

GENERAL RULING/ORDER 45-908
OFFERING MEMORANDUM EXEMPTION IN CLAUSES 39(1)(y) and 81(1)(s)

IN THE MATTER OF
THE SECURITIES ACT, 1988, SS 1988, c. S-42.2

AND

IN THE MATTER OF THE OFFERING MEMORANDUM EXEMPTION IN
CLAUSES 39(1)(y) and 81(1)(s)

ORDER
(Section 160)

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

AND WHEREAS the staff of the Commission have applied to the Director for an order pursuant to section 160 of the Act waiving certain of the provisions of the registration exemption in clause 39(1)(y) and the prospectus exemption in clause 81(1)(s) of the Act;

AND WHEREAS it has been represented to the Director that:

1. The Commission has approved for republication Multilateral Instrument 45-103 Capital Raising Exemptions ("MLI 45-103") which contains an exemption in section 4.1 commonly referred to as the "offering memorandum exemption";
2. The offering memorandum exemption in section 4.1 of MLI 45-103 is substantially similar to the registration and prospectus exemptions in clauses 39(1)(y) and 81(1)(s) of the Act, except that it does not contain a limit on the amount raised under the exemption, or a prohibition on advertising;
3. The Commission has indicated that it will adopt MLI 45-103 as a Commission regulation after the comment period expires on March 17, 2003 subject to comments received, but the exemption will not likely be in place until June, 2003;
4. The staff of the Commission have received many requests to use the offering memorandum exemption on an interim basis;
5. Waiving the prohibition on advertising in subclause (vi) and the limit on the amount raised in subclause (ix.1) in both clauses 39(1)(y) or 81(1)(s) would achieve this result;

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

IT IS HEREBY ordered pursuant to section 160 of the Act that the following provisions of the Act do not apply to trades made under clauses 39(1)(y) and 81(1)(s) of the Act:

(a) subclauses 39(1)(y)(vi) and (ix.1); and

(b) subclauses 81(1)(s)(vi) and (ix.1);

AND IT IS FURTHER ORDERED that this Order expires on the day that MLI 45-103 comes into force, except for offerings which have commenced before that day.

DATED February 13, 2003

“Barbara Shourounis”

Barbara Shourounis
Director, Securities Division
Saskatchewan Financial Services Commission