

GENERAL ORDER 45-932

Authorizing Co-operatives to use National Instrument 45-110 Start-Up Crowdfunding Registration and Prospectus Exemption

IN THE MATTER OF THE SECURITIES ACT, 1988

ORDER

WHEREAS staff of the Securities Division ("**Staff**") of the Financial and Consumer Affairs Authority of Saskatchewan (the "**FCAA**") have applied to the Executive Director of the Securities Division, FCAA (the "**Director**") for an Order pursuant to sections 83 and 160 of *The Securities Act, 1988* (the "**Act**") that the registration requirements requirement in section 27 of the Act and the prospectus requirement in section 58 of the Act (collectively, the "**Requested Relief**") do not apply to certain distributions of securities by an issuer as outlined below

AND WHEREAS terms defined in the Act, National Instrument 14-101 *Definitions* or National Instrument 45-110 *Start-Up Crowdfunding Registration and Prospectus Exemption* ("**NI 45-110**") have the same meaning in this Order;

AND WHEREAS it has been represented to the Executive Director that:

1. NI 45-110 provides that an issuer is exempt from the prospectus requirement in respect of a crowdfunding distribution where the requirements of Part 4 of NI 45-110 are met.
2. NI 45-110 provides that a funding portal is exempt from the dealer registration requirement in respect of a crowdfunding distribution where the requirements of Part 2 of NI 45-110 are met.
3. NI 45-110 does not provide, at present, that a co-operative that is incorporated, continued, or registered pursuant to *The Co-operatives*

Act, 1996 (Saskatchewan) constitutes an “association” for the purposes of the definition of “eligible security” found in NI 45-110.

4. At present, pursuant to Appendix A of NI 45-110, Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Quebec, and the Yukon permit co-operatives to rely on NI 45-110. While Saskatchewan also permits certain co-operatives to rely on NI 45-110, the application is presently limited to co-operatives governed by *The New Generation Co-Operatives Act* (Saskatchewan).
5. It is not unreasonable for co-operatives incorporated, continued, or registered pursuant to *The Co-operatives Act, 1996*, to be permitted to use NI 45-110 with respect to the Requested Relief, as this relief potentially facilitates the easier raising of capital and reduces reliance on traditional financing.

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

IT IS HEREBY ORDERED, pursuant to sections 83 and 160 of the Act, respectively, that the Requested Relief is granted in respect of co-operatives incorporated, continued, or registered pursuant to *The Co-operatives Act, 1996*, and to funding portals insofar as they raise capital for co-operatives pursuant to this general order, so as to allow such co-operatives to rely on the provisions of NI 45-110, provided that they comply with all the provisions of NI 45-110.

IT IS FURTHER ORDERED that this Order will expire on the effective date of a local amendment to NI 45-110 which permits co-operatives incorporated, continued, or registered pursuant to *The Co-operatives Act, 1996*, to use NI 45-110.

Dated May 1, 2024



Dean Murrison
Executive Director,
Securities Division