



Saskatchewan
Financial Services
Commission
Securities Division

GENERAL ORDER 45-918

REGISTRATION EXEMPTION FOR TRADES IN CONNECTION WITH CERTAIN PROSPECTUS EXEMPT DISTRIBUTIONS

IN THE MATTER OF *THE SECURITIES ACT, 1988*

AND

IN THE MATTER OF A REGISTRATION EXEMPTION FOR TRADES IN CONNECTION WITH
CERTAIN PROSPECTUS EXEMPT DISTRIBUTIONS

ORDER (Section 83)

WHEREAS the Saskatchewan Financial Services Commission (the Commission) has assigned to the Director of the Securities Division (the Director) the power to make exemption orders under the provisions of *The Securities Act, 1988* (the Act), including orders of general application;

AND WHEREAS an application has been made to the Director for an order pursuant to section 83 of the Act granting an exemption from the registration requirement in section 27 of the Act for certain trades in securities;

AND WHEREAS pursuant to section 27 of the Act and National Instrument 31-103 *Registration Requirements and Exemptions* (NI 31-103) a person or company who is in the business of trading in securities pursuant to exemptions from the prospectus requirement must register as an exempt market dealer and comply with the applicable conditions, requirements and restrictions in NI 31-103;

AND WHEREAS securities regulatory authorities in Alberta, British Columbia, Manitoba, Nunavut, Northwest Territories, Saskatchewan and Yukon have determined that it is appropriate and not contrary to the public interest to grant a general exemption from the registration requirement on specified conditions that would be available to persons and companies who are otherwise required to register as exempt market dealers;

AND WHEREAS in this Order:

“**financial services**” includes but is not limited to doing any or all of the following things:

- (a) carrying on business as a credit union;
- (b) carrying on business as a mortgage broker;
- (c) administering pension plans;
- (d) investing and dealing with pension funds;

- (e) selling or providing insurance or related services;
- (f) trading in or advising on securities;
- (g) dealing in or purchasing:
 - (i) mortgages on real property;
 - (ii) security interests within the meaning of *The Personal Property Security Act, 1993*; or
 - (iii) accounts receivable;
- (h) carrying on business as a financial planner who considers the tax, personal or financial situation of a person and then provides that person with advice about how to make financial plans;

“prospectus exempt distribution” means a distribution of securities pursuant to one of the following sections of National Instrument 45-106 *Prospectus and Registration Exemptions*:

- (a) section 2.3 (the accredited investor exemption);
- (b) section 2.5 (the family, friends and business associates exemption);
- (c) section 2.9 (the offering memorandum exemption);
- (d) section 2.10 (the minimum investment amount exemption);

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

IT IS ORDERED pursuant to section 83 of the Act that a trade in a security by a person or company that is a prospectus exempt distribution is exempt from the requirements of section 27 of the Act provided that:

- (a) the person or company is not registered or required to be registered under the securities legislation of any province or territory of Canada;
- (b) the person or company is not registered or required to be registered under the securities legislation of a foreign jurisdiction;
- (c) the person or company does not advise, recommend or otherwise represent to the purchaser prior to the trade that the security being traded is suitable for the purchaser with regard to the purchaser's:
 - (i) investment needs and objectives;
 - (ii) financial circumstances; or
 - (iii) risk tolerance;
- (d) at or before the time at which the purchaser enters into an agreement to purchase the security, the person or company obtains from the purchaser a signed risk acknowledgement in the form prescribed in Appendix A;

- (e) the person or company has not provided financial services to the purchaser other than in connection with a prospectus exempt distribution;
- (f) the person or company does not hold or have access to the purchaser's assets; and
- (g) the person or company reports to the Commission that they are using this exemption in the following manner:
 - (i) the first time that they trade in securities relying on this exemption, the person or company files with the Commission a report in the form prescribed in Appendix B within 10 days after the completion of the prospectus exempt distribution;
 - (ii) a person or company must file an amended information report within 10 days of completion of a subsequent prospectus exempt distribution where:
 - (A) the person or company has previously filed an information report pursuant subclause (i) above,
 - (B) they are relying on this exemption to trade in securities, and
 - (C) information in the first filed information form changes.

AND IT IS FURTHER ORDERED that this order is effective on March 27, 2010

DATED February 25, 2010.

“Barbara Shourounis”

Barbara Shourounis
Director

Appendix A

RISK ACKNOWLEDGEMENT

General Order 45-918 *Registration Exemption for Trades in Connection with Certain Prospectus Exempt Distribution*

Name of Issuer: _____

Name of Seller: _____

[INSTRUCTION: In this form “Seller” means the person or company relying on the exemption in General Order 45-918]

I acknowledge that:

- the person selling me these securities is not registered with a securities regulatory authority and is prohibited from telling me that this investment is suitable for me;
- the person selling me these securities does not act for me;
- this is a risky investment and I could lose all my money; and
- I am investing entirely at my own risk.

Date

Signature of Purchaser

Print name of Purchaser

Name of salesperson acting on behalf of the Seller

Notes to Purchaser:

- Sign two copies of this document. Keep one copy for your records.
- You may be required to sign an additional risk acknowledgement form under National Instrument 45-106 *Registration and Prospectus Exemptions*;
- You should contact a registered dealer or adviser if you want advice about the merits of this investment and whether these securities are a suitable investment for you.

Appendix B

Information report under General Order 45-918 *Registration Exemption for Trades in Connection with Certain Prospectus-Exempt Distributions*

INSTRUCTION: File this form the first time that you trade in securities under this exemption. File it within 10 days after the completion of the prospectus exempt distribution in which you sold securities.

INSTRUCTION: File an amended form if any of the information in this form changes and you continue to trade in securities relying on the exemption in General Order 45-918. File the amended form within 10 days of completion of the prospectus exempt distribution that took place after the change.

[Date]

To: ___ Alberta Securities Commission
 ___ British Columbia Securities Commission
 ___ Government of the North West Territories, Securities Office
 ___ Government of Nunavut, Department of Justice
 ___ Government of the Yukon Territory, Community Services
 ___ Manitoba Securities Commission
 ___ Saskatchewan Financial Services Commission

INSTRUCTION: Choose the jurisdiction(s) in which you are in the business of trading in securities. For a discussion about what constitutes being in the business of trading in securities, see Companion Policy 45-918 *Registration Requirements and Exemptions*.

[Name of firm or, if a sole proprietor, individual owner's name and any related trade names] INSTRUCTION: State the full name of the firm or individual

[Street address] INSTRUCTION: State the street office for the head office of the firm or proprietorship. Do not include a P.O. box or agent for service.

[Website address for firm] INSTRUCTION: State the website address for the firm. If there is no website address, state "not applicable".

[Telephone number for firm or, if sole proprietor, individual]

[Name of individual responsible for ensuring conditions to use this registration exemption are met]
INSTRUCTION: State the name of the individual who may be contacted with respect to any questions

regarding the contents of this report. This individual should be a senior executive for the firm.

[Telephone number for responsible individual named above]

[E-mail address for responsible individual named above]

Does the firm also carry on business at other office locations? Yes No

[Names of salespersons employed by the firm to sell securities]

[Date]

Collection and use of personal information

The personal information submitted in this report is collected on behalf of and used by the securities regulatory authorities or, where applicable, the regulators under the authority granted in securities legislation for the purposes of its administration and enforcement of the securities legislation.

If anyone referred to in this report has any questions about the collection and use of their personal information, they can contact the regulator in the jurisdiction(s) where the report is filed, at the address(es) listed below.

Alberta

Alberta Securities Commission
4th Floor, 300 - 5th Avenue SW
Calgary, AB T2P 3C4
Attention: Information Officer
Telephone: (403) 355-4151

British Columbia

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC V7Y 1L2
Attention: Freedom of Information Officer
Telephone: (604) 899-6500 or (800) 373-6393 (in BC)

Manitoba

The Manitoba Securities Commission
500 - 400 St. Mary Avenue
Winnipeg, MB R3C 4K5
Attention: Director of Registrations
Telephone: (204) 945-2548
Fax: (204) 945-0330

Northwest Territories

Government of the Northwest Territories
P.O. Box 1320
Yellowknife, NWT X1A 2L9
Attention: Deputy Superintendent of Securities
Telephone: (867) 920-8984

Nunavut

Legal Registries Division
Department of Justice
Government of Nunavut
P.O. Box 1000 Station 570
Iqaluit, NU X0A 0H0
Attention: Department Registrar of Securities
Telephone: (867) 975-6190

Yukon

Department of Community Services Yukon
P.O. Box 2703
Whitehorse, YU Y1A 2C6
Attention: Registrar of Securities
Telephone: (867) 667-5225

Saskatchewan

Saskatchewan Financial Services Commission
Suite 601, 1919 Saskatchewan Drive
Regina, SK S4P 4H2
Attention: Director
Telephone: (306) 787-5842