

**GENERAL ORDER 45-931**

**Exemption from Filing Requirements for Exempt Distributions Involving Certain Fully  
Managed Accounts**

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 section 160 of *The Securities Act, 1988* (**Act**) including orders of general application;

AND WHEREAS in this Order terms defined in the Act, National Instrument 45-106 *Prospectus Exemptions* (**NI 45-106**), and in National Instrument 14-101 *Definitions* have the same meaning in this Order;

AND WHEREAS staff of the FCAA have applied to the Director for an Order pursuant to section 160 of the Act exempting issuers and underwriters from the requirement to file 45-106F1 in Saskatchewan in certain circumstances;

AND WHEREAS it has been represented to the Director that:

- (a) Issuers and underwriters who rely on the accredited investor exemption under section 2.3 of NI 45-106 (**AI Exemption**) to distribute securities in Saskatchewan must file Form 45-106F1 *Report of Exempt Distribution* (**45-106F1**) within the prescribed timeframe;
- (b) Section 1.1 of NI 45-106 defines the term “accredited investor” as including:
  - (p) a trust company or trust corporation registered or authorized to carry on business under the Trust and Loan Companies Act (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be; and
  - (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;
- (c) Prior to June 30, 2016, 45-106F1 required information about the beneficial owners of fully managed accounts managed by trust companies, trust corporations, or advisers;

- (d) On June 30, 2016 in a bid to reduce the compliance burden on issuers and underwriters, a new version of 45-106F1 came into effect which no longer required information about the beneficial owners of fully managed accounts;
- (e) Depending on the circumstances, a trade can occur in Saskatchewan if a beneficial owner of a fully managed account is located in Saskatchewan and/or if the trust company, trust corporation, or adviser who purchased securities on behalf of the beneficial owner of a fully managed account is located in Saskatchewan, which could trigger the requirement to file 45-106F1;
- (f) Because there is no longer any beneficial owner information relating to Saskatchewan investors in a 45-106F1 filing with respect to fully managed accounts, requiring issuers and underwriters to file 45-106F1 with the FCAA in these cases where the trust company, trust corporation, or adviser is located in another Canadian jurisdiction in which the issuer or underwriter will file 45-106F1 is unnecessary; and
- (g) A majority of CSA members do not require issuers or underwriters to file Form 45-106F1 unless the trust company, trust corporation, or adviser is located in their respective jurisdiction;

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 where an issuer or underwriter trades securities to an accredited investor as defined by subsection 1.1(p) or 1.1(q) of NI 45-106, it is exempt from filing 45-106F1 in Saskatchewan with respect to those trades, provided that:

- (a) if 1.1(p) of NI 45-106 applies, the trust company or trust corporation is not located in Saskatchewan and the issuer or underwriter filed 45-106F1 with respect to the trade in another Canadian jurisdiction; or
- (b) if 1.1(q) of NI 45-106 applies, the adviser is not located in Saskatchewan and the issuer or underwriter filed 45-106F1 with respect to the trade in another Canadian jurisdiction;

IT IS FURTHER ORDERED that this Order is to be effective as of June 30, 2016.

Dated February 7, 2019.



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Dean Murrison  
Director  
Securities Division, FCAA