

**GENERAL RULING/ORDER 54-801**  
**INTERIM FINANCIAL STATEMENTS - NATIONAL POLICY STATEMENT 41**

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

AND

IN THE MATTER OF  
INTERIM FINANCIAL STATEMENTS  
AND  
NATIONAL POLICY STATEMENT NO. 41

ORDER  
(Section 89(b)(ii))

WHEREAS Part XIV of *The Securities Act, 1988, S.S. 1988, c. S-42.2* (the "Act") authorizes the Commission by order to grant exemptions from certain of the provisions of Part XIV of the Act;

AND WHEREAS the Commission is of the view that the information contained in the interim financial statements of reporting issuers referred to in section 86 of the Act is effectively available to security holders generally by virtue of media coverage and filing with the Commission and stock exchanges at an earlier date than individual delivery by mail can accomplish;

AND WHEREAS National Policy Statement No. 41 requires reporting issuers to deliver interim financial statements to any security holder of the issuer who requests the issuer in writing to be placed on a Supplemental Mailing List maintained by the issuer for this purpose, and provides a procedure whereby a security holder can conveniently make such a request;

AND WHEREAS it appears to the Commission to be not prejudicial to the public interest to so order;

IT IS HEREBY ORDERED pursuant to subclause 89(b)(ii) of the Act, that:

1. A reporting issuer is exempt from the requirement of section 88 of the Act to deliver interim financial statements required by section 86 of the Act to security holders provided that:
  - (i) the issuer complies with National Policy Statement No. 41, in particular with respect of

the establishment and maintenance of a Supplementary Mailing List as defined in that Policy Statement;

- (ii) the issuer files its interim financial statements with the Commission as required by section 86 of the Act and concurrently files such statements with all stock exchanges upon which securities of the issuer are listed, and issues a press release with the highlights of the information contained in such statements to the financial press;
2. Subject to paragraph 4, this Order shall be effective in respect of interim financial statements for the fiscal period of the issuer ending on or after the first annual meeting of the security holders of the issuer that takes place on or after March 1, 1988 in respect of which meeting the issuer complies with National Policy Statement No. 41;
  3. This exemption in this Order will continue to be in effect in respect of interim financial statements for the fiscal periods of the issuer ending on or after each annual meeting of security holders of the issuer in respect of which meeting the issuer complies with National Policy Statement No. 41;
  4.
    - (i) a reporting issuer that wishes to use the exemption provided by this Order before its first annual meeting that takes place on or after March 1, 1988 may do so once it has established a Supplemental Mailing List as defined in National Policy Statement No. 41, provided that it otherwise complies with the Policy and this Order;
    - (ii) for the purpose of establishing a Supplemental Mailing List, the issuer shall send to all its security holders registered or non-registered, of the classes entitled to receive interim financial statements, a return card permitting the security holder to request to be placed on the issuer's supplemental Mailing List together with an appropriate written explanation to the security holder. The communication to non-registered security holders shall be carried out in accordance with the procedure set out in Part IV of National Policy Statement No. 41, in particular:
      - (i) determining from the Canadian Depository for Securities Limited ("CDS") and Vancouver Stock Exchange Service Corporation ("VSESC") the intermediaries for whom they hold the relevant classes of securities;
      - (ii) obtaining a current list of registered nominees;
      - (iii) delivering search cards to the intermediaries for whom CDS and VSESC hold securities and to the registered nominees appearing on the issuer's shareholders list;

- (iv) bulk delivery of return cards and explanatory material to the intermediaries, including the registered nominees, referred to in clause (iii), and
- (v) delivery of return cards and explanatory material to non-registered security holders by the intermediaries;

5. This Order shall be effective as of and from the 7th day of November, 1988;

DATED at the City of Regina, in the Province of Saskatchewan, this 7th day of November, 1988.

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