



THE MANITOBA
SECURITIES
COMMISSION

THE SECURITIES ACT)
Section 20(1), 131)
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Order No. 7516

Date: April 28, 2020

Blanket Order 52-503

Temporary Exemption from Certain Corporate Finance Requirements

WHEREAS:

- (A) The Manitoba Securities Commission (the "Commission") has received an application from the Director to make an order which would provide an exemption to issuers from certain corporate finance requirements under securities legislation on a temporary basis.
- (B) On March 11, 2020, the World Health Organization declared the outbreak of coronavirus disease 2019 ("COVID-19") to be a pandemic. On March 20, 2020 the government of Manitoba declared a state of emergency under the powers set out in sections 10(1) and 10(2) of *The Emergency Measures Act (Manitoba)* to enable the province to respond to the pandemic. The Director is of the opinion that the pandemic may present challenges for issuers in meeting certain obligations under securities legislation, and in particular,
- 1) Reporting issuers include their executive compensation disclosure in the information circular for their annual meeting of securityholders. As a result of the COVID-19 pandemic, many reporting issuers are postponing their annual meeting of securityholders,
 - 2) Subsections 4.6(5) and 5.6(3) of NI 51-102 contain exceptions to the annual request form requirement and send-on-request requirements which allow reporting issuers to send their annual financial statements and MD&A with the information circular for their annual meeting of securityholders, provided they are sent within 140 days of their financial year end. However, it may not be practicable for reporting issuers that have postponed their annual meeting of securityholders to rely on those exceptions;and

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- 3) Reporting issuers may have difficulties complying with the send-on-request requirements (as defined below) for requests for copies of documents in paper format when their employees are working from home and complying with, or following, physical distancing requirements and recommendations of public health authorities.
- (C) Terms defined in the Securities Act (Manitoba) ("Act"), National Instrument 14-101 *Definitions*, and National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102") have the same meaning in this order.
- (D) In this order,
- "annual request form requirement" means the requirement in subsection 4.6(1) of NI 51-102 for a reporting issuer to send annually a request form to its securityholders, other than holders of debt instruments;
- "executive compensation disclosure requirement" means the requirement in subsection 9.3.1(2.2) of NI 51-102 for a reporting issuer to file the executive compensation disclosure required under subsection 9.3.1(1) of NI 51-102 by the deadlines set out in subsection 9.3.1(2.2) of NI 51-102;
- "next AGM information circular" means the information circular that a reporting issuer sends to its securityholders for its next annual meeting of securityholders; and
- "send-on-request requirements" means the requirements in subsections 4.6(3) and 5.6(1) of NI 51-102 for a reporting issuer to send annual financial statements and MD&A or interim financial reports and MD&A, to its securityholders other than holders of debt instruments who requested them, by the deadlines set out in subsection 4.6(3) of NI 51-102.
- (E) The Commission is satisfied, having considered the interests of reporting issuers that are impacted by the COVID-19 pandemic and the needs of investors to have timely disclosure about a reporting issuer's executive compensation, financial and business affairs that, subject to the conditions set out in this order, it is appropriate to provide the exemptions from the requirements of NI 51-102.
- (F) The Commission has determined that it is not prejudicial to the public interest to issue this order, and that the relief is adequately justified in the circumstances.

IT IS ORDERED:

1. **THAT**, under subsection 20(1) and section 131 of the Act, a reporting issuer is exempt from the executive compensation disclosure requirement, provided that

- a. the reporting issuer issues, and files on SEDAR, in advance of the deadline that would otherwise apply under subsection 9.3.1(2.2) of NI 51-102 or as soon as reasonably practicable thereafter, a news release that discloses that it is relying on this exemption,
 - b. on or before December 31, 2020, the reporting issuer either
 - i. sends to its securityholders, and files, its next AGM information circular containing the executive compensation disclosure required under subsection 9.3.1(1) of NI 51-102, or
 - ii. files a document containing the executive compensation disclosure required under subsection 9.3.1(1) of NI 51-102,
 - c. the reporting issuer has filed annual financial statements and MD&A for its most recently completed financial year before it
 - i. sends and files its next AGM information circular, or
 - ii. files the document referred to in (b)(ii), and
 - d. if the reporting issuer files the document referred to in (b)(ii), it includes the executive compensation disclosure in that document in its next AGM information circular that it subsequently sends to its securityholders and files.
2. **THAT**, under subsection 20(1) and section 131 of the Act, a reporting issuer is exempt from the annual request form requirement and the send-on-request requirements in respect of annual financial statements and MD&A, provided that the reporting issuer sends to its securityholders, other than holders of debt instruments, its annual financial statements and MD&A on or before December 31, 2020 and in accordance with NI 54-101.
 3. **THAT**, under subsection 20(1) and section 131 of the Act, a reporting issuer is exempt from the send-on-request requirements for requests received before December 31, 2020, provided that the reporting issuer sends a copy of the requested financial statements and MD&A to the securityholder that made the request as soon as reasonably practicable after the applicable sending deadline set out in subsection 4.6(3) of NI 51-102.
 4. **THAT**, under subsection 20(1) and section 131 of the Act, reference made in a news release to an equivalent exemption granted by a securities regulatory authority or regulator in another jurisdiction of Canada that is the reporting issuer's principal regulator, as defined in National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*, will be deemed to constitute a reference to the relevant exemption in this order.

5. **THAT**, this order comes into effect on May 1, 2020 and expires on December 31, 2020.

BY ORDER OF THE COMMISSION

A handwritten signature in blue ink, appearing to read "Cliff", is written over a horizontal line.

Director