

## ANNEX D

### LOCAL MATTERS

In Saskatchewan, the Proposed Amendments are being made under the following provisions of *The Securities Act, 1988* (the **Act**):

- 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 Authority 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 make regulations prescribing 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 Authority to make that determination;
- Clause 154(1)(m) authorizes the Authority to make regulations designating 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 make regulations governing 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;

(iv) the incorporation of other documents by reference;

(vi) the distribution of securities by means of a simplified or summary prospectus or other means of disclosure documents;

(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;

- Clause 154(1)(r) authorizes the Authority to make regulations governing disclosure obligations pursuant to Parts XIV and XV and the regulations and, without limiting the generality of the foregoing:
  - (i) requiring any person or company or class of persons or companies to comply with Parts XIV and XV and the regulations;
  - (ii) prescribing disclosure requirements, including the form, content, preparation, review, audit, approval, certification, filing, delivery and use of disclosure documents;
- Clause 154(1)(u.2) authorizes the Authority to make regulations specifying the conditions pursuant to which any particular type of trade that would not otherwise be a distribution is deemed to be a distribution;
- Clause 154(1)(u.5) authorizes the Authority to make regulations 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)(v) authorizes the Authority to make regulations governing investment funds and the advertising, distribution and trading of the securities of investment funds, including;

- (i) designating issuers or a class or classes of issuers as investment funds or as non-redeemable investment funds;
- (ii) respecting sales charges imposed by a distribution company or contractual plan service company under a contractual plan on purchasers of shares or units of an investment fund;
- (iii) prescribing a penalty for the early redemption of shares or units of an investment fund;
- (iv) prescribing the form and contents of reports to be filed by the management company or distributors of an investment fund;
- (v) respecting:
  - (A) the custodianship of assets of any investment fund;
  - (B) the minimum capital requirements for any investment fund making a distribution and prohibiting or restricting the reimbursement of costs associated with the organization of an investment fund;
  - (C) any matters affecting any investment fund that require the approval of security holders of the fund, the Authority or the Director;
  - (D) the contents and use of sales literature, sales communications and advertising relating to any investment fund or securities of any investment fund;
- (vi) permitting or restricting investment policies and practices in connection with any investment fund;
- (vii) prescribing the requirements with respect to, or in relation to, promoters, advisers or persons and companies that administer or participate in the administration of the affairs of investment funds;
- (viii) requiring investment funds to establish and maintain an independent committee for the purposes described in section 128.1, prescribing its powers and duties and prescribing requirements relating to:
  - (A) the mandate and functioning of the independent committee;
  - (B) the composition of the independent committee and qualifications for membership on the independent committee, including the matters respecting the independence of members and the process for selecting members;

(C) the standard of care that applies to members of the independent committee when exercising their powers, performing their duties and carrying out their responsibilities;

(D) the disclosure of information to security holders of the investment fund, to the investment fund manager and to the Authority;

(E) matters affecting the investment fund that require review by the independent committee or approval of the independent committee;

- Clause 154(1)(z) authorizes the Authority to make regulations respecting any matter necessary or advisable for regulating offers to acquire securities, acquisitions or redemptions of securities, business combinations or related party transactions, including, but not limited to:
  - (i) prescribing requirements or prohibitions relating to the conduct or management of the affairs of an issuer and its directors and officers before, during or after an offer to acquire, acquisition, redemption, business combination or related party transaction;
  - (ii) prohibiting a person or company from purchasing or trading a security or a related financial instrument before, during or after an offer to acquire, acquisition, redemption, business combination or related party transaction;
  - (iii) prescribing records required to be filed or delivered to a person or company; and
  - (iv) prescribing different requirements or prohibitions for different classes of persons or companies;
- Clause 154(1)(bb) authorizes the Authority to make regulations respecting any matter or thing necessary or advisable to carry out effectively the intent and purpose of sections 85 and 142, including prescribing standards for determining when a material fact or material change has been generally disclosed;
- Clause 154(1)(dd.2) authorizes the Authority to make regulations providing for the application of Part XVIII.1 to the acquisition of an issuer's security pursuant to a distribution that is exempt from section 58 and to the acquisition or disposition of an issuer's security in connection with or pursuant to a take-over bid or issuer bid;
- Clause 154(1)(ff.5) authorizes the Authority to make regulations respecting the administration of exemptions from Saskatchewan securities laws pursuant to section 147.41;
- 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;

- Clause 154(1)(jj) authorizes the Authority to make regulations respecting the filing of records pursuant to the Act or the regulations;
- Clause 154(1)(ll) authorizes the Authority to make regulations establishing requirements for and procedures with respect to the use of an electronic or computer-based system for the filing, delivery or deposit of documents or information, including requirements for paying charges or fees in connection with the use of the system;
- Clause 154(1)(oo) authorizes 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;
- Clause 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;
- Clause 154(1)(pp) authorizes the Authority to make regulations authorizing the Authority or the Director to exempt any person, company, trade, security or derivative from all or any provision of the regulations, including authorizing the Authority or the Director to prescribe any terms or limitations on an exemption and requiring compliance with those terms or limitations;
- Clause 154(1)(qq) authorizes the Authority to make regulations removing any exemption granted by the Act or the regulations, including prescribing any conditions or restrictions on removal of the exemption;
- Clause 154(1)(rr) authorizes the Authority to make regulations for the Authority or the Director to remove any exemption granted by the regulations, including authorizing the Authority or the Director to prescribe any conditions or restrictions on the removal of an exemption;
- Clause 154(1)(tt) 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;
- Clause 154(1)(ww.3) authorizes the Authority to make regulations prescribing exemptions for the purposes of clause 138.1(2)(b);
- Clause 154(1)(xx) 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;

- Clause 154(1)(yy) authorizes the Authority to make regulations respecting any matter or thing that the Lieutenant Governor in Council considers necessary or desirable to carry out the purposes of the Act; and
- Subsection 154(2) authorizes the Authority to make regulations respecting any matter or thing with respect to which the Authority is authorized pursuant to clause (1)(tt) to make regulations.