

## GENERAL ORDER 43-501

### Filing Fees for Shelf Prospectus Supplements including Pricing Supplements under National Instrument 44-102 *Shelf Distributions*

#### In the Matter of *The Securities Act, 1988*

#### ORDER

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

**AND WHEREAS** FCAA Securities Division staff (the Staff) has applied to the Director for an Order pursuant to section 160 of the Act:

1. exempting filers of shelf prospectus supplements including pricing supplements using National Instrument 44-102 *Shelf Distributions* (NI 44-102) for debt securities offerings from paying a portion of the fees payable on filing these supplements under the Act; and
2. exempting filers of pricing supplements using NI 44-102 for equity securities offerings from paying the fees payable on filing these supplements under the Act;

**AND WHEREAS** terms defined in the Act, NI 44-102 and in National Instrument 14-101 *Definitions* have the same meaning in this Order;

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

1. NI 44-102 sets up a system whereby an issuer, in carrying out a distribution pursuant to NI 44-102, can file with FCAA a preliminary base shelf prospectus, a base shelf prospectus, one or more shelf prospectus supplements and one or more pricing supplements;
2. Under section 2(5)(c) of Table 1 of Appendix A to *The Securities Regulations* the fee for filing a shelf prospectus supplement with FCAA is \$1250 per filing;
3. Under NI 44-102 a pricing supplement is by definition a shelf prospectus supplement and therefore the fee for filing a pricing supplement with FCAA is \$1250 per filing;

4. A number of filers of pricing supplements for debt securities offerings under NI 44-102 have approached FCAA requesting that the pricing supplement filing fee be reduced as it is higher than the fee for pricing supplement filings in other Canadian jurisdictions;
5. The filers that approached FCAA requested that FCAA consider a fee model for debt securities offerings under NI 44-102 where the fee is based on the amount of funds raised in the jurisdiction under the base shelf prospectus; and
6. Staff reviewed the pricing supplement filing fees in other Canadian jurisdictions and are of the view that the fees under the Act are higher than fees in other jurisdictions and should be reduced to ensure market efficacy and investor choice for Saskatchewan investors;

**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 in the case of a distribution of debt securities under a base shelf prospectus pursuant to NI 44-102, the filer of the base shelf prospectus is exempt from paying the filing fee for any shelf prospectus supplement including a pricing supplement related to the distribution of debt securities that exceeds the following formula:

$$A + B - C$$

where:

A = 0.020% of the gross proceeds realized from the distribution of debt securities during the period December 1, 2018 up to and including December 29, 2018 by the issuer from distributions under the base shelf prospectus to purchasers in Saskatchewan;

B = 0.025% of the gross proceeds realized from the distribution of debt securities on or after December 30, 2018 by the issuer from the distributions under the base shelf prospectus to purchasers in Saskatchewan; and

C = the filing fee paid for the preliminary base shelf prospectus;

provided that:

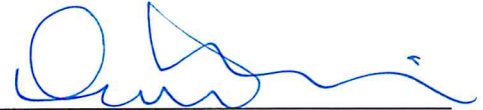
1. the amount payable in accordance with this exemption is paid within 30 days after the end of each month in which gross proceeds are realized in Saskatchewan;
2. the attached Form 1 *Notice of Proceeds and Fee Calculations* is delivered to FCAA with each payment showing the calculation of the amount payable;
3. the calculation of the amount payable in accordance with this exemption shall not result in a higher amount payable than the cumulative filing fees payable for all shelf prospectus supplements including pricing supplements filed under the base shelf prospectus that would be payable if this exemption did not apply; and

4. the calculation of the amount payable in accordance with this exemption shall not result in an amount owing to the filer;

**IT IS HEREBY FURTHER ORDERED** under section 160 of the Act in the case of a distribution of equity securities under a base shelf prospectus pursuant to NI 44-102, the filer of the base shelf prospectus is exempt from paying the filing fee for any pricing supplement related to the distribution of equity securities;

**IT IS HEREBY FURTHER ORDERED** that this Order is to be effective as of December 1, 2018.

Dated May 1, 2019.



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



**Form 1**  
**Notice of Proceeds and Fee Calculations**

(General Order 43-501 *Filing Fees for Shelf Prospectus Supplements including Pricing Supplements under National Instrument 44-102 Shelf Distributions* (GO 43-501))

**GENERAL INSTRUCTIONS**

- (1) *This form must accompany all payments with respect to the distribution of debt securities under National Instrument NI 44-102 Shelf Distributions.*
- (2) *This form should be delivered in paper format by forwarding the form and appropriate amount payable to the Minister of Finance (Saskatchewan) and sent to*

Attention: Corporate Finance  
Financial and Consumer Affairs Authority of Saskatchewan  
Suite 601, 1919 Saskatchewan Drive  
Regina, Saskatchewan S4P 4H2

- (3) *The exemptions set out in GO 43-501 are effective December 1, 2018.*

**ISSUER INFORMATION:**

1. Name of Issuer: \_\_\_\_\_

**DISTRIBUTION**

2. Date of Base Shelf Prospectus: \_\_\_\_\_
3. Base Shelf Prospectus SEDAR Project Number: \_\_\_\_\_
4. Period covered by filing: \_\_\_\_\_

**FEE CALCULATION:**

5. A + B – C, where:

A = 0.020% of the gross proceeds realized during the period December 1, 2018 up to and including December 29, 2018 by the issuer from the distribution under the prospectus to purchasers in Saskatchewan;

B = 0.025% of the gross proceeds realized on or after December 30, 2018 by the issuer from the distribution under the prospectus to purchasers in Saskatchewan; and

C = the filing fee paid for the preliminary base shelf prospectus for the distribution.

Therefore:

A = \_\_\_\_\_ (gross proceeds) X 0.02% = \_\_\_\_\_

Plus

B = \_\_\_\_\_ (gross proceeds) X 0.025% = \_\_\_\_\_

Minus

C = Fee paid for base shelf prospectus for the  
distribution not already deducted = \_\_\_\_\_

Equals

**Fee due and included = \_\_\_\_\_**

## CERTIFICATION

*Provide the following certification and business contact information of an officer or director of the issuer. If the issuer is not a company, an individual who performs functions similar to that of a director or officer may certify the report. For example, if the issuer is a trust, the report may be certified by the issuer's trustee. If the issuer is an investment fund, a director or officer of the investment fund manager (or, if the investment fund manager is not a company, an individual who performs similar functions) may certify the report if the director or officer has been authorized to do so by the investment fund.*

*The certification may not be delegated to an agent or other individual preparing the report on behalf of the issuer.*

### **IT IS AN OFFENCE TO MAKE A MISREPRESENTATION IN THIS REPORT**

6. By completing the information below, I certify on behalf of the issuer to the Financial and Consumer Affairs Authority of Saskatchewan:

- I have read and understand this report; and
- All of the information provided in this report is true and complete.

Full legal name of issuer: \_\_\_\_\_

Full legal name of individual: \_\_\_\_\_

Position held with issuer: \_\_\_\_\_

Telephone: \_\_\_\_\_ Email: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_