



**Saskatchewan
Securities
Commission**

Reporting Issuer Requirements

When a company issues securities it generally becomes a reporting issuer. *The Securities Act, 1988* (“the Act”) defines a reporting issuer as follows:

2(1)(qq) “**reporting issuer**” means an issuer:

- (i) that has filed pursuant to this Act:
 - (A) a prospectus and obtained a receipt for it; or
 - (B) a securities exchange take-over bid circular;
- (ii) that has issued securities on or after October 1, 1967 for which a prospectus was filed and a receipt obtained pursuant to a predecessor of this Act;
- (iii) any of whose securities have at any time since the day on which this Act was proclaimed in force been listed and posted for trading on any exchange recognized by the Commission for the purpose of this clause, regardless of when that listing and posting for trading commenced;
- (iv) that is a corporation to which *The Business Corporations Act* applies and that has made a distribution of securities for which it was required, by this Act or any predecessor of this Act, to file a prospectus and receive a receipt, but failed to either file a prospectus or receive a receipt for that distribution; or
- (v) that is an issuer that is involved in, formed for, results from or continues following an amalgamation, merger, reorganization, arrangement or a statutory procedure, where one of the issuers participating in the amalgamation, merger, reorganization, arrangement or statutory procedure is a reporting issuer;

All reporting issuers must comply with the reporting requirements in Parts XIV - Continuous Disclosure, XV - Proxies and XVII - Insider Trading of the Act.

Some companies are not reporting issuers, but are required to comply with reporting requirements as a condition of receiving an exemption from the prospectus requirements. For example, the Commission usually imposes reporting requirements on issuers in the rulings it makes under Local Policy 45-601 Community Ventures - Section 83 Rulings. Consult the Commission’s List of Issuers Reporting by Order. Also review the relevant order or ruling to determine what continuous disclosure reporting requirements your company must comply with.

The following is a summary of reporting requirements contained in Parts XIV, XV and XVII of the Act. For more details you should refer to the appropriate sections of the Act and *The Securities Regulations* (“the Regulations”). The Act, Regulations, and policies and general/rulings and orders referred to in this documents are available on the Commission’s website at www.ssc.gov.sk.ca.

Part XIV - Continuous Disclosure

Section 84 - Material Change Report / Press Release

A report of a material change in the affairs of a reporting issuer must be filed within 10 days of the change occurring. A "material change" is defined in subsection 2(1)(y) of the Act but in general

means a change that is expected to have a significant effect on the price or value of the securities of the issuer. Form 26 sets out the format and disclosure particulars for a material change report.

Section 84 also requires the material change be disclosed by press release. The press release must be immediately issued, and filed with the Commission. Section 84 also provides for confidential disclosures to the Commission.

Section 86 - Interim Financial Statements

Every reporting issuer that is not a mutual fund must file with the Commission comparative interim financial statements within 60 days from the end of each of the 3 month, 6 month and 9 month periods of its financial year. These statements shall be made up in accordance with generally accepted accounting principles.

Every mutual fund in Saskatchewan shall file with the Commission comparative interim financial statements within 60 days from the end of the six month period of its financial year.

Section 87 - Annual Financial Statements

Every reporting issuer shall file annually with the Commission within 140 days from the end of its last financial year, audited comparative financial statements.

The annual financial statements/report must be approved by the issuer's board of directors. Approval must be evidenced by the manual or facsimile signatures of two directors duly authorized to signify the approval. (See section 126 of the Regulations.)

General Ruling/Order 51-902 - Exemption From Certain Financial Requirements

General Ruling/Order 51-902 - Exemption From Certain Financial Requirements ("GRO 51-902") gives relief to certain issuers from certain financial requirements of the Act. Please refer to GRO 51-902 for details of the relief available, and the procedures in making use of the exemptions.

Subsection 88(1) - Concurrent Filings to Security Holders

All financial statements prepared under section 86 or section 87 must be sent to the security holders of the reporting issuer or mutual fund.

Subsections 88(3) and 88(4) - Confirmation of Delivery of Financial Statements to Security Holders

Issuers providing financial statements to their security holders under subsection 88(1) must file a report with the Commission verifying compliance with this subsection. The report must be in the form and contain the information required by section 138.1 of the Regulations.

Part XV - Proxies And Proxy Solicitation

Sections 93 - 97

Every reporting issuer shall promptly file with the Commission all forms of proxies, information circulars, notices of meetings and other communications relating thereto which it sends to its shareholders. Also review National Policy 41- Shareholder Communication for additional continuous disclosure requirements.

The Act requires that a proxy and information circular prepared in accordance with the Regulations be sent to every shareholder whenever a notice of a shareholders' meeting is prepared.

Part XVII - Insider Trading

Sections 115 - 128

All insiders as defined in clause 2(1)(w) of the Act shall file with the Commission an initial report within 10 days of becoming an insider. All insiders shall file a report within 10 days from the day on which any change of ownership, direct or beneficial, occurs. This report must be on Form 34.

General Ruling/Order 55-902 - Insider Reports

GRO 55-902 provides exemptions from the insider reporting requirements for insiders of certain issuers. These exemptions are not available to insiders of a reporting issuer incorporated, organized or continued under the laws of Saskatchewan, and having its head office in Saskatchewan.

CSA Staff Notice 55-301 also sets out how insiders can file their insider trading reports by facsimile.

Other Disclosure Material

Section 121 of the Regulations

In addition to the disclosure requirements previously outlined, every reporting issuer is required to file in duplicate, a copy of all material sent by the reporting issuer to its security holders, and all information not already filed with the Commission that it files with another jurisdiction or stock exchange of another jurisdiction. Please refer to section 121 of the Regulations for further details.

Local Policy 6.2 - Annual Information Form and Management's Discussion and Analysis of Financial Conditions and Results of Operations

Saskatchewan Local Policy 6.2 imposes additional reporting requirements on reporting issuers with shareholders' equity or revenues in excess of \$10,000,000. These issuers must file an annual

information form with the Commission. They must also mail to their security holders and file with the Commission management's discussion and analysis of financial condition and results of operations. Mutual funds are exempt from these requirements.

Fees

See the fee schedule on the Commission's website (www.ssc.gov.sk.ca) for details of the fees payable. No GST is required on fees for continuous disclosure filings.

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