

ANNEX D

Local Matters

Authority for the Proposed Amendments

In Saskatchewan, the proposed amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* and National Instrument 45-106 *Prospectus Exemptions* and proposed changes to Companion Policy 45-106CP *Prospectus Exemptions* are being made under the following provisions of *The Securities Act, 1988* (the **Act**):

- Clause 154(1)(b) authorizes the Authority to make regulations prescribing requirements respecting applications for registration and the amendment, expiration or surrender of registration, and respecting suspension, reinstatement, cancellation, revocation or termination of registration;
- Clause 154(1)(d.1) authorizes the Authority to make regulations prescribing the circumstances in which a person or company or a class of persons or companies is not required to be registered pursuant to section 27 or a person or company or a class of persons or companies is deemed to be registered for the purposes of the Act or the regulations, including the circumstances in which a person or company or a class of persons or companies is registered pursuant to the laws of another jurisdiction respecting trading in securities or derivatives;
- Clause 154(1)(f) authorizes the Authority to make regulations prescribing requirements respecting the disclosure or furnishing of information to customers and clients, prospective customers and clients, other registrants, the public or the Commission by registrants and directors, partners, Officers, representatives, employees and security holders of registrants;
- Clause 154(1)(i) authorizes the Authority to make regulations regulating the listing and trading of securities or derivatives, including prescribing requirements for keeping records and reporting trades and quotations;
- Clause 154(1)(j) authorizes the Authority to make regulations regulating the trading of securities or derivatives other than on an exchange recognized by the Authority;
- Clause 154(1)(l) authorizes the Authority to make regulations regulating trading or advising in securities or exchange contracts to prevent trading or advising that is fraudulent, manipulative, deceptive or unfairly detrimental to investors;
- Clause 154(1)(l.4) authorizes the Authority to prescribe the principles for determining the market value, market price or closing price of a security or derivative, the net asset value of a security or quantifying a person's exposure resulting from a trade in a derivative and authorizing the Commission to make that determination;
- Clause 154(1)(m) authorizes the Authority to designate activities, including the use of documents or advertising, in which registrants or issuers are permitted to engage or are prohibited from engaging in connection with distributions;

- Clause 154(1)(n) authorizes the Authority to govern the content of material required or permitted to be distributed or used by a person or company with respect to a security or derivative, whether in the course of a distribution or otherwise;
- Clause 154(1)(o) authorizes the Authority to make regulations governing annual information forms, annual reports, preliminary prospectuses, prospectuses, pro forma prospectuses, short form prospectuses, pro forma short form prospectuses, exchange offering prospectuses, simplified prospectuses, risk disclosure statements, offering memoranda or any other disclosure documents, with respect to securities and, without limiting the generality of the foregoing, prescribing procedures and requirements with respect to and providing for exemptions from:
 - (i) the use, form and content of those documents;
 - (ii) the preparation, filing, delivery or dissemination of those documents;
 - (iii) the issuance of receipts for preliminary prospectuses and prospectuses, including the issuance of receipts after an expedited or selective review, and respecting when receipts are not required or will not be issued, and the circumstances under which a receipt may be refused;
 - (iv) the incorporation of other documents by reference;
 - (v) the distribution of securities by means of a prospectus incorporating other documents by reference;
 - (vi) the distribution of securities by means of a simplified or summary prospectus or other means of disclosure documents;
 - (vii) the distribution of securities on a continuous or delayed basis;
 - (viii) the pricing of a distribution of securities after the issuance of a receipt for the prospectus filed in relation to the distribution;
 - (ix) the issuance of receipts for prospectuses after selective review;
 - (x) the incorporation by reference of certain documents in a prospectus and the effect, including from a liability and evidentiary perspective, of modifying or superseding statements;
 - (xi) the form of certificates relating to a preliminary prospectus, prospectus and amendments to a prospectus and the persons required to sign the certificates;
 - (xii) eligibility, and the loss of eligibility, to obtain a receipt for, or to distribute, securities under a particular form of prospectus;
 - (xiii) the lapse date for a prospectus, restricting the period to the lapse date, the terms and conditions for continuing to distribute securities after the lapse date, and the circumstances under which the purchaser may cancel a trade that occurs after the lapse date;
 - (xiv) requirements pursuant to Parts VIII, XI and XII;
 - (xv) circumstances in which:
 - (A) section 58 does not apply to a person or company or a class of persons or companies; or

(B) a receipt is deemed to have been issued for the purposes of this Act, including the circumstance in which a receipt has been issued for a preliminary prospectus or prospectus under the laws of another jurisdiction respecting trading in securities;

(xvi) requirements with respect to amendments to a preliminary prospectus or prospectus and prescribing circumstances under which an amendment to a preliminary prospectus or prospectus must be filed and delivered to purchasers and prospective purchasers of the securities distributed under the preliminary prospectus and prospectus;

(xvii) requirements for dealers for delivery of a preliminary prospectus between the issuance of a receipt for a preliminary prospectus and the issuance of a receipt for a prospectus, including any record-keeping requirements;

(xviii) requirements for different certificates for different classes of persons or companies required to certify a prospectus;

- Clause 154(1)(u.5) prescribing information, documents, records or other materials that are required to be filed or delivered, including requirements relating to the following:
 - (i) the method by which they are to be filed or delivered;
 - (ii) the timing of the filing or delivery;
 - (iii) the costs related to the filing or delivery;
 - (iv) when they are deemed to have been filed, delivered or received;
- Clause 154(1)(ii) authorizes the Authority to make regulations respecting the media, format, preparation, form, content, execution, certification, dissemination and other use, filing and review of all documents required pursuant to or governed by the Act, and the regulations and all documents determined by the regulations to be ancillary to the documents;
- Paragraph 154(1)(oo) of the Act authorizes the Financial and Consumer Affairs Authority (the Authority) to make regulations exempting any person, company, trade or security from all or any provision of the Act or the regulations, including prescribing any terms or limitations on an exemption and requiring compliance with those terms or limitations.
- Paragraph 154(1)(oo.1) authorizes the Authority to make regulations prescribing circumstances and conditions for the purpose of an exemption, including conditions that refer to a person or company or class of persons or companies designated by the Authority.
- Paragraph 154(1)(qq) of the Act Authorizes the Authority to remove any exemption granted by the Act or the regulations, including prescribing any conditions or restrictions on removal of the exemption;
- Paragraph 154(1)(rr) of the Act Authorizes the Authority to remove any exemption granted by the regulations, including authorizing the Authority to prescribe any conditions or restrictions on the removal of an exemption;
- Paragraph 154(1)(tt) of the Act authorizes the Authority to make regulations pursuant to subsection (2) respecting any matter or thing set out in this subsection, other than those matter or things mentioned in clauses (nn), (ff) and (uu) and in this clause;

- Paragraph 154 (1) (xx) of the Act authorizes the Authority to make regulations prescribing any other matter or thing that is prescribed or authorized by the Act to be prescribed in the regulations; and
- Paragraph 154 (2) authorizes the Authority to make regulations respecting any matter or thing with respect to which the Authority is authorized pursuant to subsection 154 (1).