



**GENERAL RULING/ORDER 45-912
EXEMPTION FOR CO-OPERATIVES AND CREDIT UNIONS**

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

AND

IN THE MATTER OF AN EXEMPTION FOR CO-OPERATIVES AND CREDIT UNIONS

RULING
(Clause 83(1)(a)(i))

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 a ruling pursuant to clause 83(1)(a) of the Act of that the registration and prospectus requirements in sections 27 and 58 of the Act do not apply to certain trades in securities issued by co-operatives and credit unions;

AND WHEREAS it has been represented to the Director that:

1. Clauses 39(2)(i) and 82(1)(a) of the Act contain exemptions from the prospectus and registration requirements of the Act for trades in securities issued by a company in accordance with *The Co-operative Act* (the "Co-operative Exemption");
2. Clauses 39(2)(j) and 82(1)(a) of the Act contain exemptions from the prospectus and registration requirements of the Act for trades in securities issued by a credit union to its members in accordance with *The Credit Union Act, 1998* or issued pursuant to an exemption granted by that act (the "Credit Union Exemption");
3. National Instrument 45-106 *Prospectus and Registration Exemptions* ("NI 45-106") replaces most of the prospectus and registration exemptions now in the Act, and comes into force on September 14, 2005;
4. Local Instrument 11-502 *Removal of Statutory Exemptions* removes the exemptions in sections 38, 39, 39.1, 81 and 82 of the Act, which includes the Co-operative and the Credit Union Exemptions;
5. NI 45-106 does not contain the Co-operative or Credit Union Exemptions;
6. It is necessary to continue the Co-operative and Credit Union Exemptions;

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

this Ruling;

IT IS HEREBY ruled pursuant to clause 83(1)(a) of the Act that the provisions of sections 27 and 58 of the Act shall not apply to trades in a security:

- (a) issued by a company in accordance with *The Co-operative Act*; and
- (b) issued by a credit union to its members in accordance with *The Credit Union Act, 1998* or issued pursuant to an exemption granted by that Act;

DATED September 14, 2005

“Barbara Shourounis”

Barbara Shourounis

Director