected recoverability	<b>(162)</b>	(4,277)
Plus recoveries of prior-year assessments	<b>1</b>	10
Total enforcement receipts recorded	<b>121</b>	470

## Note 10: CSA National Systems

The CSA National Systems include the System for Electronic Document Analysis and Retrieval (SEDAR+), the National Registration Database (NRD) and the System for Electronic Disclosure by Insiders (SEDI). These systems are administered under a CSA National Systems operations management and governance agreement (the Agreement). The Agreement empowers the ASC, jointly with three other CSA members, to manage the systems and to engage an external service provider to operate the systems. As one of the agreement signatories, the ASC commits to pay 25.0 per cent of any shortfall from approved system operating costs that exceeds revenue. Any revenue in excess of system operating costs (surplus) is accumulated for future systems operations, including possible revenue shortfalls, fee adjustments and system enhancements. The surplus is not divisible; the CSA owns it as a group.

CSA prepares its financial statements under IFRS (International Financial Reporting Standards). As at March 31, 2025, the accumulated operating surplus totalled \$162.6 million (March 31, 2024 \$184.0 million). This was primarily made up of \$135.8 million in intangible assets; and \$29.7 million in cash held by the Ontario Securities Commission (the Designated Principal Administrator). \$28.6 million of cash earning prime rate less 1.90 per cent and \$1.1 million of cash consisting of a notice account earning Bank of Canada overnight rate plus 0.5 per cent. In management's judgment, this arrangement is not an interest in a partnership, and the ASC does not control or have significant influence over how the net assets are managed.

## Note 11: Commitments and Contingent Liabilities

Details of commitments to organizations outside the ASC are set out below.

### A) COMMITMENTS

#### **Premises Leases and Equipment Rental**

Commitments arising from contractual obligations relate to the lease of premises (including parking) to November 30, 2040, rental of office equipment to 2027, and software subscriptions to 2028. These commitments total \$85.0 million (\$90.3 million in F2024) and become expenses of the ASC when the terms of the contracts are met.

<i>thousands of dollars</i>	
2025–26	6,700
2026–27	5,814
2027–28	5,372
2028–29	4,948
2029–30	4,862
Thereafter	57,293
	84,989

#### **Canadian Securities Administrators**

The CSA Secretariat assists in the development and harmonization of rules, regulations and policies across Canada. The ASC commits to pay, based on an agreed-upon cost-sharing formula, costs incurred for the maintenance of the CSA Secretariat and any third-party costs incurred in the development of harmonized rules, regulations and policies.

### B) CONTINGENT LIABILITIES

ASC panel or court decisions may be appealed. The outcomes of these matters are not determinable at this time; therefore, the impact on the operating surplus cannot be determined. However, management does not expect the impact to be material.

Under the Agreement with the CSA, the ASC commits to pay 25.0 per cent of any shortfall from approved operating costs that exceed revenue (see Note 10). An assessment has been completed based on the CSA's liquidity and future cash flow projections beyond F2025. It was determined that sufficient cash flow will be generated which will enable the CSA to maintain its operations without the CSA members having to make a contribution. As a result, the ASC has concluded that the above does not meet the criteria for recognition of a contingent liability.

## Note 12: Budget

The ASC's F2025 budget was approved by the Commission on December 13, 2023. The Alberta Treasury Board later approved ASC's F2025 budget with changes on February 29, 2024.

## Note 13: Related Party Transactions

The ASC is related through common ownership to all Alberta provincial government ministries, agencies, boards, commissions and Crown corporations. Related parties also include key management personnel of the ASC and close family members of those individuals. The ASC conducted all transactions with these entities as unrelated parties and recorded them at exchange amounts.

Total transaction costs of \$259,099 (\$167,596 in F2024) were recognized in salaries and benefits, and administrative expenses, primarily for employment contracts, insurance, and transcript and postage services. Investment fees were \$nil (\$237,179 in F2024). In relation to these transactions, as at March 31, 2025, amounts included in accounts payable and accrued liabilities total \$58,599 (\$nil in F2024). The ASC earned interest income on its balances held within the CLS accounts of \$5.9 million (\$3.8 million in F2024). As at March 31, 2025, interest receivable is \$367,657 (\$624,275 in F2024).

# Schedule 1: Salary and Benefits Disclosure

<i>thousands of dollars</i>				2025	2024
	Base salary <sup>1</sup>	Other cash benefits <sup>2</sup>	Other non-cash benefits <sup>3</sup>	Total	Total
Chair and Chief Executive Officer (CEO), Alberta Securities Commission <sup>4,5</sup>	524	89	59	672	673
Executive Director, Alberta Securities Commission <sup>5</sup>	329	64	59	452	437
Vice-Chair, Alberta Securities Commission <sup>4,5</sup>	341	102	49	492	459
Vice-Chair, Alberta Securities Commission <sup>4</sup>	341	81	81	503	454
Independent Members of the Alberta Securities Commission (aggregate) <sup>6</sup>	339	–	–	339	336

<sup>1</sup> Base salary includes regular salary or Independent Members' compensation.

<sup>2</sup> Other cash benefits may include vacation payouts, retirement payments, transit allowance, flex earnings, study leave and automobile allowance.

<sup>3</sup> Other non-cash benefits may include the employer's share of all employee benefits and contributions or payments made on behalf of employees, including RRSP, SPP,\* flex benefit, health care, dental coverage, group life insurance, long-term disability plan, fair market value of parking, professional memberships and tuition fees.

<sup>4</sup> The Chair and Vice-Chairs are full-time Commission Members.

<sup>5</sup> This Vice-Chair, CEO and Executive Director do not participate in the SPP, but participate in the RRSP program. This RRSP benefit is reported under other non-cash benefits.

<sup>6</sup> The Independent Members' compensation includes total fees paid for governance responsibilities of \$289,650 (\$284,450 in F2024) and hearing and application panel participation of \$49,650 (\$51,613 in F2024).

Independent Member fees include:

	2025 <sup>7</sup>	2024
Annual retainer	\$ 20,000	\$ 10,000
Committee memberships (F2025 All Committees / F2024 other than Audit Committee)	\$ 2,500	\$ 2,500
Committee memberships (F2024 Audit Committee)	–	\$ 4,000
Committee chairing (F2025 All Committees / F2024 other than Audit Committee)	\$ 8,000	\$ 5,000
Committee chairing (F2024 Audit Committee)	–	\$ 8,000
Lead Independent Member	\$ 15,000	\$ 5,000
Meeting attendance fee	\$1,250 per day for an ASC meeting; \$750 for a Committee meeting	\$1,000 per day for an ASC meeting; \$750 for a Committee meeting
Hearing fees	\$1,500 per hearing day; and \$200 per hour of related preparation, review and decision writing	\$1,500 per hearing day; and \$200 per hour of related preparation, review and decision writing
Hearing fees (Panel Chair)	\$2,000 per hearing day; and \$250 per hour of related preparation, review and decision writing	\$2,000 per hearing day; and \$250 per hour of related preparation, review and decision writing

<sup>7</sup> Rates from the prior year were in effect until December 31, 2024. New Independent Member rates were reviewed and approved by the Commission. These rates took effect on January 1, 2025.

\*Under the terms of the SPP, executive officers may receive supplemental retirement payments. Retirement arrangement costs are not cash payments in the period but are the period expense for rights to future compensation. Costs shown reflect the total estimated cost to provide annual pension income over an actuarially determined post-employment period. The SPP provides future pension benefits to participants based on years of service and earnings. The cost of these benefits is actuarially determined using the projected benefit method pro-rated on services, a market interest rate, and management's best estimate of expected costs and the period of benefit coverage. Net actuarial gains and losses of the benefit obligations are amortized over the average remaining service life of the employee group. Current service cost is the actuarial present value of the benefits earned in the fiscal year. Prior service and other costs include amortization of past service costs on plan initiation, amortization of actuarial gains and losses, and interest accruing on the actuarial liability.

# Supplemental Retirement Benefits

## ANNUAL EXPENSE

<i>thousands of dollars</i>			2025	2024
	Current service costs*	Prior services and other costs	Total	Total
Chair and CEO, Alberta Securities Commission <sup>1</sup>	-	-	-	-
Executive Director, Alberta Securities Commission <sup>2</sup>	-	-	-	-
Vice-Chair, Alberta Securities Commission <sup>3</sup>	-	-	-	-
Vice-Chair, Alberta Securities Commission <sup>4</sup>	48	(37)	11	(29)

\*Current service costs are included in non-cash benefits.

## ACCRUED OBLIGATIONS

<i>thousands of dollars</i>	Accrued obligation March 31, 2024	Changes in accrued obligation	Accrued obligation March 31, 2025
Chair and CEO, Alberta Securities Commission <sup>1</sup>	-	-	-
Executive Director, Alberta Securities Commission <sup>2</sup>	-	-	-
Vice-Chair, Alberta Securities Commission <sup>3</sup>	-	-	-
Vice-Chair, Alberta Securities Commission <sup>4</sup>	895	91	986

<sup>1</sup> The Chair and CEO does not participate in the SPP, but participates in the RRSP program. This benefit is reported under other non-cash benefits.

<sup>2</sup> The Executive Director does not participate in the SPP, but participates in the RRSP program. This benefit is reported under other non-cash benefits.

<sup>3</sup> This Vice-Chair does not participate in the SPP, but participates in the RRSP program. This benefit is reported under other non-cash benefits.

<sup>4</sup> This Vice-Chair's term commenced on May 8, 2018. In both this role and a prior role at the ASC, this Vice-Chair was a member of the SPP.

## Advisory committees

The ASC has eight advisory committees consisting of industry representatives who provide advice concerning the development of new or amended securities regulation. These expert committees help keep staff up to date on industry views and current business practices as a means to support intelligent regulation. The ASC would like to thank committee members for their insights and contributions over the past year.

For more information about our advisory committees and how to get involved, please visit [asc.ca/advisory-committees](https://asc.ca/advisory-committees).

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\* Members who served for a portion of the fiscal year and are no longer part of the advisory committee.

\*\* Members who left the advisory committee after March 31, 2025.

## GLOSSARY

### Alberta Investment Management Corporation (AIMCo)

AIMCo is an Alberta government agency that is responsible for the investments of 27 pension, endowment and government funds in the province.

### Artificial intelligence (AI)

AI is an emerging technology that enables machines to perform and simulate human intelligence.

### Canadian Dollar Offered Rate (CDOR)

CDOR was a primary Canadian commercial interest rate benchmark used until its discontinuation on June 28, 2024. It represented the rate at which banks were willing to lend to companies. The rate incorporated term risk (the risk of changes in market interest rates) and the borrower's credit risk. CDOR was the Canadian form related to an "Interbank Offered Rate," or IBOR. Globally, various IBOR benchmarks have also been phased out.

### Canadian Investment Regulatory Organization (CIRO)

CIRO is the self-regulatory organization that consolidated the functions of the former Investment Industry Regulatory Organization of Canada (IIROC) and Mutual Funds Dealers Association of Canada (MFDA) at the beginning of 2023.

### Canadian Overnight Repo Rate Average (CORRA)

CORRA represents the overnight interest rate for financial institutions using Government of Canada treasury bills and bonds as collateral for repurchase transactions (i.e. transactions in which a party sells government bonds with the agreement to buy them back the next day for a higher price), and does not include any term or bank credit risk premiums.

### Canadian Securities Administrators (CSA)

The 10 provinces and three territories in Canada are responsible for securities regulations. Securities regulators from each province and territory have teamed up to form the CSA. The CSA is primarily responsible for developing a harmonized approach to securities regulation across the country.

### Cease trade order (CTO)

An order issued by a provincial or territorial securities commission (or similar regulatory body) against a company for failing to meet disclosure requirements, such as filing a quarterly or annual financial statement, or as a result of an enforcement action that involves an investigation of wrongdoing.

### Crypto assets

Crypto assets, commonly referred to as cryptocurrencies, coins or tokens, are digitally represented assets that typically rely on blockchain or distributed ledger technology and cryptography. Crypto assets may act as a method of payment, a store of value (like money), perform a function or represent an interest in an asset or enterprise. Some crypto assets are securities or derivatives and the trading of them would be subject to securities laws.

### Crypto asset trading platform (CTP)

Crypto asset trading platforms facilitate the buying, selling or transferring of crypto assets. They may be subject to securities and/or derivatives regulations depending on how they operate and the crypto assets that are available to be traded on the platform.

### CSA Financial Innovation Hub (FinHub)

The FinHub is an initiative intended to support innovation in the Canadian capital markets that presents benefits for investors. Through the FinHub, the CSA takes a proactive approach to considering new technologies and innovative business models, including assessing the scope and nature of regulatory implications and evaluating what may be required to modernize the securities regulatory framework for such innovations.

### Data portability

Data portability means that individuals can request that a data holder share their own data with them or a specific third party, in a structured, commonly used, and machine-readable format on an ad hoc or continuous basis.

### Decentralized finance (DeFi)

DeFi commonly refers to financial products, services, activities, and arrangements that use distributed ledger technology (DLT) or blockchain technology, including smart contracts, which are self-executing code on a blockchain that runs automatically when its conditions are met. DeFi aims to operate in a disintermediated and decentralized manner, eliminating some traditional financial intermediaries and centralized institutions (e.g. banks, brokerages, exchanges, payment processors), and enabling certain direct investment activities.

### Derivative

A financial product (an option, swap, futures contract, forward contract or other financial or commodity contract or instrument) whose market price, value, delivery obligations, payment obligations or settlement obligations are derived from, referenced to or based on an underlying interest, including a price, rate, index, value, variable, event, probability or thing.

### Disciplined List

The Disciplined List is the CSA's national internet search engine that allows the public to research if a person or company has been disciplined by a Canadian securities regulator or CIRO.

### Electronic know your client (eKYC)

Electronic know your client (eKYC) is the process of collecting client information and completing identity verification and other KYC requirements using digital means, such as through electronic forms, digital documents and varying degrees of automation. This enables the registrant to obtain information about the client that assists in performing its KYC obligations and a suitability assessment.

### Exchange-traded fund (ETF)

An investment fund that trades on a stock exchange.

### Financial technology (fintech)

Technology that supports the delivery and use of financial services, including technology that seeks to improve traditional financial services and technology that seeks to disrupt them.

### Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)

FINTRAC is Canada's financial intelligence unit. Its mandate is to facilitate the detection, prevention and deterrence of money laundering and the financing of terrorist activities, while ensuring the protection of personal information under its control.

### Global Financial Innovation Network (GFIN)

The GFIN is an international network of financial regulators and related organizations committed to supporting financial innovation in the best interests of consumers. It seeks to provide a more efficient way for innovative firms to interact with regulators, helping them navigate between countries as they look to scale new ideas. This includes the ability to apply to join a pilot for firms wishing to test innovative products, services or business models across more than one jurisdiction.

### Greenwashing

Greenwashing is the process of making potentially misleading, unsubstantiated or otherwise incomplete claims about business operations or the sustainability of a product or service being offered, conveying a false impression.

### Heads of Regulatory Agencies (HoA)

The major financial regulators in Canada participate in meetings of the Heads of Agencies. The HoA includes the chairs of the four largest provincial securities regulators in Canada (Alberta, British Columbia, Ontario and Québec), the Governor of the Bank of Canada, the Superintendent of Financial Institutions and senior government officials from the federal Department of Finance. The HoA serves as a forum for regulators to coordinate policy in areas of shared responsibility.

### International Organization of Securities Commissions (IOSCO)

IOSCO is the international body that brings together the world's securities regulators and is recognized as the global standard setter for the securities sector. IOSCO develops, implements and promotes adherence to internationally recognized standards for securities regulation.

### Joint Serious Offences Team (JSOT)

JSOT is an enforcement partnership between the ASC and the RCMP. JSOT investigates and prosecutes quasi-criminal cases under the *Securities Act* (Alberta) and securities-related offences under the Criminal Code. JSOT targets repeat offenders, serious frauds and breaches of ASC or court orders or bans.

### Management expense ratios (MERs)

MER means the ratio, expressed as a percentage, of the expenses of an investment fund to its average net asset value (i.e. generally the total value of assets less the total liabilities of the fund at a specific date).

### Management report of fund performance (MRFP)

The MRFP is a disclosure document containing a summary and discussions of financial highlights, fund operations, recent developments and other material information pertaining to an investment fund. An investment fund is required to prepare and file its MRFP semi-annually.

### National Registration Database (NRD)

The NRD is the CSA's national internet search engine that permits dealers, advisers and investment fund managers to file registration forms electronically.

### North American Securities Administrators Association (NASAA)

A voluntary association whose membership consists of 67 state, provincial and territorial securities administrators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Canada and Mexico.

### Open finance

Open finance is a system that allows individuals and businesses to securely share their financial data, such as banking, investments, insurance and pensions, with authorized third-party providers.

### Over-the-counter (OTC) trade

An OTC trade refers to the bilateral trading of a commodity derivative, or other contracts that is not listed on any exchange. OTC transactions can occur electronically or over the telephone. OTC trades are also referred to as off-exchange, and often use a broker-dealer network to facilitate trading between parties.

### Prospectus

A prescribed document required to contain full, true and plain disclosure of all material facts relating to securities to be distributed.

### Real-time market data (RTMD)

RTMD is immediate data provided to market participants, investors and their advisers about equity securities markets to help with informed investment, routing and execution decisions.

### Registrant

A person or company registered or required to be registered under the *Securities Act* (Alberta) or the regulations.

### Stablecoins (value-referenced crypto assets)

Value-referenced crypto assets, commonly known as stablecoins, generally are crypto assets that are designed to maintain a stable value over time by referencing the value of a fiat currency or any other value or right, or combination thereof.

### SEDAR+

SEDAR+ is the secure, web-based system used by market participants to file, disclose and search for information in Canada's capital markets. On July 25, 2023, SEDAR+ replaced SEDAR and consolidated it with the national Cease Trade Order (CTO) database and the Disciplined List (DL) database. The system also includes a consolidated reporting issuers list from all provincial and territorial regulators.

### Tokenization

In general, tokenization refers to a process that involves using new technologies, such as distributed ledger technology (DLT), to issue and represent assets in digital forms known as "tokens".



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