

## ANNEX L

### LOCAL MATTERS

In Saskatchewan, the Proposed Amendments are being made under the following provisions of *The Securities Act, 1988* (the **Act**):

- Clause 154(1)(n) authorizes the Authority to make regulations governing the content of material required or permitted to be distributed or used by a person or company with respect to a security or derivative, whether in the course of a distribution or otherwise;
- Clause 154(1)(o) authorizes the Authority to make regulations governing annual information forms, annual reports, preliminary prospectuses, prospectuses, pro forma prospectuses, short form prospectuses, pro forma short form prospectuses, exchange offering prospectuses, simplified prospectuses, risk disclosure statements, offering memoranda or any other disclosure documents, with respect to securities and, without limiting the generality of the foregoing, prescribing procedures and requirements with respect to and providing for exemptions from:
  - the use, form and content of those documents;
  - the preparation, filing, delivery or dissemination of those documents;
  - the incorporation of other documents by reference;
- Clause 154(1)(r) authorizes the Authority to make regulations governing disclosure obligations pursuant to Part XIV (Continuous Disclosure) and Part XV (Proxies and Proxy Solicitation) and the regulations and, without limiting the generality of the foregoing:
  - (i) requiring any person or company or class of persons or companies to comply with Part XIV (Continuous Disclosure) and Part XV (Proxies and Proxy Solicitation) and the regulations;
  - (ii) prescribing disclosure requirements, including the form, content, preparation, review, audit, approval, certification, filing, delivery and use of disclosure documents;
- Clause 154(1)(t) authorizes the Authority to make regulations requiring issuers or other persons and companies to comply, in whole or in part, with Part XIV (Continuous Disclosure);
- Clause 154(1)(u) authorizes the Authority to make regulations requiring registered holders or beneficial owners of securities of reporting issuers or other persons or companies on behalf of whom the securities are held to comply, in whole or in part, with Part XIV (Continuous Disclosure) and Part XV (Proxies and Proxy Solicitation), including varying the application of those Parts to reporting issuers, recognized clearing agencies, registered holders, registrants and other persons or companies who hold

securities on behalf of persons or companies but who are not the registered holders by prescribing additional requirements;

- Clause 154(1)(y) authorizes the Authority to make regulations governing the solicitation of proxies and, without limiting the generality of the foregoing:
  - (i) prescribing requirements for the solicitation and voting of proxies;
  - (ii) prescribing requirements relating to communication with registered and beneficial owners of securities and relating to other persons or companies, including depositories and registrants, that hold securities on behalf of beneficial owners;
- Clause 154(1)(ee.1) authorizes the Authority to make regulations prescribing minimum requirements respecting the governance of reporting issuers including, without limitation:
  - (i) requiring directors and officers of reporting issuers to act honestly and in good faith with a view to the best interests of the reporting issuer;
  - (ii) requiring directors and officers to exercise the skill and judgment that a reasonably prudent person would exercise in comparable circumstances;
  - (iii) respecting the composition of directors of a reporting issuer and any committees of the directors and the qualifications and requirements concerning directors, officers and committee members, including any matters respecting their independence, required courses they must successfully complete and their expertise;
  - (iv) respecting the mandate, responsibilities and functioning of the directors of a reporting issuer;
  - (v) requiring reporting issuers to appoint audit committees and other committees of directors;
  - (vi) requiring reporting issuers to adopt a code of business conduct and ethics and governance guidelines for directors, officers, employees and persons that perform similar functions or that are in a special relationship with the reporting issuer; and
  - (vii) respecting procedures to regulate conflicts of interest between the interests of a reporting issuer and those of a director or officer or a person performing similar functions on behalf of a reporting issuer;
- Clause 154(1)(ii) authorizes the Authority to make regulations respecting the media, format, preparation, form, content, execution, certification, dissemination and other use, filing and review of all documents required pursuant to or governed by the Act, and the regulations and all documents determined by the regulations to be ancillary to the documents;

- Clause 154(1)(tt) authorizes the Authority to make regulations pursuant to subsection 154(2) respecting any matter or thing set out in subsection 154(1), other than those matter or things mentioned in clauses 154(1)(nn), 154(1)(ff), 154(1)(uu), and 154(1)(tt);
- Clause 154(1)(xx) authorizes the Authority to make regulations prescribing any other matter or thing that is prescribed or authorized by the Act to be prescribed in the regulations;
- Clause 154(1)(yy) authorizes the Authority to make regulations respecting any matter or thing that the Lieutenant Governor in Council considers necessary or desirable to carry out the purposes of the Act; and
- Subsection 154(2) authorizes the Authority to make regulations respecting any matter or thing with respect to which the Authority is authorized pursuant to clause (1)(tt) to make regulations.