



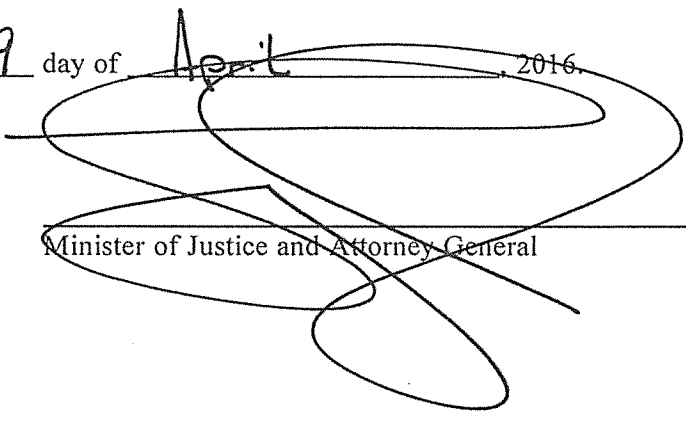
Province of Saskatchewan

Registrar of Regulations	
Filed	APR 20 2016
SR	34/2016

Minister's Order

The Minister of Justice and Attorney General, pursuant to section 7 of *The Securities Commission (Regulation Procedures) Regulations*, approves *The Securities Commission (Adoption of National Instruments, Prospectus Exemptions) Amendment Regulations, 2016* in accordance with the attached Schedule.

Dated at the City of Regina, the 19 day of April, 2016.



Minister of Justice and Attorney General

(For administrative purposes only)

Authority:

The Securities Commission (Regulation Procedures) Regulations - section 7




Province of Saskatchewan

Commission Order

The Financial and Consumer Affairs Authority of Saskatchewan, pursuant to section 154 of *The Securities Act, 1988*, makes *The Securities Commission (Adoption of National Instruments, Prospectus Exemptions) Amendment Regulations, 2016* in accordance with the attached Schedule.

Dated at the City of Regina, the 15th day of April, 2016.



Chairperson
Financial and Consumer Affairs Authority of Saskatchewan

(For administrative purposes only)

Authority: *The Securities Act, 1988* - section 154

SCHEDULE

Title

1 These regulations may be cited as *The Securities Commission (Adoption of National Instruments, Prospectus Exemptions) Amendment Regulations, 2016*.

R.R.S. c.S-42.2 Reg 3 amended

2 *The Securities Commission (Adoption of National Instruments) Regulations* are amended in the manner set forth in these regulations.

Part XXI amended

3 Appendix D to Part XXI of the Appendix is amended below the statement "Except in Manitoba, the following exemptions from the prospectus requirement in NI 45-106" in item "section 2.9" by striking out "(In Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Quebec, Saskatchewan and Yukon)".

Part XXXVII amended

4(1) Part XXXVII of the Appendix is amended in the manner set forth in this section.

(2) Section 1.1 is amended in paragraph (d) of the definition of "acquisition statements" by striking out "except in Ontario,".

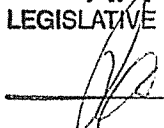
(3) Subsection 2.1(2) is amended:

- (a) in subparagraph (c)(ii) by striking out "except in Ontario,";
- (b) in subparagraph (d)(iii) by striking out "except in Ontario,";
- (c) in subparagraph (f)(iii) by striking out "except in Ontario,";
- (d) in subparagraph (g)(iii) by striking out "except in Ontario,";
- (e) by striking out "and" after paragraph (g);
- (f) by adding "and" after paragraph (h); and
- (g) by adding the following paragraph after paragraph (h):

"(i) all financial statements

(i) filed by an issuer under subsection 2.9(17.4) of National Instrument 45-106 *Prospectus Exemptions*,

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March 24, 2016 - 11:43 a.m.

(ii) delivered by an issuer under subsection 2.9(17.5) of National Instrument 45-106 *Prospectus Exemptions*, or

(iii) made reasonably available by an issuer under subsection 2.9(17.6) of National Instrument 45-106 *Prospectus Exemptions*”.

(4) Subsection 3.2(1) is amended in the portion preceding paragraph (a) by striking out “(c) and (e)” and substituting “(c), (e) and (i)”.

(5) Subsection 3.7(1) is amended by striking out “(c) and (e)” and substituting “(c), (e) and (i)”.

(6) Subsection 3.8(1) is amended in the portion preceding paragraph (a) by striking out “(c) and (e)” and substituting “(c), (e) and (i)”.

(7) Subsection 3.9(1) is amended in the portion preceding paragraph (a) by striking out “(c) and (e)” and substituting “(c), (e) and (i)”.

(8) Subsection 3.10(1) is amended in the portion preceding paragraph (a) by striking out “(c) and (e)” and substituting “(c), (e) and (i)”.

Part XLIII amended

5(1) Part XLIII of the Appendix to *The Securities Commission (Adoption of National Instruments) Regulations* is amended in the manner set forth in this section.

(2) Section 1.1 is amended:

(a) in paragraph (b) of the definition of “eligibility adviser” by striking out “Saskatchewan or”; and

(b) in paragraph (h) of the definition of “eligible investor” by adding “in Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon,” before “a person that has obtained advice”.

(3) The following section is added after section 1.1:

“1.1.1 In this Instrument, in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan

‘date of transition to IFRS’ has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*;

‘exempt market dealer’ has the same meaning as in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

‘first IFRS financial statements’ has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*;

‘investment dealer’ has the same meaning as in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

‘new financial year’ means the financial year of an issuer that immediately follows a transition year;

‘old financial year’ means the financial year of an issuer that immediately precedes a transition year;

‘OM marketing materials’ means a written communication, other than an OM standard term sheet, intended for prospective purchasers regarding a distribution of securities under an offering memorandum delivered under section 2.9 [*Offering memorandum*] that contains material facts relating to an issuer, securities or an offering;

‘OM standard term sheet’ means a written communication intended for prospective purchasers regarding a distribution of securities under an offering memorandum delivered under section 2.9 [*Offering memorandum*] that

- (a) is dated,
- (b) includes the following legend, or words to the same effect, on the first page:

‘This document does not provide disclosure of all information required for an investor to make an informed investment decision. Investors should read the offering memorandum, especially the risk factors relating to the securities offered, before making an investment decision.’,

- (c) contains only the following information in respect of the issuer, the securities or the offering:
 - (i) the name of the issuer;
 - (ii) the jurisdiction or foreign jurisdiction in which the issuer’s head office is located;
 - (iii) the statute under which the issuer is incorporated, continued or organized or, if the issuer is an unincorporated entity, the laws of the jurisdiction or foreign jurisdiction under which it is established and exists;
 - (iv) a brief description of the business of the issuer;
 - (v) a brief description of the securities;
 - (vi) the price or price range of the securities;
 - (vii) the total number or dollar amount of the securities, or range of the total number or dollar amount of the securities;
 - (viii) the names of any agent, finder or other intermediary, whether registered or not, involved with the offering and the amount of any commission, fee or discount payable to them;

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- (ix) the proposed or expected closing date of the offering;
 - (x) a brief description of the use of proceeds;
 - (xi) the exchange on which the securities are proposed to be listed, if any, provided that the OM standard term sheet complies with the requirements of securities legislation for listing representations;
 - (xii) in the case of debt securities, the maturity date of the debt securities and a brief description of any interest payable on the debt securities;
 - (xiii) in the case of preferred shares, a brief description of any dividends payable on the securities;
 - (xiv) in the case of convertible securities, a brief description of the underlying securities into which the convertible securities are convertible;
 - (xv) in the case of exchangeable securities, a brief description of the underlying securities into which the exchangeable securities are exchangeable;
 - (xvi) in the case of restricted securities, a brief description of the restriction;
 - (xvii) in the case of securities for which a credit supporter has provided a guarantee or alternative credit support, a brief description of the credit supporter and the guarantee or alternative credit support provided;
 - (xviii) whether the securities are redeemable or retractable;
 - (xix) a statement that the securities are eligible, or are expected to be eligible, for investment in registered retirement savings plans, tax-free savings accounts or other registered plans, if the issuer has received, or reasonably expects to receive, a legal opinion that the securities are so eligible;
 - (xx) contact information for the issuer or any registrant involved, and
- (d) for the purposes of paragraph (c), 'brief description' means a description consisting of no more than three lines of text in type that is at least as large as that used generally in the body of the OM standard term sheet;

'portfolio manager' has the same meaning as in National Instrument 31-103
Registration Requirements, Exemptions and Ongoing Registrant Obligations;

'SEC issuer' has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*;

‘specified derivative’ has the same meaning as in National Instrument 44-102 *Shelf Distributions*;

‘structured finance product’ has the same meaning as in National Instrument 25-101 *Designated Rating Organizations*;

‘transition year’ means the financial year of an issuer in which the issuer has changed its financial year end;

‘U.S. laws’ has the same meaning as in National Instrument 51-102 *Continuous Disclosure Obligations*.

(4) Section 2.9 is amended:

(a) in subsection (1) in the portion preceding paragraph (a) by striking out “, New Brunswick, Nova Scotia”;

(b) in subsection (2) in the portion preceding paragraph (a) by striking out “In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon” and substituting “In Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon”;

(c) by adding the following subsections after subsection (2):

“(2.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, the prospectus requirement does not apply to a distribution by an issuer of a security of its own issue to a purchaser if

- (a) the purchaser purchases the security as principal,**
- (b) the acquisition cost of all securities acquired by a purchaser who is an individual under this section in the preceding 12 months does not exceed the following amounts:**
 - (i) in the case of a purchaser that is not an eligible investor, \$10 000;**
 - (ii) in the case of a purchaser that is an eligible investor, \$30 000;**
 - (iii) in the case of a purchaser that is an eligible investor and that received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable, \$100 000,**
- (c) at the same time or before the purchaser signs the agreement to purchase the security, the issuer**
 - (i) delivers an offering memorandum to the purchaser in compliance with subsections (5) to (13), and**
 - (ii) obtains a signed risk acknowledgement from the purchaser in compliance with subsection (15), and**

(d) the security distributed by the issuer is not either of the following:

- (i) a specified derivative;
- (ii) a structured finance product.

“(2.2) The prospectus exemption described in subsection (2.1) is not available

- (a) in Alberta, Nova Scotia and Saskatchewan, to an issuer that is an investment fund, unless the issuer is a non-redeemable investment fund or a mutual fund that is a reporting issuer, or
- (b) in New Brunswick, Ontario and Québec, to an issuer that is an investment fund.

“(2.3) The investment limits described in subparagraphs (2.1)(b)(ii) and (iii) do not apply if the purchaser is

- (a) an accredited investor, or
- (b) a person described in subsection 2.5(1) [*Family, friends and business associates*];

(d) in subsection (3) by striking out “In Alberta, Manitoba, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon” and substituting “In Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon”;

(e) by adding the following subsection after subsection (3):

“(3.0.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, this section does not apply to a distribution of a security to a person that was created, or is used, solely to purchase or hold securities in reliance on the exemption from the prospectus requirement set out in subsection (2.1)”;

(f) in subsection (3.1) by striking out “Subsections (1) and (2)” and substituting “Subsections (1), (2) and (2.1)”;

(g) in subsection (4) by striking out “, Saskatchewan”;

(h) by adding the following subsections after subsection (5):

“(5.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, an offering memorandum delivered under subsection (2.1)

- (a) must incorporate by reference, by way of a statement in the offering memorandum, OM marketing materials related to each distribution under the offering memorandum and delivered or made reasonably available to a prospective purchaser before the termination of the distribution, and
- (b) is deemed to incorporate by reference OM marketing materials related to each distribution under the offering memorandum and delivered or made

reasonably available to a prospective purchaser before the termination of the distribution.

“(5.2) A portfolio manager, investment dealer or exempt market dealer must not distribute OM marketing materials unless the OM marketing materials have been approved in writing by the issuer”;

(i) in subsection (15) by striking out “(1) or (2)” wherever it appears and in each case substituting “(1), (2) or (2.1)”;

(j) in paragraph (16)(a) by striking out “(1) or (2)” and substituting “(1), (2) or (2.1)”;

and

(k) by adding the following subsections after subsection (17):

“(17.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, the issuer must file with the securities regulatory authority a copy of all OM marketing materials required or deemed to be incorporated by reference into an offering memorandum delivered under this section,

(a) if the OM marketing materials are prepared on or before the filing of the offering memorandum, concurrently with the filing of the offering memorandum, or

(b) if the OM marketing materials are prepared after the filing of the offering memorandum, within 10 days of the OM marketing materials being delivered or made reasonably available to a prospective purchaser.

“(17.2) OM marketing materials filed under subsection (17.1) must include a cover page clearly identifying the offering memorandum to which they relate.

“(17.3) Subsections (17.4) to (17.21) apply to issuers that rely on subsection (2.1) and that are not reporting issuers in any jurisdiction of Canada.

“(17.4) In Alberta, an issuer must, within 120 days after the end of each of its financial years, file with the securities regulatory authority annual financial statements and make them reasonably available to each holder of a security acquired under subsection (2.1).

“(17.5) In New Brunswick, Ontario, Québec and Saskatchewan, an issuer must, within 120 days after the end of each of its financial years, deliver annual financial statements to the securities regulatory authority and make them reasonably available to each holder of a security acquired under subsection (2.1).

“(17.6) In Nova Scotia, an issuer must, within 120 days after the end of each of its financial years, make reasonably available annual financial statements to each holder of a security acquired under subsection (2.1).

“(17.7) Despite subsections (17.4), (17.5) and (17.6), as applicable, if an issuer is required to file, deliver or make reasonably available annual financial statements for a financial year that ended before the issuer distributed securities under subsection (2.1)

for the first time, those annual financial statements must be filed in Alberta, delivered in New Brunswick, Ontario, Québec and Saskatchewan or made reasonably available in Nova Scotia, as applicable, on or before the later of

- (a) the 60th day after the issuer first distributes securities under subsection (2.1), and
- (b) the deadline in subsection (17.4), (17.5) or (17.6), as applicable, to file, deliver or make reasonably available the annual financial statements.

“(17.8) The annual financial statements of an issuer referred to in subsections (17.4), (17.5) and (17.6) must include

- (a) a statement of comprehensive income, a statement of changes in equity, and a statement of cash flows for
 - (i) the most recently completed financial year, and
 - (ii) the financial year immediately preceding the most recently completed financial year, if any,
- (b) a statement of financial position as at the end of each of the periods referred to in paragraph (a),
- (c) in the following circumstances, a statement of financial position as at the beginning of the financial year immediately preceding the most recently completed financial year:
 - (i) the issuer discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
 - (ii) the issuer
 - (A) applies an accounting policy retrospectively in its annual financial statements,
 - (B) makes a retrospective restatement of items in its annual financial statements, or
 - (C) reclassifies items in its annual financial statements,
- (d) in the case of the issuer’s first IFRS financial statements, the opening IFRS statement of financial position at the date of transition to IFRS, and
- (e) notes to the annual financial statements.

“(17.9) If the annual financial statements referred to in subsection (17.8) present the components of profit or loss in a separate income statement, the separate income statement must be displayed immediately before the statement of comprehensive income referred to in subsection (17.8).

“(17.10) The annual financial statements referred to in subsection (17.8) must be audited.

“(17.11) Despite subsection (17.10), for the first annual financial statements of an issuer referred to in subsections (17.4), (17.5) and (17.6), comparative information relating to the preceding financial year is not required to be audited if it has not been previously audited.

“(17.12) Any period referred to in subsection (17.8) that has not been audited must be clearly labelled as unaudited.

“(17.13) In Alberta, New Brunswick, Ontario, Québec and Saskatchewan, if an issuer decides to change its financial year end by more than 14 days, it must deliver to the securities regulatory authority and make reasonably available to each holder of a security acquired under subsection (2.1) a notice containing the information set out in subsection (17.15) as soon as practicable and, in any event, no later than the earlier of

- (a) the deadline, based on the issuer's old financial year end, for the next annual financial statements referred to in subsections (17.4) and (17.5), and
- (b) the deadline, based on the issuer's new financial year end, for the next annual financial statements referred to in subsections (17.4) and (17.5).

“(17.14) In Nova Scotia, if an issuer decides to change its financial year end by more than 14 days, it must make reasonably available to each holder of a security acquired under subsection (2.1) a notice containing the information set out in subsection (17.15) as soon as practicable and, in any event, no later than the earlier of

- (a) the deadline, based on the issuer's old financial year end, for the next annual financial statements referred to in subsection (17.6), and
- (b) the deadline, based on the issuer's new financial year end, for the next annual financial statements referred to in subsection (17.6).

“(17.15) The notice referred to in subsections (17.13) and (17.14) must state

- (a) that the issuer has decided to change its financial year end,
- (b) the reason for the change,
- (c) the issuer's old financial year end,
- (d) the issuer's new financial year end,
- (e) the length and ending date of the periods, including the comparative periods, of the annual financial statements referred to in subsections (17.4), (17.5) and (17.6) for the issuer's transition year and its new financial year, and
- (f) the filing deadline for the annual financial statements for the issuer's

transition year.

“(17.16) If a transition year is less than 9 months in length, the issuer must include as comparative financial information to its annual financial statements for its new financial year

- (a) a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows, and notes to the financial statements for its transition year,
- (b) a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows, and notes to the financial statements for its old financial year,
- (c) in the following circumstances, a statement of financial position as at the beginning of the old financial year:
 - (i) the issuer discloses in its annual financial statements an unreserved statement of compliance with IFRS, and
 - (ii) the issuer
 - (A) applies an accounting policy retrospectively in its annual financial statements,
 - (B) makes a retrospective restatement of items in its annual financial statements, or
 - (C) reclassifies items in its annual financial statements, and
- (d) in the case of the issuer’s first IFRS financial statements, the opening IFRS statement of financial position at the date of transition to IFRS.

“(17.17) A transition year must not exceed 15 months.

“(17.18) An SEC issuer satisfies subsections (17.13), (17.14) and (17.16) if

- (a) it complies with the requirements of U.S. laws relating to a change of fiscal year, and
- (b) it delivers a copy of all materials required by U.S. laws relating to a change in fiscal year to the securities regulatory authority at the same time as, or as soon as practicable after, they are filed with or furnished to the SEC and, in any event, no later than 120 days after the end of its most recently completed financial year.

“(17.19) The financial statements of an issuer referred to in subsections (17.4), (17.5) and (17.6) must be accompanied by a notice of the issuer disclosing in reasonable detail the use of the aggregate gross proceeds raised by the issuer under section 2.9 in accordance with Form 45-106F16, unless the issuer has previously disclosed the use of the aggregate gross proceeds in accordance with Form 45-106F16.

“(17.20) In New Brunswick, Nova Scotia and Ontario, an issuer must make reasonably available to each holder of a security acquired under subsection (2.1) a notice of each of the following events in accordance with Form 45-106F17, within 10 days of the occurrence of the event:

- (a) a discontinuation of the issuer’s business;
- (b) a change in the issuer’s industry;
- (c) a change of control of the issuer.

“(17.21) An issuer is required to make the disclosure required respectively by subsections (17.4), (17.5), (17.6), (17.19) and (17.20) until the earliest of

- (a) the date the issuer becomes a reporting issuer in any jurisdiction of Canada, and
- (b) the date the issuer ceases to carry on business.

“(17.22) In Ontario, an issuer that is not a reporting issuer in Ontario that distributes securities in reliance on the exemption in subsection (2.1) is designated a market participant under the Securities Act (Ontario).

“(17.23) In New Brunswick, an issuer that is not a reporting issuer in New Brunswick that distributes securities in reliance on the exemption in subsection (2.1) is designated a market participant under the Securities Act (New Brunswick)”.

(5) Paragraph 6.1(1)(c) is amended by striking out “or (2) [Offering memorandum for Alberta, B.C., Manitoba, New Brunswick, Nova Scotia, Newfoundland and Labrador, Northwest Territories, Nunavut, Prince Edward Island, Québec, Saskatchewan and Yukon]” and substituting “, (2) or (2.1) [Offering memorandum]”.

(6) Section 6.5 is amended by adding the following subsection after subsection (1):

“(1.1) In Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan, the required form of risk acknowledgement for individual investors includes Schedule 1 *Classification of Investors Under the Offering Memorandum Exemption* and Schedule 2 *Investment Limits for Investors Under the Offering Memorandum Exemption* to Form 45-106F4”.

(7) Part 8 is amended by adding the following sections after section 8.4:

“8.4.1 Transition - offering memorandum exemption - update of offering memorandum - Despite subsection 2.9(5.1), in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan, an issuer is not required to update an offering memorandum that was filed in the local jurisdiction before April 30, 2016, solely to incorporate the statement required under paragraph 2.9(5.1)(a), unless the offering memorandum would otherwise be required to be updated pursuant to subsection 2.9(14) or Instruction B.12 of Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers*.

“8.4.2 Transition - offering memorandum exemption - marketing materials - Despite paragraph 2.9(17.1)(a), in Alberta, New Brunswick, Nova Scotia, Québec and Saskatchewan, OM marketing materials that relate to an offering memorandum that was filed in the local jurisdiction before April 30, 2016 and that are delivered or made reasonably available after April 30, 2016 must be filed within 10 days from the earlier of delivery to, or being made reasonably available to, a prospective purchaser”.

(8) Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers* is amended:

(a) in item 10.1 by adding “Ontario,” before “Prince Edward Island”; and

(b) in item 10.2 by adding “Ontario,” before “Prince Edward Island”.

(9) Form 45-106F3 *Offering Memorandum for Qualifying Issuers* is amended in item 10 by adding “Ontario,” before “Prince Edward Island”.

(10) The following forms are added after Form 45-106F3:

“Form 45-106F4

Risk Acknowledgement

- I acknowledge that this is a risky investment.
- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the offering memorandum.
- The person selling me these securities is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. *[Instruction: Delete if sold by registrant]*
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities. *[Instruction: Delete if issuer is reporting]*
- The securities are redeemable, but I may only be able to redeem them in limited circumstances. *[Instruction: Delete if securities are not redeemable]*
- I will not be able to sell these securities for 4 months. *[Instruction: Delete if issuer is not reporting or if the purchaser is a Manitoba resident]*
- I could lose all the money I invest.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future. _____ [name of issuer] will pay \$_____ [amount of fee or commission] of this to _____ [name of person selling the securities] as a fee or commission.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records

WARNING

SECURITIES COMMISSION (ADOPTION OF NATIONAL INSTRUMENTS, PROSPECTUS
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You have 2 business days to cancel your purchase [*Instruction: The issuer must complete this section before giving the form to the purchaser.*]

To do so, send a notice to [name of issuer] stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to [name of issuer] at its business address. Keep a copy of the notice for your records.

Issuer Name and Address:

Fax:

E-mail:

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. *Exempt market securities* are more risky than other securities.

You will receive an offering memorandum Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

You will not receive advice [*Instruction: Delete if sold by registrant*]

You will not get professional advice about whether the investment is suitable for you. But you can still seek that advice from a registered adviser or registered dealer. In Manitoba, Northwest Territories, Nunavut, Prince Edward Island and Yukon to qualify as an eligible investor, you may be required to obtain that advice.

The securities you are buying are not listed [*Instruction: Delete if securities are listed or quoted*]

The securities you are buying are not listed on any stock exchange, and they may never be listed. You may never be able to sell these securities.

The issuer of your securities is a non-reporting issuer [*Instruction: Delete if issuer is reporting*]

A *non-reporting issuer* does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer.

For more information on the exempt market, call your local securities regulatory authority or regulator.

[*Instruction: Insert the name, telephone number and website address of the securities regulatory authority or regulator in the jurisdiction in which you are selling these securities.*]

[*Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.*]

SECURITIES COMMISSION (ADOPTION OF NATIONAL INSTRUMENTS, PROSPECTUS
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"Schedule 1

Classification of Investors Under the Offering Memorandum Exemption

Instructions: This schedule must be completed together with the Risk Acknowledgement Form and Schedule 2 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

How you qualify to buy securities under the offering memorandum exemption
Initial the statement under A, B, C or D containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B or C, you are not required to complete A.

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A. You are an eligible investor because:		Your Initials
ELIGIBLE INVESTOR	Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse's was more than \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Either alone or with your spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)	

B. You are an eligible investor, as a person described in section 2.3 [Accredited investor] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the Securities Act (Ontario), because:		Your Initials
ACCREDITED INVESTOR	Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)	
	Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.	
	Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.	
	Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)	



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C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI 45-106, because:		Your Initials
FAMILY, FRIENDS AND BUSINESS ASSOCIATES	<p>You are:</p> <p>1) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a director of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a control person of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a founder of the issuer</p> <p>OR</p> <p>2) <i>[check all applicable boxes]</i></p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>	
	<p>You are a family member of _____</p> <p><i>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse], who holds the following position at the issuer or an affiliate of the issuer: _____.</i></p> <p>You are the _____ of that person or that person's spouse.</p> <p><i>[Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse.]</i></p>	
	<p>You are a close personal friend of _____</p> <p><i>[Instruction: Insert the name of your close personal friend], who holds the following position at the issuer or an affiliate of the issuer: _____.</i></p> <p>You have known that person for _____ years.</p>	
	<p>You are a close business associate of _____</p> <p><i>[Instruction: Insert the name of your close business associate], who holds the following position at the issuer or an affiliate of the issuer: _____.</i></p> <p>You have known that person for _____ years.</p>	

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D. You are not an eligible investor.		Your Initials
NOT AN ELIGIBLE INVESTOR	You acknowledge that you are not an eligible investor.	



"Schedule 2

Investment Limits for Investors Under the Offering Memorandum Exemption

Instructions: This schedule must be completed together with the Risk Acknowledgement Form and Schedule 1 by individuals purchasing securities under the exemption (the offering memorandum exemption) in subsection 2.9(2.1) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Québec and Saskatchewan.

SECTION 1 TO BE COMPLETED BY THE PURCHASER

1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption

You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Schedule 1. Initial the statement that applies to you.

A. You are an eligible investor.		Your Initials
ELIGIBLE INVESTOR	As an eligible investor that is an individual, you cannot invest more than \$30,000 in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable.	
	Initial one of the following statements:	
	You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months.	
	You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable.	
	You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000.	

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B. You are an eligible investor, as a person described in section 2.3 [<i>Accredited investor</i>] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act</i> (Ontario).		Your Initials
ACCREDITED INVESTOR	<p>You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 [<i>Accredited investor</i>], you are not subject to investment limits.</p>	

C. You are an eligible investor, as a person described in section 2.5 [<i>Family, friends and business associates</i>] of NI 45-106.		Your Initials
FAMILY, FRIENDS AND BUSINESS ASSOCIATES	<p>You acknowledge that, by qualifying as an eligible investor as a person described in section 2.5 [<i>Family, friends and business associates</i>], you are not subject to investment limits.</p>	

D. You are not an eligible investor.		Your Initials
NOT AN ELIGIBLE INVESTOR	<p>You acknowledge that you cannot invest more than \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> <p>You confirm that, after taking into account your investment of \$_____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p>	

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SECTION 2 TO BE COMPLETED BY THE REGISTRANT

2. Registrant information

[Instruction: this section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.]

First and last name of registrant (please print):

Registered as:

[Instruction: indicate whether registered as a dealing representative or advising representative]

Telephone:

Email:

Name of firm:

[Instruction: indicate whether registered as an exempt market dealer, investment dealer or portfolio manager.]

Date:

"Form 45-106F5

Risk Acknowledgement

Saskatchewan Close Personal Friends and Close Business Associates

I acknowledge that this is a risky investment:

- I am investing entirely at my own risk.
- No securities regulatory authority or regulator has evaluated or endorsed the merits of these securities.
- The person selling me these securities is not registered with a securities regulatory authority or regulator and has no duty to tell me whether this investment is suitable for me. [Instruction: Delete if sold by registrant]
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities. [Instruction: Delete if issuer is reporting]
- The securities are redeemable, but I may only be able to redeem them in limited circumstances. [Instruction: Delete if securities are not redeemable]
- I will not be able to sell these securities for 4 months. [Instruction: Delete if issuer is not reporting]
- I could lose all the money I invest.
- I do not have a 2-day right to cancel my purchase of these securities or the statutory rights of action for misrepresentation I would have if I were purchasing the securities under a prospectus. I do have a 2-day right to cancel my purchase of these securities if I receive an amended offering document.

I am investing \$_____ [total consideration] in total; this includes any amount I am obliged to pay in future.

I am a close personal friend or close business associate of _____ [state name], who is a _____ [state title - founder, director, executive officer or control person] of _____ [state name of issuer or its affiliate - if an affiliate state "an affiliate of the issuer" and give the issuer's name].

I acknowledge that I am purchasing based on my close relationship with _____ [state name of founder, director, executive officer or control person] whom I know well enough and for a sufficient period of time to be able to assess her/his capabilities and trustworthiness.

I acknowledge that this is a risky investment and that I could lose all the money I invest.

Date

Signature of Purchaser

Print name of Purchaser

Sign 2 copies of this document. Keep one copy for your records

WARNING

You are buying Exempt Market Securities

They are called *exempt market securities* because two parts of securities law do not apply to them. If an issuer wants to sell *exempt market securities* to you:

- the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections), and
- the securities do not have to be sold by an investment dealer registered with a securities regulatory authority or regulator.

There are restrictions on your ability to resell *exempt market securities*. Exempt market securities are more risky than other securities.

You may not receive any written information about the issuer or its business

If you have any questions about the issuer or its business, ask for written clarification before you purchase the securities. You should consult your own professional advisers before investing in the securities.

You will not receive advice *[Instruction: Delete if sold by registrant]*

Unless you consult your own professional advisers, you will not get professional advice about whether the investment is suitable for you.

The issuer of your securities is a non-reporting issuer *[Instruction: Delete if issuer is reporting]*

A non-reporting issuer does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer. You can only sell the securities of a non-reporting issuer in very limited circumstances. You may never be able to sell these securities.

The securities you are buying are not listed *[Instruction: Delete if securities are listed or quoted]*

The securities you are buying are not listed on any stock exchange, and they may never be listed. There may be no market for these securities. You may never be able to sell these securities.

For more information on the exempt market, refer to the Financial and Consumer Affairs Authority's website at <http://www.fcaa.sk.ca>.

[Instruction: The purchaser must sign 2 copies of this form. The purchaser and the issuer must each receive a signed copy.]

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(11) The following forms are added after Form 45-106F15:

**“Form 45-106F16
Notice of Use of Proceeds**

[Insert issuer name]

For the financial year ended *[Insert end date of most recently completed financial year]*

Date: *[Specify the date of the Notice. The date must be no earlier than the date of the auditor's report on the financial statements for the issuer's most recently completed financial year.]*

[Provide the information specified in the following table.]

1 Opening Proceeds			
	(A)	Closing unused proceeds balance from the last Notice in Form 45-106F16, if any	\$
	(B)	Proceeds raised in the most recently completed financial year	\$
	(C)	Total opening proceeds [Line (C) = Line (A) + Line (B)]	\$
2 Proceeds Used During the Most Recently Completed Financial Year			
		<i>[Provide in reasonable detail a breakdown of all proceeds used in the most recently completed financial year, including proceeds used to pay the following, as applicable:</i> i. selling commissions and fees ii. other offering costs iii. amounts paid in respect of each use of available funds identified in the offering memorandum iv. each other principal use of proceeds, identified separately]	\$
	(D)	Total used proceeds [Line (D) is the sum of the uses of proceeds itemized in this section 2 of the table, and must equal the aggregate gross proceeds used during the most recently completed financial year.]	\$
3 Closing Unused Proceeds			
	(E)	Closing unused proceeds [Line (E) = Line (C) - Line (D)]	\$

[If any of the proceeds required to be disclosed in this table were paid directly or indirectly to a related party (as defined in Instruction A.6 of Form 45-106F2 Offering Memorandum Form for Non-Qualifying Issuers) of the issuer, state in each case the name of the related party to whom the payment was made, their relationship to the issuer and the amount paid to the related party.]



**Instructions for Completing
Form 45-106F16**
Notice of Use of Proceeds

1. The amount for Line (A) is taken from Line (E) in the prior year's Notice of Use of Proceeds (Notice), if applicable. If a Notice was not required in the prior year, then the amount for Line (A) is \$nil.
2. The amount for Line (B) is the aggregate gross proceeds raised in all jurisdictions in Canada under section 2.9 [*Offering memorandum*] of National Instrument 45-106 (the OM exemption) during the most recently completed financial year. If an issuer raised funds in reliance on other prospectus exemptions concurrently with the OM exemption during the year and it is impractical to separately track proceeds raised only under the OM exemption, the issuer can provide the disclosure outlined in the table for the aggregate gross proceeds raised under all prospectus exemptions during the most recently completed financial year.
3. If Line (C) is \$nil, then the issuer does not have an obligation to file, deliver or make reasonably available the Notice for that financial year.
4. In Section 2 of the table, the issuer must provide a breakdown in reasonable detail of the uses of the aggregate gross proceeds during the most recently completed financial year. Issuers should ensure that the disclosure is specific enough and provides sufficient detail for an investor to understand how the proceeds have been used.
5. Both direct and indirect payments to related parties must be disclosed. An example of an indirect payment could include repayment of a debt that was incurred for a prior payment to a related party.
6. Proceeds invested on a temporary basis would not generally be considered to have been used.

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**"Form 45-106F17
Notice of Specified Key Events**

This is the form required under subsection 2.9(17.20) of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in New Brunswick, Nova Scotia and Ontario to make available notice of specified key events to holders of securities acquired under subsection 2.9(2.1) of NI 45-106.

1. Issuer Name and Address

Provide the following information.

Full legal name

Street address

Municipality

Website

Province/State

Postal code/Zip code

Country

2. Specified Key Event

Provide the following information.

The event, as described in section 3, is: *[Select one or more type of event from the list below]*

- ☐ a discontinuation of the issuer's business
- ☐ a change in the issuer's industry
- ☐ a change of control of the issuer

Date on which the event occurred (yyyy/mm/dd):

/ /

3. Event Description

Provide a brief description of the event identified in section 2.

4. Contact Person

Provide the following information for a person at the issuer who can be contacted regarding the event described in section 3.

Name

Title

Date of notice (yyyy/mm/dd)

/ /

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Part XLVIII amended

6 Appendix D to Part XLVIII of the Appendix is amended by striking out the following rows:

“

Offering memorandum in required form	s.2.9(5) of NI 45-106	n/a
Requirement to file offering memorandum within prescribed time	s.2.9(14) of NI 45-106	n/a

”

and substituting the following:

“

Offering memorandum in required form	s.2.9(5) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) of NI 45-106	s.2.9(5) & s.2.9(5.1) of NI 45-106
Requirement to file offering memorandum within prescribed time	s. 2.9(17) of NI 45-106												

”

Coming into force

7(1) Subject to subsection (2), these regulations come into force on April 30, 2016.

(2) If these regulations are filed with the Registrar of Regulations after April 30, 2016, these regulations come into force on the day on which they are filed with the Registrar of Regulations.