

Annex B

Local Matters

In Saskatchewan, the Proposed NI 45-110 regulation is being made under the following provisions of *The Securities Act, 1988* (the **Act**):

- Subclause 154(1)(d.1)(i) authorizes the Authority to make regulations prescribing the circumstances in which a person or company or a class of persons or companies is not required to be registered pursuant to section 27 of the Act;
- Clause 154(1)(h) authorizes the Authority to prescribe requirements respecting books, records and other documents that market participants shall keep, including the form in which and the period for which the books, records and other documents shall be kept;
- Clause 154(1)(i) authorizes the Authority to prescribe requirements 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 prescribe requirements regulating the trading of securities or derivatives other than on an exchange recognized by the Commission;
- 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)(m) authorizes the Authority to designate 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 govern 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;
 - (iii) the issuance of receipts for preliminary prospectuses and prospectuses, including the issuance of receipts after an expedited or selective review, and respecting when receipts are not required or will not be issued, and the circumstances under which a receipt may be refused;

(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;

(xv) circumstances in which:

(A) section 58 does not apply to a person or company or a class of persons or companies;

- Clause 154(1)(p) authorizes the Authority to make regulations prescribing the circumstances in which a person who or company that purchases a security pursuant to a distribution may cancel the purchase, including:
 - (i) prescribing the period in which a purchaser may cancel the purchase;
 - (ii) prescribing the principles for determining the amount of the refund if the purchaser cancels the purchase;
 - (iii) specifying the person responsible for making and administering the payment of the refund and prescribing the period in which the refund must be paid;
 - (iv) prescribing different circumstances, periods, principles or persons or companies for different classes of securities, issuers or purchasers;
- 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)(r.1) authorizes the Authority to make regulations prescribing requirements respecting forward-looking information in documents or records that issuers:
 - (i) file with the Commission or any other securities regulatory authority in Canada or an exchange; or
 - (ii) otherwise make available to the public;
- Clause 154(1)(s) authorizes the Authority to make regulations prescribing requirements respecting financial accounting, reporting and auditing for purposes of this Act and the regulations, including:
 - (i) defining accounting principles and auditing standards acceptable to the Commission;

- (ii) financial reporting requirements for the preparation of future-oriented financial information and pro forma financial statements; and
 - (iii) standards of independence and other qualifications for auditors;
- Clause 154(1)(u.5) 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)(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.1) authorizes the Authority to make regulations prescribing documents for the purposes of subclause 136.01(b)(iii) of the Act;
- 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)(dd.3) authorizes the Authority to make regulations prescribing transactions or classes of transactions for the purposes of clause 136.1(d);
- Clause 154(1)(hh.1) authorizes the Authority to make regulations prescribing the circumstances in which a person or company or class of persons or companies is prohibited from trading or purchasing securities or derivatives, or a particular security or derivative, including the circumstances in which a body empowered by the laws of another jurisdiction to regulate trading in securities or derivatives or to administer or enforce securities or derivatives laws in that jurisdiction, has ordered that:
 - (i) a person or company is prohibited from trading or purchasing securities or derivatives or a particular security or derivative; or
 - (ii) trades or purchases of a particular security or derivative cease;
- 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 this Act or the regulations;
- Clause 154(1)(jj.1) authorizes the Authority to make regulations respecting the circumstances in which the Commission may provide personal information within the meaning of *The Freedom of Information and Protection of Privacy Act* pursuant to subsection 152.1(4);
- (kk) varying the application of this Act to permit or require the use of an electronic or computer-based system for the filing, delivery or deposit of:
 - (i) documents or information required pursuant to or governed by this Act or the regulations; and
 - (ii) documents determined by the regulations to be ancillary to documents required pursuant to or governed by this 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)(mm) authorizes the Authority to make regulations prescribing the circumstances in which persons or companies are deemed to have signed or certified documents on an electronic or computer-based system for any purpose of the Act;

- Clause 154(1)(oo) of the Act authorizes the Financial and Consumer Affairs Authority (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) of the Act authorizes the Authority to exempt any person, company, trade, security or derivative from all or any provision of the regulations, including authorizing the Commission or the Director to prescribe any terms or limitations on an exemption and requiring compliance with those terms or limitations
- Clause 154(1)(qq) of the Act Authorizes the Authority to remove any exemption granted by the Act or the regulations, including prescribing any conditions or restrictions on removal of the exemption;
- Clause 154(1)(rr) of the Act Authorizes the Authority to remove any exemption granted by the regulations, including authorizing the Authority to prescribe any conditions or restrictions on the removal of an exemption;
- Clause 154(1)(ss) of the Act Authorizes the Authority (ss) adopting or incorporating by reference, as amended from time to time or otherwise either before, on or after the making of the regulations, all or any part of laws, codes, standards, bylaws, rules and other regulatory instruments;
- Clause 154(1)(tt) of the Act 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) of the Act authorizes the Authority to make regulations prescribing exemptions for the purposes of clause 138.1(2)(b);
- Clause 154(1)(xx) of the Act 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; 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 subsection 154 (1).