

General Order 52-502
Exemption from National Instrument 52-112 Non-GAAP and Other Financial Measures
Disclosure

In the Matter of
The Securities Act, 1988

Order

WHEREAS Securities Division staff (**Staff**) of the Financial and Consumer Affairs Authority of Saskatchewan (the **FCAA**) has applied to the FCAA for an Order pursuant to section 160 of *The Securities Act, 1988* (the **Act**) to exempt eligible issuers from certain requirements contained in National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* (**NI 52-112**) in respect of a disclosure of a specified financial measure;

AND WHEREAS the FCAA has assigned to the Executive Director of the Securities Division, FCAA (the **Executive Director**) the power to make exemption orders under the provision of the Act including orders of general application;

AND WHEREAS terms defined in the Act, National Instrument 14-101 *Definitions*, and NI 52-112 have the same meaning in this Order, unless otherwise defined;

AND WHEREAS in this Order:

“**Bank Act**” means the *Bank Act*, S.C. 1991, c.46;

“**eligible issuer**” means a reporting issuer that is, or that has an affiliate that is, a federal financial institution as defined in the Bank Act and subject to OFSI Guidelines;

“**federal financial institution**” has the same meaning as in the Bank Act;

“**OFSI**” means the Office of the Superintendent of Financial Institutions of the Government of Canada;

“**OFSI Guidelines**” means any guideline or advisory guidance of OFSI that includes “best” or “prudent” practices that OFSI expects federal financial institution to follow, clarifies OFSI’s position regarding certain policy issues applicable to federal financial

institution or describes how OFSI administers and interprets provisions of the Bank Act or other federal financial institution legislation;

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

- (a) Paragraph 4(1)(e) of NI 52-112 provides that NI 52-112 does not apply to an issuer in respect of disclosure of a specified financial measure that is required under law, or by an SRO of which the issuer is a member, if
 - (i) the law or the SRO's requirement specifies the composition of the measure and the measure was determined in compliance with that law or requirement, and
 - (ii) in proximity to the measure, the issuer discloses the law or the SRO's requirement under which the measure is disclosed;
- (b) The OFSI Guidelines are used to set expectations to govern industry activities and behaviour. Although OFSI supervises their implementation and expects compliance, the OFSI Guidelines are not laws and as such, an issuer that is, or that has a subsidiary or an affiliate that is, subject to, and complies with the OFSI Guidelines is unable to rely on the exception in paragraph 4(1)(e) of NI 52-112;
- (c) The OFSI Guidelines include specifications on the composition of certain measures and contain specific disclosure requirements related to such measures and as such eligible issuers already provide sufficient disclosure. Providing an exemption from NI 52-112 to eligible issuers will minimize the regulatory burden on those issuers while maintaining market integrity and without impacting investor protection;

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

IT IS ORDERED under section 160 of the Act:

1. NI 52-112 does not apply to an eligible issuer in respect of disclosure of a specified financial measure pursuant to an OFSI Guideline if:
 - (a) the OFSI Guideline specifies the composition of the measure and the measure was determined in compliance with that OFSI Guideline, and
 - (b) in proximity to the measure, the eligible issuer discloses the OFSI Guideline under which the measure is disclosed; and
2. This Order comes into effect on December 2, 2021 and will cease to be effective on the effective date of any amendment to NI 52-112 that includes the addition of an exception to

the application of NI 52-112 based on disclosure of a specified financial measure pursuant to an OFSI Guideline.

Dated November 29, 2021.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke at the end, positioned above a solid horizontal line.

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