

**GENERAL RULING/ORDER 52-901**

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

AND

IN THE MATTER OF AN EXEMPTION FROM CERTAIN CONTINUOUS DISCLOSURE  
OBLIGATIONS OF FINANCE COMPANIES

ORDER  
(Section 160)

WHEREAS an application has been received by the Saskatchewan Securities Commission (the "Commission") from the staff of the Commission for an order pursuant to section 160 of *The Securities Act, 1988* ("the Act") that the provisions of section 127 of *The Securities Regulations* ("the Regulations") do not apply to finance companies;

AND WHEREAS it has been represented to the Commission that:

1. Pursuant to subsection 127(1) of the Regulations each finance company not otherwise required to file financial statements in accordance with sections 86 and 87 of the Act is required to file, in duplicate, the financial statements required under subsection 86(1) and (2) of the Act, as appropriate, as though the finance company were subject to those subsections;
2. Pursuant to subsection 127(2) of the Regulations a finance company, whether or not otherwise required to file financial statements in accordance with sections 86 and 87 of the Act, is required to complete and file, annually, within 140 days after the end of its financial year:
  - (a) a report in accordance with Form 27; and
  - (b) any other forms that the Commission considers appropriate;
3. In a Notice published on March 14, 1997 staff of the Ontario Securities Commission ("the OSC") published a notice and request for comments on the proposed revocation of section 12 of Regulation 1015 of the Revised Regulations of Ontario, 1990 ("Ontario Section 12"). Ontario Section 12 is substantially similar to section 127 of the Regulations and requires the filing of Ontario Form 29 which substantially similar to Form 27 of the Regulations;
4. In the Notice OSC staff proposed that Ontario Section 12 be revoked because:

- (a) Many of Ontario Form 29's disclosure requirements have been addressed by existing disclosure requirements contained in the Canadian Institute of Chartered Accountants and the Management Discussion & Analysis requirements of Ontario Policy Statement 5.10;
  - (b) Ontario Form 29 has been criticized as duplicative, unnecessary, and resulting in an undue regulatory burden placed on finance companies; and
  - (c) Ontario Form 29 has not been amended since its inception in the 1960's;
5. Saskatchewan Local Policy 6.2 - *Annual Information Form and Management's Discussion and Analysis of Financial Conditions and Results of Operations* imposes substantially similar disclosure requirements on finance companies as those companies are subject to under Ontario Policy Statement 5.10;
  6. On December 18, 1997 Ontario Section 12 was revoked;
  7. The reasons outlined by OSC staff in paragraph 4 as the basis for revoking Ontario Section 12 are applicable in Saskatchewan;

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

IT IS HEREBY ORDERED pursuant to section 160 of the Act that the provisions of section 127 of the Regulations shall not apply to finance companies.

DATED at Regina, Saskatchewan this 23rd day of February, 1998.

"Marcel de la Gorgendière"  
Marcel de la Gorgendière, Q.C.  
Chairman