

## GENERAL ORDER 31-502

### Relief in respect of Client Focused Reforms Conflict of Interest Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations

In the Matter of  
*The Securities Act, 1988*

#### ORDER

**WHEREAS** the Financial and Consumer Affairs Authority of Saskatchewan (**FCAA**) has assigned to the Director of the Securities Division, FCAA (**Director**) the power to make exemption orders under the provision of *The Securities Act, 1988* (**Act**) including orders of general application;

**AND WHEREAS** FCAA Securities Division staff (**Staff**) has applied to the Director for an Order pursuant to section 160 of the Act exempting registrants from compliance with certain enhanced conflicts of interest provisions that are to come into effect on December 31, 2020 in light of the current outbreak of the Coronavirus Disease 2019 (**COVID-19**), as outlined below;

**AND WHEREAS** terms defined in the Act, National Instrument 14-101 *Definitions*, and National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) have the same meaning in this Order;

**AND WHEREAS** it has been represented to the Director that:

- (a) On October 3, 2019, the Canadian Securities Administrators (**CSA**) published *CSA Notice of Amendments to National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations and to Companion Policy 31-103CP Registration Requirements, Exemptions and Ongoing Registrant Obligations Reforms to Enhance the Client-Registrant Relationship* (**CSA Notice of Amendments**). The amendments to NI 31-103 adopted by each CSA securities regulatory authority or regulator (**CSA Jurisdictions**) are to implement reforms to enhance the client-registrant relationship (**Client Focused Reforms**) which affect all registrants;

- (b) At the time, the reforms provided for a phased transition period for the implementation of the Client Focused Reforms. Specifically, the Client Focused Reforms relating to conflicts of interest (**Enhanced Conflicts Requirements**), described in section 20 through section 28 of the amending instrument to NI 31-103 published on October 3, 2019 with CSA Notice of Amendments as Annex E, come into force on December 31, 2020. The Client Focused Reforms relating to several other reform areas come into force on December 31, 2021;
- (c) As a result of COVID-19, which was declared a pandemic by the World Health Organization on March 11, 2020, the Lieutenant Governor in Council of Saskatchewan has declared “State of Emergency” under *The Emergency Planning Act* on March 18, 2020;
- (d) Staff acknowledges that the COVID-19 pandemic may present challenges for market participants in the meeting of certain obligations under Saskatchewan securities laws;
- (e) Staff have identified certain challenges for market participants that are a result of the COVID-19 pandemic as follows:
  - (i) certain registrants may experience disruptions to travel, access to office facilities, availability of personnel and other key resources, and
  - (ii) certain registrants may be unable to be in a position to implement the Enhanced Conflicts Requirements when they come into force on December 31, 2020;
- (f) In light of COVID-19, to assist persons or companies with the meeting of their obligations under Saskatchewan securities law, certain temporary exemptions are necessary;
- (g) Staff understands that each CSA Jurisdiction intends to issue a rule, instrument or blanket order providing equivalent exemptions from the securities law of its respective jurisdiction;

**AND WHEREAS** the Director is of the opinion that it would not be prejudicial to the public interest to make this Order;

**IT IS HEREBY ORDERED** under section 160 of the Act that a registrant is exempt from the Enhanced Conflicts Requirements provided that the registrant complies with the requirements in Part 13 of NI 31-103 that were in effect as at December 30, 2020; and

**IT IS HEREBY FURTHER ORDERED** that this Order comes into effect on December 31, 2020 and expires on June 30, 2021.

Dated April 15, 2020.

“Dean Murrison”

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Dean Murrison  
Director, Securities Division  
Financial and Consumer Affairs  
Authority of Saskatchewan