



January 16, 2013

In the Matter of
the Securities Legislation of
Saskatchewan and Ontario (the Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
Potash Corporation of Saskatchewan Inc. (the Filer)

Decision

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Makers) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that trades of negotiable promissory notes or commercial paper, maturing not more than one year from the date of issue, of the Filer (Commercial Paper) be exempt from the prospectus requirements of the Legislation (the Exemption Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

- (a) the Financial and Consumer Affairs Authority of Saskatchewan is the principal regulator for this application;
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 - *Passport System* (MI 11-102) is intended to be relied upon in British Columbia, Alberta, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the Passport Jurisdictions); and

- (c) this decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in National Instrument 14-101 - *Definitions* and MI 11-102 have the same meanings in this decision, unless otherwise defined.

In this decision:

“**Asset-Backed Short-Term Debt**” means short-term debt that is backed, secured or serviced by or from, a discrete pool of mortgages, receivables or other financial assets or interests designed to ensure the servicing or timely distribution of proceeds to holders of that short-term debt;

“**NI 31-103**” means National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

“**NI 45-106**” means National Instrument 45-106 - *Prospectus and Registration Exemptions*; and

“**NI 81-102**” means National Instrument 81-102 - *Mutual Funds*.

Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a corporation organized under the *Canada Business Corporations Act* with its head and registered office located in Saskatoon, Saskatchewan.
2. The Filer is a reporting issuer in the Jurisdictions and the Passport Jurisdictions. The Filer is not (to its knowledge) in default of its reporting issuer obligations under the Legislation or the securities legislation of the Passport Jurisdictions.
3. The Filer is also a registrant with the Securities and Exchange Commission in the United States and is subject to the requirements of the United States Securities Exchange Act of 1934.
4. The Filer’s securities are listed on the Toronto Stock Exchange and the New York Stock Exchange under the trading symbol “POT”.
5. Subsection 2.35(b) of NI 45-106 provides that an exemption from the prospectus requirement of the Legislation for short-term debt (the Commercial Paper Exemption) is available only where such short-term debt “has an approved credit rating from an approved credit rating organization”. NI 45-106 incorporates by reference the definitions for “approved credit rating” and “approved credit rating organization” that are used in NI 81-102.
6. The definition of “approved credit rating” in NI 81-102, requires, among other things, that (a) the rating assigned to such debt must be “at or above” certain prescribed

short-term ratings, and (b) such debt must not have been assigned a rating by any “approved credit rating organization” that is not an “approved credit rating.”

7. The Commercial Paper currently has an “R-1 (low)” rating from DBRS Limited and an “A-1 (Low)” rating from Standard & Poor’s, both of which meet the rating category prescribed by the definition of “approved credit rating” in NI 81-102. However, the Commercial Paper does not currently meet the other prescribed thresholds in the definition of “approved credit rating” in NI 81-102 because it has a “P-2” rating from Moody’s Investors Service, which rating is lower than the rating category prescribed by the definition of “approved credit rating” in NI 81-102.
8. The Filer has been granted relief similar in nature to the Exemption Sought under a decision document of the Decision Makers dated February 15, 2011, which has not yet expired (the Prior Decision). The Prior Decision will expire on January 31, 2013.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted provided that:

1. The Commercial Paper:
 - (a) matures not more than one year from the date of issue;
 - (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than Commercial Paper;
 - (c) is not Asset-Backed Short-Term Debt; and
 - (d) has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

Rating Organization	Rating
DBRS Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody’s Investors Service	P-2
Standard & Poor’s	A-2;

2. Each trade of Commercial Paper to a resident in a Jurisdiction or Passport Jurisdiction by the Filer in reliance on this decision is made: (i) through an agent who is a registered dealer, registered in a category that permits the trade; (ii) through a bank listed in Schedule I, II or III to the *Bank Act* (Canada) trading in reliance on an exemption from the registration requirement available in the circumstances in the jurisdiction or jurisdictions in which the trade occurs; or (iii) through a dealer

permitted to rely on the exemption from the dealer registration requirement for international dealers in section 8.18 of NI 31-103;

3. For each Jurisdiction and Passport Jurisdiction, the Exemption Sought will terminate on the earlier of:
 - (a) 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the securities legislation of that jurisdiction of Canada that substantively amends the conditions of the prospectus exemption contained in Section 2.35 of NI 45-106 or provides an alternate exemption; and
 - (b) January 31, 2018; and
4. The Prior Decision is revoked effective as of the date hereof.



Dean Murrison
Director
Securities Division