

Saskatchewan Local Policy Statement 4.6

Future-Oriented Financial Information - Saskatchewan Requirements

Part 1 Definitions

In this policy:

"Local Issuer" means an issuer which:

- a. has its head office in Saskatchewan;
- b. has more than 50% of its total assets on a consolidated basis situated in Saskatchewan;
or
- c. earns more than 50% of its total revenue on a consolidated basis from activities carried out in Saskatchewan;

"National Policy 48" means National Policy Statement No. 48 - "Future-Oriented Financial Information"; and

"Saskatchewan LP 4.6" means Saskatchewan Local Policy 4.6 - "Future-Oriented Financial Information".

The terms "FOFI", "forecast", "projection" and "general purpose document" referred to in this policy have the same meaning as in National Policy 48.

Part 2 Purpose and Background

The Saskatchewan Securities Commission adopted Saskatchewan LP 4.6 effective October 1, 1991. The Canadian Securities Administrators adopted National Policy 48 effective January 1, 1993. National Policy 48 applies in Saskatchewan.

The provisions of National Policy 48 are substantially the same as Saskatchewan LP 4.6. However, National Policy 48 does not contain requirements equivalent to paragraph D.3 or the pre-filing requirements in Part G of Saskatchewan LP 4.6. The Saskatchewan Securities Commission wishes to retain these requirements for Local Issuers only.

The purpose of this policy is to repeal Saskatchewan LP 4.6 and replace it with this policy which

supplements National Policy 48.

Part 3 Saskatchewan Requirements for FOFI

Saskatchewan LP 4.6 is repealed and replaced with this policy. The requirements in this policy are in addition to the requirements of National Policy 48.

3.1 Pre-clearance

3.1.1 A Local Issuer shall pre-file FOFI and obtain the approval of the Director of the Saskatchewan Securities Commission before the Local Issuer files a preliminary prospectus containing FOFI.

The staff of the Commission will consider the following factors in determining the acceptability of pre-filed FOFI:

- a. the financial history of the Local Issuer;
- b. how FOFI previously published by the Local Issuer compares to actual results;
- c. the past record of the promoter, developer and underwriter on FOFI in documents previously filed compared to actual results; and
- d. the reasons for the variations in (b) and (c).

3.1.2 Pre-clearance of FOFI included in other general purpose documents is not required. However, where complex issues are involved, pre-filing discussions with staff may be beneficial.

3.2 Minimum and maximum offering amounts

3.2.1 FOFI may be presented in the form of a forecast or projection. Where FOFI is presented in the form of a forecast, the forecast should be based on the most probable amount of money to be raised in an offering. Where an offering is for a minimum offering amount and maximum offering amount, and the forecast is based on an amount greater than the minimum offering amount, staff may require the Local Issuer to provide justification for the offering amount used in the forecast. Staff experience with offerings by Local Issuers is that Local Issuers usually raise only the minimum amount.

3.3 Waiver

- 3.3.1 The Director may waive the provisions of this policy where a Local Issuer establishes that such a waiver would not be prejudicial to the public interest.

Adopted by the Commission
effective February 17, 1993.

"*Marcel de la Gorgendière*"
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Chairman