

GENERAL ORDER 51-501

Temporary Exemption from Certain Corporate Finance Requirements

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 reporting issuers, issuers and designated rating organizations from certain Corporate Finance requirements during 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*, National Instrument 25-101 *Designated Rating Organizations* (**NI 25-101**), National Instrument 43-101 *Standards of Disclosure for Mineral Products* (**NI 43-101**), National Instrument 44-102 *Shelf Distributions* (**NI 44-102**), National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**), National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (**NI 51-101**), National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**), Multilateral Instrument 45-108 *Crowdfunding* (**MI 45-108**) and National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions* (**NP 11-207**) have the same meaning in this Order;

AND WHEREAS for the purposes of clause 1B(i) of this Order, “extension period” means the period between the date a person or company was required to file, send or deliver a document and 45 days following that date;

AND WHEREAS it has been represented to the Director that:

- (a) 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 a “State of Emergency” under *The Emergency Planning Act* on March 18, 2020;
- (b) Staff acknowledges that this pandemic may present challenges for market participants in the meeting of certain obligations under Saskatchewan securities laws;
- (c) Staff have identified certain challenges as follows:
 - (i) certain reporting issuers may be unable to make certain filings, or to send or deliver certain documents, as and when required under continuous disclosure and prospectus requirements,
 - (ii) certain issuers may be unable to make certain filings, or to send or deliver certain documents, as and when required under provisions relating to the use of exemptions from the prospectus requirements, and
 - (iii) certain designated rating organizations may be unable to make certain filings as and when required under NI 25-101;
- (d) 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;
- (e) Staff understands that the securities regulatory authority or regulator in each of the other provinces of Canada intends to issue a rule, instrument or blanket order providing equivalent exemptions from the securities law of its respective jurisdiction (**Equivalent Relief**);

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:

Annual and interim filings or delivery requirements

- 1. A person or company required to file, send or deliver a document during the period from March 23, 2020 to June 1, 2020 under any of the following provisions:
 - (a) annual financial statements required by Part 4 of NI 51-102;

- (b) annual management's discussion and analysis required by Part 5 of NI 51-102;
- (c) an interim financial report required by Part 4 of NI 51-102;
- (d) interim management's discussion and analysis required by Part 5 of NI 51-102;
- (e) an annual information form as required by Part 6 of NI 51-102;
- (f) executive compensation disclosure required by Part 11 of NI 51-102;
- (g) financial statements after becoming a reporting issuer required by section 4.7 of NI 51-102;
- (h) financial statements of a reverse takeover acquirer for periods ending before a reverse takeover required by subsection 4.10(2) of NI 51-102;
- (i) a statement of reserves data and other information required by section 2.1 of NI 51-101;
- (j) a technical report required by clause 4.2(1)(j) of NI 43-101;
- (k) any similar annual or interim disclosure of a reporting issuer, including an issuer of asset-backed securities, required pursuant to an exemptive relief decision;
- (l) an annual request form required by subsection 4.6(1) of NI 51-102;
- (m) the delivery of:
 - (i) annual financial statements required by subsection 4.6(5) of NI 51-102, or
 - (ii) management's discussion and analysis required by subsection 5.6(3) of NI 51-102;

has an additional 45 days from the deadline otherwise applicable under Saskatchewan securities law to file, send or deliver the document, provided that:

- A. the person or company issues, and files on SEDAR as soon as reasonably practicable, a news release in advance of the deadline that would otherwise apply to the applicable requirement that discloses:
 - (i) each applicable requirement for which it is relying on this exemption,
 - (ii) that its management and other insiders are subject to an insider trading black-out policy that reflects the principles in section 9 of NP 11-207,
 - (iii) the estimated date by which the required disclosure is expected to be filed or the required document is expected to be sent or delivered, and

- (iv) the following information about the person or company:
 - (a) an update of any material business developments since the date of the last annual financial statements or interim financial reports that were filed, or
 - (b) confirmation that there have been no material business developments since that date;
- B. the person or company issues, and files on SEDAR as soon as reasonably practicable:
 - (i) a news release no later than 30 days after the first day of the extension period, and
 - (ii) a subsequent news release no later than 30 days following the date of the news release referred to in clause 1B(i) if the person or company has not yet filed each document for which it is relying on this exemption;
- C. the news release required by subsection 1B must provide the following information about the person or company:
 - (i) an update of any material business developments since the date of the last news release required by this section, and
 - (ii) confirmation that there have been no material business developments since that date;
- D. the person or company does not file a preliminary prospectus or a final prospectus for an offering of securities until it has filed all documents for which it is relying on this exemption;
- E. the person or company relying on this exemption for the sending of an annual request form required by subsection 4.6(1) of NI 51-102, must send that annual request form before the record date for its next annual meeting of securityholders;
- F. the person or company relying on this exemption for the delivery of annual financial statements required by subsections 4.6(3) or 4.6(5) of NI 51-102 or management's discussion and analysis required by subsections 5.6(1) or 5.6(3) of NI 51-102, the applicable documents are delivered before, or in conjunction with, the delivery of the management information circular for its next annual meeting of securityholders;

Other continuous disclosure filings

2. A person or company required to file, send or deliver a document during the period from March 23, 2020 to June 1, 2020 under any of the following provisions:

- (a) a change of auditor reporting package required by section 4.11 of NI 51-102;
- (b) a notice of change in year-end required by section 4.8 of NI 51-102;
- (c) a business acquisition report required by section 8.2 of NI 51-102; or
- (d) a notice of change in corporate structure required by section 4.9 of NI 51-102;

has an additional 45 days from the deadline otherwise applicable under Saskatchewan securities law to make the filing or to send or deliver the document, provided that the person or company issues, and files on SEDAR as soon as reasonably practicable, a news release in advance of its filing deadline that discloses each applicable requirement for which it is relying on this exemption;

Filings related to exempt distributions and designated rating organizations

3. A person or company required to file, send or deliver a document during the period from March 23, 2020 to June 1, 2020 under any of the following provisions

- (a) annual financial statements required by section 2.9(17.5) of NI 45-106;
- (b) a notice of use of proceeds on Form 45-106F16 *Notice of Use of Proceeds* required by subsection 2.9(17.19) of NI 45-106;
- (c) annual financial statements required by section 16 of MI 45-108;
- (d) annual disclosure of use of proceeds required by section 17 of MI 45-108; or
- (e) an annual filing of a designated rating organization on Form 25-101F1 *Designated Rating Organization Application and Annual Filing (Form 25-101F1)* required by subsection 14(1) of NI 25-101 and any amendment to that filing required by subsection 14(2) of NI 25-101;

has an additional 45 days from the deadline otherwise applicable under Saskatchewan securities law to file, send or deliver the document, provided that:

- A. the person or company issues, and files on SEDAR as soon as reasonably practicable if the person or company is a SEDAR filer, a news release in advance of its filing deadline that discloses each applicable requirement for which it is relying on this exemption;

- B. a designated rating organization is relying on this exemption for the annual filing of a designated rating organization on Form 25-101F1 required by subsection 14(1) of NI 25-101 and any amendment to that filing required by subsection 14(2) of NI 25-101, the news release required by subsection 3A must provide the following information and may refer to current information on the designated rating organization's website:
- (i) a brief discussion of any information in the previous annual filing, or an amendment to that filing, that is now materially inaccurate, and
 - (ii) confirmation that there is no such information that is materially inaccurate;
- C. despite subsection 3A if the person or company is a designated rating organization, the designated rating organization is not required to file the news release on SEDAR provided the designated rating organization sends the news release to the securities regulatory authority or regulator that was its principal regulator for the purposes of its designation as a designated rating organization;

Lapse date for a base shelf prospectus

4. A person or company subject to a lapse date pursuant to clauses 2.2(3)(a), 2.3(3)(a), 2.4(3)(a), 2.5(3)(a), 2.6(3)(a) or section 2.7 of NI 44-102 that occurs during the period from March 23, 2020 to June 1, 2020 may add an additional 45 days to that lapse date, provided that person or company:
- A. issues, and files on SEDAR as soon as reasonably practicable, a news release in advance of its lapse date that discloses the specific requirements for which it is relying on this exemption; and
 - B. is not also relying on the exemption in section 1 of this Order;

Equivalent Relief

5. A reference made in a news release to an exemption contained in the Equivalent Relief issued by the person's or company's principal regulator, as defined in NP 11-207, will be deemed to constitute a reference to the relevant exemption in this Order;

IT IS HEREBY FURTHER ORDERED that this Order comes into effect on March 23, 2020 for a period of 120 days.

Dated March 23, 2020.

“Dean Murrison”

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