

GENERAL RULING/ORDER 45-906
COMMUNITY VENTURE RESALE RESTRICTIONS

IN THE MATTER OF
THE SECURITIES ACT, 1988, SS 1988, c. S-42.2

AND

IN THE MATTER OF RULINGS GRANTED UNDER SASKATCHEWAN POLICY
STATEMENT 45-601 - "COMMUNITY VENTURES - SECTION 83 RULINGS" AND RESALE
RESTRICTIONS IN THOSE RULINGS

ORDER
(Section 158)

WHEREAS an application has been received by the Saskatchewan Securities Commission (the "Commission") from the staff of the Commission for an order pursuant to subsection 158(3) of *The Securities Act, 1988* (the "Act") varying the terms of rulings granted to date by the Commission (the "Rulings") pursuant to section 83 and the provisions of Saskatchewan Policy Statement 45-601 - "Community Ventures - Section 83 Rulings" ("PS 45-601") so as to relax the restrictions on resale of securities acquired under the Rulings;

AND WHEREAS it has been represented to the Commission that:

1. The current resale restrictions in the Rulings are generally similar to the following:

"Further trades by investors of securities purchased pursuant to the ruling shall be subject to the provisions of subsections 81(6) and (7) of the Act as if the securities were acquired pursuant to clause 81(1)(s) of the Act unless such trades are:

- a. to the issuer;
- b. to a self-directed registered retirement savings plan of the investor or the investor's spouse; or
- c. from a self-directed registered retirement savings plan of the investor or the investor's spouse to the investor or his/her spouse's or to the issuer;

2. The current resale restrictions in the Rulings may be too restrictive because issuers who have traded securities under PS 45-601 must prepare, file and distribute financial information similar to that prepared, filed and distributed by reporting issuers whose securities are not listed on an exchange;

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

IT IS HEREBY ORDERED pursuant to subsection 158(3) of the Act that the terms of the Rulings are varied by deleting the resale restrictions that now appears in the Rulings and replacing them with the following:

"Further trades by investors of securities purchased pursuant to the Ruling shall be subject to the provisions of subsections 81(6) and (7) of the Act as if the securities were acquired pursuant to clause 81(1)(s) of the Act unless such trades are:

- a. To the issuer;
- b. To a self-directed registered retirement savings plan of the investor or the investor's spouse;
- c. From a self-directed registered retirement savings plan of the investor or the investor's spouse to the investor or his/her spouse or to the issuer;
- d. To other investors who own securities of the issuer; or
- e. To any person or company provided that two years have passed since the date that the offering closed, and the issuer is required to file annual and semi-annual financial statements and is not in default of the requirement; "

DATED at Regina, Saskatchewan this 17th day of July, 1997.

"Marcel de la Gorgendière"

Marcel de la Gorgendière, Q.C.
Chairman