

SASKATCHEWAN POLICY STATEMENT 12-603
SYSTEM FOR EXPEDITED REVIEW OF CERTAIN EXEMPTION APPLICATIONS

PART 1 DEFINITIONS

In this policy statement:

"**Act**" means *The Securities Act, 1988* (Saskatchewan);

"**Commission**" means the Saskatchewan Securities Commission;

"**Director**" means the Director of the Commission;

"**Local Applicant**" means a person who or company that:

- (1) was incorporated, organized or continued under the laws of Saskatchewan;
- (2) has its head office in Saskatchewan;
- (3) has more than 10% of its total assets on a consolidated basis situated in Saskatchewan;
or
- (4) earns more than 10% of its total revenue on a consolidated basis from activities carried out in Saskatchewan;

"**Policy Statement 12-601**" means Saskatchewan Policy Statement 12-601 Applications to the Saskatchewan Securities Commission;

"**Principal Jurisdiction**" means the securities regulatory authority in the province or territory where the applicant's principal place of business is located. If the securities legislation of that province or territory does not have sections that are the same as or substantially similar to the Sections, then the Principal Jurisdiction is the securities regulatory authority designated by the applicant. The designated securities regulatory authority must have securities legislation which has sections that are the same as or substantially similar to the Sections. The designated securities regulatory authority should also be in a province or territory with which the applicant has a significant connection;

"**Section**" means any one of the following provisions of the Act:

- (1) subclauses 39(1)(o)(iii) and 81(1)(h)(iii) - filing of rights offering material for non-objection of the Commission;

- (2) subsection 44(3) - permission to make representation about listing of securities on an exchange¹;
- (3) section 71 - order extending the lapse date of a prospectus and other periods of time based on that date;
- (4) section 89 - order relieving a reporting issuer from the continuous disclosure requirements of Part XIV (Continuous Disclosure)²;
- (5) section 97 - order relieving a reporting issuer from the proxies and proxy solicitation requirements of Part XV (Proxies and Proxy Solicitation);
- (6) section 113 - relief from the provisions of Part XVI (Take-over Bids and Issuer Bids);
- (7) section 122 - relief from the provisions of sections 120 and 121;
- (8) section 124 - relief from the prohibition against certain investments by mutual funds;
- (9) section 126 - relief from management company reporting requirements;
- (10) section 130 - relief from the prohibition in section 127 against certain investments by portfolio managers;
- (11) section 130 - relief from the prohibition in section 128 against certain trades by mutual fund insiders;
- (12) section 130 - relief from the insider reporting requirements in sections 116, 117 and 118³; and
- (13) section 158 - order amending a decision granted pursuant to any of the above Sections;

¹ Applicants should use General Ruling/Order 48-901 Listing Applications if it applies, instead of making an application under subsection 44(3). GRO 48-901 waives the requirement for approval of listing representations in certain situations.

² Applicants should use General Ruling/Order 51-902 Exemption From Certain Financial and Insider Trading Report Requirements Order (GRO 51-902) if it applies, instead of making an application for exemptive relief under section 89. GRO 51-902 provides an exemption from certain continuous disclosure requirements, and sets out a procedure for claiming the relief.

³ Applicants should use General Ruling/Order 51-902 Exemption From Certain Financial and Insider Trading Report Requirements Order (GRO 51-902) if it applies, instead of making an application for exemptive relief under section 130. GRO 51-902 provides an exemption from certain insider reporting requirements, and sets out a procedure for claiming the relief.

"System" means the system created by this policy statement for the expedited review of applications for exemption under any of the Sections.

PART 2 PURPOSE AND BACKGROUND

The purpose of this policy statement is to create a system to streamline the process of applying to the Commission for relief under any of the Sections where the application is also being made in the Principal Jurisdiction.

Applications are routinely made to securities regulatory authorities in several provinces or territories for exemptive relief under legislative provisions which are the same or substantially similar. In most cases the same relief is granted by all securities regulatory authorities.

The Commission wants to eliminate duplication for applicants, and to provide a faster turnaround time. We want to focus our resources on applications made by Local Applicants and on applications which involve new or unique policy issues.

PART 3 APPLICATION

Any person who or company that makes an application under any of the Sections, other than a Local Applicant, may use the System.

While the Commission encourages applicants to use the System, it does not require applicants to use it. Also an applicant can opt out of the System in the midst of application by giving notice to the Director.

Policy Statement 12-601 does not apply to applications under the System.

PART 4 PROCEDURE

4.1 If you apply to the Commission for relief under any of the Sections and wish to use the System you must deliver:

- (1) a notice in Form SPS110-A that you intend to use the System;
- (2) copies of the application and supporting material⁴ you submitted to the Principal Jurisdiction, together with the draft decision you submitted to the Principal Jurisdiction⁵;

⁴ For the purposes of this policy statement the filing of the material under subclauses 39(1)(o)(iii) and 81(1)(h)(iii) of the Act will be considered the application for relief.

⁵ You are not required to file an application and draft decision specifically prepared for Saskatchewan. If you wish to file such documents, we will accept them under this policy statement.

- (3) a table of concordance setting out the sections of the securities legislation of the Principal Jurisdiction referred to in the application and the corresponding sections of *The Securities Act, 1988* (Saskatchewan);
- (4) where the application is made on behalf of another person or company, authorization of that person or company to the applicant to make the application to the Saskatchewan Securities Commission in the following form:

"We authorize the making and filing of the attached application by _____ and confirm the truth of the facts contained therein.

DATED at _____ this _____ day of _____, 19__ . ; and

- (5) a cheque payable to the Minister of Finance for Saskatchewan in the amount of the fee for filing the application with the Commission;
- 4.2 Within five business days of receiving the material you delivered under section 4.1, the Director will send you a notice which will indicate whether or not you may use the System⁶.
- 4.3 If the Director gives a notice under section 4.2 that you may not use the System, then you must follow the normal procedure for applying for exemptive relief as set out in Policy Statement 12-601. In that case the notice will include reasons why you cannot use the System.
- 4.4 If the Director gives a notice under section 4.2 that you may use the System, then you must send us:
- (1) a copy of all correspondence you subsequently send to and receive from the Principal Jurisdiction with respect to the application; and
 - (2) a copy of the signed decision of the Principal Jurisdiction.
- 4.5 Within five business days of receiving the decision granted by the Principal Jurisdiction delivered under section 4.4, we will send you a letter which will state that the Commission has issued a decision under the Act on the same terms and on the same date as the decision of the

⁶ In the case of rights offerings, a notice under this section is to be considered a notice of objection under subclauses 39(1)(o)(iii) and 81(1)(h)(iii).

Principal Jurisdiction. The letter should be considered a decision of the Commission. The Commission will not issue a specific order.⁷

- 4.6 At any time during the period between when we send you a notice under section 4.2 that you may use the system and a letter under section 4.5, we may send you a notice that you may no longer use the System. We would only do this where new or unique issues arise during the course of the review of the application. We do not expect this to happen often.

When we send you such a notice, then you must follow the normal procedure under Policy Statement 12-601. If you do not get a notice under this section, you may assume that after you have filed the decision of the Principal Jurisdiction, you will receive a letter under section 4.5.

PART 5 IMPLEMENTATION

- 5.1 **Effective Date** - This policy statement is effective on January 16, 1995.
- 5.2 **Transition** - The System also applies to applications under the Sections which are pending on the effective date of this policy statement unless we send you a notice under section 4.2 that the System cannot be used with respect to a particular application. In the case where the Principal Jurisdiction has already issued a decision, the effective date of the decision issued by the Commission under this policy statement is the effective date of the decision issued by the Principal Jurisdiction.

Adopted by the Commission January 16, 1995
Amended August 23, 1995.

"Marcel de la Gorgendière"

Marcel de la Gorgendière, Q.C.
Chairman

⁷ In the case of applications under subsection 44(3) and subclauses 39(1)(o)(iii) and 81(1)(h)(iii) of the Act, the relief will be issued by the Director.