

## GENERAL ORDER 51-503

### Temporary Exemption from Certain Corporate Finance Requirements with Deadlines during the period from June 2, 2020 to August 31, 2020

#### 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** section 58 of the Act requires a person or company to file a prospectus and to receive a receipt for that prospectus prior to distributing a security;

**AND WHEREAS** section 84.1 of the Act requires a reporting issuer to provide periodic disclosure about its business and affairs and to provide other prescribed disclosure;

**AND WHEREAS** National Instruments have been adopted as regulations in Saskatchewan under *The Securities Commission (Adoption of National Instruments) Regulations* that impose periodic disclosure requirements on issuers;

**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 and issuers 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 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, and
  - (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;
- (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 June 2, 2020 to August 31, 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) financial statements after becoming a reporting issuer required by section 4.7 of NI 51-102;
  - (g) financial statements of a reverse takeover acquirer for periods ending before a reverse takeover required by subsection 4.10(2) of NI 51-102;
  - (h) a statement of reserves data and other information required by section 2.1 of NI 51-101;
  - (i) a technical report required by clause 4.2(1)(j) of NI 43-101;
  - (j) any similar annual or interim disclosure of a reporting issuer, including an issuer of asset-backed securities, required pursuant to an exemption from one of the requirements listed above included in an exemptive relief decision made by a securities regulatory authority or regulator prior to the date of this order;
  - (k) the delivery of:
    - (i) annual financial statements required by subsection 4.6(3) of NI 51-102, or
    - (ii) management's discussion and analysis required by subsection 5.6(1) 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) above 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 of this Order 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 delivery of annual financial statements required by subsections 4.6(3) of NI 51-102 or management's discussion and analysis required by subsections 5.6(1) 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 June 2, 2020 to August 31, 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;
  - (d) a notice of change in corporate structure required by section 4.9 of NI 51-102; or
  - (e) executive compensation disclosure required by section 11.6 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**

3. A person or company required to file, send or deliver a document during the period from June 2, 2020 to August 31, 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; or
  - (d) annual disclosure of use of proceeds required by section 17 of MI 45-108;

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

**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 June 2, 2020 to August 31, 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 does not provide a further extension of any deadline previously extended under General Order 51-501 *Temporary Extension from Certain Corporate Finance Requirements* issued on March 23, 2020; and

**IT IS HEREBY FURTHER ORDERED** that this Order comes into effect on May 20, 2020 and expires on October 15, 2020.

Dated May 19, 2020.

“Dean Murrison”

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