

ALBERTA SECURITIES COMMISSION

BLANKET ORDER 51-518

Citation: Re Temporary Exemptions from Certain Requirements to File or Send Securityholder Materials, 2020 ABASC 57 **Date: 20200430**

Definitions

1. Terms defined in the *Securities Act* (Alberta) (the **Act**), National Instrument 14-101 *Definitions* and National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) have the same meaning in this Order.
2. In this Order:

"annual request form requirement" means the requirement in section 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 section 9.3.1(2.2) of NI 51-102 for a reporting issuer to file the executive compensation disclosure required under section 9.3.1(1) of NI 51-102 by the deadlines set out in section 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 sections 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 section 4.6(3) of NI 51-102.

Background

3. As a result of the coronavirus disease 2019 (**COVID-19**) pandemic, which was declared a pandemic by the World Health Organization on March 11, 2020 and led to the declaration of a "public health emergency" under the Public Health Act (Alberta) by the Lieutenant Governor of Alberta on March 17, 2020, the Alberta Securities Commission (the **Commission**) acknowledges that this pandemic may present challenges for market participants in meeting certain obligations under Alberta securities laws.
4. 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.

5. Sections 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.
6. As a result of the COVID-19 pandemic, reporting issuers may have difficulties complying with the send-on-request requirements 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.
7. The Commission expects that each securities regulatory authority or regulator in jurisdictions of Canada will issue orders providing exemptions similar to those provided in this Order.
8. Under section 213 of the Act, the Commission may make an order exempting any class or classes of persons or companies from all or any provisions of Alberta securities laws.

Order

9. The Commission, considering that to do so would not be prejudicial to the public interest, orders the exemptions below.
10. A reporting issuer is exempt from the executive compensation disclosure requirement, provided that
 - (1) the reporting issuer issues, and files on SEDAR, in advance of the deadline that would otherwise apply under section 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,
 - (2) on or before December 31, 2020, the reporting issuer either
 - (a) sends to its securityholders, and files, its next AGM information circular containing the executive compensation disclosure required under section 9.3.1(1) of NI 51-102, or
 - (b) files a document containing the executive compensation disclosure required under section 9.3.1(1) of NI 51-102,

- (3) the reporting issuer has filed annual financial statements and MD&A for its most recently completed financial year before it
 - (a) sends to its securityholders, and files, its next AGM information circular, or
 - (b) files the document referred to in (2)(b), and
 - (4) if the reporting issuer files the document referred to in (2)(b), it includes the executive compensation disclosure in that document in its next AGM information circular that it subsequently sends to its securityholders and files.
13. 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.
 14. 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 section 4.6(3) of NI 51-102.
 15. A 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.

This Order takes effect on May 1, 2020.

For the Commission:

"original signed by"

Tom Cotter
Vice-Chair

"original signed by"

Kari Horn
Vice-Chair