

CSA Notice of Publication and Request for Comment**Proposed Coordinated Blanket Order 51-933 *Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers***

October 23, 2025

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) intend to introduce a multi-year pilot project to allow eligible venture issuers to voluntarily adopt semi-annual financial reporting (the **SAR Pilot**). We intend to introduce the SAR Pilot through a coordinated blanket order which would include exemptions from certain continuous disclosure requirements and establish a voluntary semi-annual reporting framework for a subset of venture issuers, subject to certain terms and conditions.

We are publishing for a 60-day comment period proposed Coordinated Blanket Order 51-933 *Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers* (the **Blanket Order**) to seek comment on the scope of the SAR Pilot.

The CSA also intends to engage in a broader rule-making project related to voluntary semi-annual reporting (**SAR**) and will use learnings from the SAR Pilot to inform this initiative. In the interim, we will continue to monitor international developments relating to SAR.

The public comment period expires on **December 22, 2025**.

This Notice outlines the terms of the SAR Pilot and includes a request for comment on specific issues.

The Blanket Order is attached as Annex A to this Notice. A summary of the terms and conditions of the SAR Pilot and relevant CSA commentary is attached as Annex B to this Notice. Where applicable, Annex C is also attached to this Notice and includes any additional information that is relevant to the local jurisdiction publishing the Annex. The Blanket Order will also be available on websites of CSA jurisdictions, including:

www.lautorite.qc.ca

www.albertasecurities.com

www.bcsc.bc.ca

nssc.novascotia.ca

www.fcnb.ca

www.osc.ca

www.fcaa.gov.sk.ca

mbsecurities.ca

Upon adoption, Ontario's local Blanket Order will include an 18-month expiry date based on the statutory term limits for blanket orders¹. Therefore, the Ontario Securities Commission is concurrently publishing for a 60-day comment period a proposed local rule to maintain the continuous disclosure exemptions that are in Ontario's local Blanket Order after its expiry². For additional information, please refer to Annex C in Ontario. The Blanket Orders in the other CSA jurisdictions do not have an expiry date and therefore local rules are not required.

Background

Reporting issuers in Canada are currently required to file quarterly interim financial reports and accompanying management's discussion and analysis (**MD&A**). While quarterly reporting may provide timely information to investors and intermediaries, some stakeholders are of the view that there may be instances in which the cost of preparing such frequent reporting for smaller venture issuers exceeds the benefit to investors and the market.

The SAR Pilot responds to strategic goal 1.6 of the 2025-2028 CSA Business Plan, which recommends developing a proposal for SAR and consulting on the relative benefits and risks associated with allowing certain reporting issuers to report semi-annually rather than quarterly.

Prior CSA Consultations Related to SAR

In developing the SAR Pilot, we considered the commentary received on prior public proposals put forward by the CSA in 2011, 2017 and 2021 (collectively, the **Prior CSA Proposals**), which sought to amend National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) to permit SAR for certain reporting issuers.

Stakeholders that commented on the Prior CSA Proposals generally agreed that smaller venture issuers face a disproportionate burden through ongoing quarterly reporting requirements. Cost reduction was a factor raised by many stakeholders in each of the Prior CSA Proposals.

Several commentators of the Prior CSA Proposals raised concerns that a shift to SAR will harm our public markets as investors will have less timely financial information available. We note the existing continuous disclosure regime and the ongoing requirement to report material changes, as well as exchange listing requirements can help to mitigate this risk.

We believe that optional SAR would provide a material benefit for smaller venture issuers and that the benefits to be derived from the SAR Pilot outweigh the concerns raised.

Substance and Purpose of the SAR Pilot

¹ See subsection 143.11(3) of the *Securities Act* (Ontario).

² The Ontario Securities Commission local rule would take effect after the initial 18-month expiration of Ontario's local Blanket Order and is intended to ensure the implementation of the multi-year SAR Pilot.

The SAR Pilot would provide an exemption for certain issuers listed on the TSX Venture Exchange Inc. (**TSXV**) or the CNSX Markets Inc. (**CSE**) from the requirement to file an interim financial report for each of the three and nine-month interim periods of a financial year under NI 51-102 (collectively, the **First and Third Quarter Financial Disclosures**).

The SAR Pilot would reduce administrative burden and costs associated with the preparation of the First and Third Quarter Financial Disclosures.

Participation in the SAR Pilot would be voluntary.

Summary of the SAR Pilot

Pursuant to the terms and conditions of the Blanket Order, to report on a semi-annual basis, issuers must be venture issuers that have, among other things,

- securities listed on the TSXV or the CSE;
- revenue of no more than \$10 million;
- at least a 12-month continuous disclosure record;
- filed all periodic and timely continuous disclosure documents required to be filed; and
- issued and filed a news release on SEDAR+ announcing adoption of SAR.

A summary of the SAR Pilot including a description of terms and conditions and relevant CSA commentary is attached as Annex B to this Notice.

In circumstances where an issuer determines it can no longer rely on the Blanket Order or chooses to opt out of the SAR Pilot, it should consider issuing and filing a news release on SEDAR+ informing investors and intermediaries that it will opt out of the SAR Pilot and indicate the timing for the next expected interim period for which interim financial reports and related MD&As will be filed.

Once an issuer opts out of the SAR Pilot, it would be required to comply with all quarterly financial reporting requirements including comparative financial information for the corresponding period in the immediately preceding financial year as required by NI 51-102.

Implications of the SAR Pilot for Proposed Amendments to Streamline Continuous Disclosure

In 2021, the CSA proposed amendments to streamline the continuous disclosure requirements for non-investment fund reporting issuers (the **Proposed CD Amendments**)³. The Proposed CD Amendments included, as part of the publication for comment, a proposed framework for SAR. In light of the SAR Pilot, the CSA does not

³ The Proposed CD Amendments were developed in anticipation of the CSA implementing a model for electronic access to certain continuous disclosure documents. Accordingly, the project to implement the Proposed CD Amendments was temporarily paused while the CSA reconsidered how to implement a model for electronic access to certain continuous disclosure documents.

anticipate that the final amendments will include a framework for SAR. The CSA plans to provide a further market update on the Proposed CD Amendments in the coming months.

List of Annexes

This notice contains the following annexes:

- Annex A – Blanket Order
- Annex B – Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary
- Where applicable, Annex C – Local Matters (including any local amendments)

Request for Comments

The CSA anticipates the SAR Pilot will be in force prior to the end of March 2026.

We welcome your comments on the scope of the SAR Pilot. In addition to any general comments you may have, we also invite comments on the following specific questions.

1. Do you agree with the eligibility criteria and conditions in the Blanket Order for the SAR Pilot? Are there any other eligibility criteria that should disqualify issuers from participating in the SAR Pilot? Are there any other conditions that issuers participating in the SAR Pilot should be subject to?
2. The SAR Pilot is intended to be a multi-year pilot project. The CSA intends to engage in a formal rule-making project to consider whether the SAR Pilot should be adjusted in terms of scope, eligibility and conditions. Please provide any feedback in respect of criteria or conditions that could be considered as part of the future rule-making project. Please note that the planned rule-making project related to SAR will include a request for comment.

Please submit your comments in writing on or before **December 22 2025**.

Address your submission to all of the CSA as follows:

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission of New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission



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Office of the Superintendent of Securities, Newfoundland and Labrador
Northwest Territories Office of the Superintendent of Securities
Office of the Yukon Superintendent of Securities
Superintendent of Securities, Nunavut

Deliver your comments only to the addresses below. Your comments will be distributed to the other participating CSA jurisdictions.

The Secretary
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E-mail: consultation-en-cours@lautorite.qc.ca

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period. All comments received will be posted on the websites of each of the Ontario Securities Commission at www.osc.ca and Autorité des marchés financiers at www.lautorite.qc.ca. You should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Questions

Please refer your questions to any of the following:

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**Financial
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ANNEX A

[●] Securities Commission

Coordinated Blanket Order 51-933

Citation: Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers

Date: [●], 2025

(a) Definitions

1. Terms defined in the *Securities Act* [●] (the **Act**) and National Instrument 14-101 *Definitions* have the same meaning if used in this Order.

2. In this Order:

“base shelf prospectus” has the meaning ascribed to that term in National Instrument 44-102 *Shelf Distributions*;

“exchange listed security” means a security of a reporting issuer that is listed and posted for trading on TSX Venture Exchange Inc. or CNSX Markets Inc.;

“Form 51-102F1” means Form 51-102F1 *Management’s Discussion & Analysis*;

“interim period” has the meaning ascribed to that term in NI 51-102;

“MD&A” has the meaning ascribed to that term in NI 51-102;

“NI 51-102” means National Instrument 51-102 *Continuous Disclosure Obligations*;

“revenue” means income arising in the course of an issuer’s ordinary activities determined in accordance with the accounting principles applied to the preparation of the issuer’s annual financial statements;

“shelf prospectus supplement” has the meaning ascribed to that term in National Instrument 44-102 *Shelf Distributions*; and

“venture issuer” has the meaning ascribed to that term in NI 51-102.

(b) Background

3. The purpose of this Order is to exempt a specified class of reporting issuers from certain three and nine-month continuous disclosure requirements. While quarterly financial statements provide timely information to investors, for certain reporting issuers there can be instances in which the regulatory and internal cost of preparing such frequent reporting exceeds their benefit.

(c) Order

4. The Commission, considering that to do so would not be prejudicial to the public interest, orders under subsection [●] of the Act that a reporting issuer is exempt from the requirement to file an interim financial report for each of the three and nine-month interim periods of its financial year, as required by section [●] of the Act and subsection 4.3(1) of NI 51-102 provided that the issuer satisfies all of the following conditions at the end of each such three and nine-month interim period, as applicable:
 - (a) the issuer has been a reporting issuer in at least one jurisdiction of Canada for at least 12 months;
 - (b) the issuer is a venture issuer;
 - (c) the issuer has exchange listed securities;
 - (d) the issuer has revenue, as shown on the issuer's most recently filed audited annual financial statements, of no more than \$10 million;
 - (e) the issuer has filed with the regulator or securities regulatory authority in each jurisdiction in which it is a reporting issuer all periodic and timely disclosure documents that it is required to have filed in that jurisdiction
 - (i) under applicable securities legislation
 - (ii) pursuant to an order issued by the regulator or securities regulatory authority;
 - (iii) pursuant to an undertaking to the regulator or securities regulatory authority;



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- (f) during the preceding 12 months, none of the following applied:
 - (i) the issuer was the subject of a penalty or sanction, including a restriction on the use by the issuer of any type of prospectus, or exemption, imposed by a court relating to securities legislation or by a regulator or securities regulatory authority, other than an administrative monetary penalty for late filings;
 - (ii) the issuer was the subject of a cease trade order or order similar to a cease trade order in a jurisdiction of Canada that was not revoked within 30 days of its issuance;
 - (iii) the issuer stopped relying on Section 4;
 - (g) the issuer issued and filed a news release that
 - (i) states “This news release is being filed pursuant to CSA Coordinated Blanket Order 51 – 933 *Exemptions to Permit Semi-Annual Reporting for Certain Venture Issuers*”, and
 - (ii) specifies the initial interim period for which the issuer does not intend to file an interim financial report and related MD&A in reliance on this Order.
5. A reporting issuer must cease relying on Section 4 if either of the following apply:
- (a) the issuer changes its financial year end;
 - (b) the issuer files a base shelf prospectus.
6. A reporting issuer that is relying on Section 4 must not file a shelf prospectus supplement.
7. The exemptions in this Order do not apply to the disclosure requirements in respect of interim financial reports and related MD&A, pursuant to any of the following:
- (a) item 11.1 of Form 44-101F1 *Short Form Prospectus*;
 - (b) item 14.2 of Form 51-102F5 *Information Circular*;



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(c) item 19 of Form 62-104F1 *Take-Over Bid Circular*;

(d) item 21 of Form 62-104F2 *Issuer Bid Circular*.

8. A reporting issuer that has filed a short form prospectus must not rely on the exemptions in this Order during the period of distribution.

(d) Interim financial report

9. A reporting issuer relying on Section 4 is exempt from the requirement under paragraph 4.3(2)(c) of NI 51-102 to provide a statement of comprehensive income for the three-month period ending on the last day of the interim period and comparative financial information for the corresponding period in the immediately preceding financial year.

(e) Delivery of interim financial reports and interim MD&A

10. A reporting issuer relying on Section 4 is exempt from the requirements under subsections 4.6(3) and 5.6(1) of NI 51-102 to send a copy of the issuer's interim financial reports and interim MD&A for any interim period where such interim financial reports and interim MD&A were not filed in reliance on this Order.

(f) MD&A Form Requirements

11. A reporting issuer relying on Section 4 is exempt from the requirement under item 1.5 of Form 51-102F1 to provide information for each of the eight most recently completed quarters.
12. A reporting issuer relying on Section 4 is exempt from the requirement under item 1.10 of Form 51-102F1 to provide in its annual MD&A a discussion and analysis of fourth quarter events or items that affected its financial condition, financial performance or cash flows, year-end and other adjustments, seasonal aspects of the issuer's business and dispositions of business segments.
13. A reporting issuer relying on Section 4 is exempt from the requirement under item 2.2(a)(i) of Form 51-102F1 to provide in its interim MD&A a discussion of its analysis of current quarter results including a comparison of financial performance to the corresponding period in the previous year.



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14. A reporting issuer relying on Section 4 can satisfy the instruction under item 2.2.1(iv) of Form 51-102F1, by titling its six-month interim period highlights “Interim MD&A – Semi-Annual Highlights”.

(g) Effective Date

This Order comes into effect on [●], 2026.



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ANNEX B

Summary of the Terms and Conditions of the SAR Pilot and CSA Commentary

Eligibility Criteria

Key Element	Commentary
The issuer is, and has been, a reporting issuer in at least one jurisdiction of Canada for at least 12 months <i>See preamble in section 4 and subsection 4(a) of the Blanket Order</i>	The intent of this condition is to address concerns related to less frequent reporting in circumstances where an issuer has recently become a reporting issuer and has not demonstrated a history of compliant continuous disclosure. Accordingly, we have included a condition to limit eligibility to issuers who have been reporting issuers in at least one jurisdiction of Canada for at least 12 months.
The issuer has securities listed on a Canadian venture exchange <i>See subsections 4(b) and (c) of the Blanket Order</i>	The intent of this condition is to limit eligibility for the purposes of the SAR Pilot solely to venture issuers with listed securities on the TSXV or CSE that are subject to exchange listing requirements.
The issuer has revenue, as shown on the issuer's most recently filed audited annual financial statements, of no more than C\$10 million <i>See subsection 4(d) of the Blanket Order</i>	The intent of this condition is to limit eligibility to certain smaller venture issuers.
The issuer has filed all periodic and timely disclosure documents that it is required to have filed <i>See subsection 4(e) of the Blanket Order</i>	The intent of this condition is to address concerns related to issuers who are non-compliant with existing requirements in respect of periodic and timely reporting requirements from participating in the SAR Pilot.

Key Element	Commentary
The issuer cannot have been, in the 12 months prior to the issuer relying on the exemptions in the Blanket Order, the subject of any - penalties or sanctions, including restrictions on the use by the issuer of any type of prospectus, or exemption, imposed by a court relating to securities legislation or by a securities regulatory authority - cease trade order in any jurisdiction of Canada that was not revoked within 30 days of its issuance See paragraphs 4(f)(i) and (ii) of the Blanket Order	The intent of this condition is to limit eligibility to issuers that are generally in good standing. We have concerns related to less frequent reporting in circumstances where an issuer has recently been the subject of any penalties, sanctions or cease trade order. We note that, for the purposes of this condition, a late filing fee (or administrative monetary penalty for late filings) is not a “penalty or sanction”.

Requirements From Which an Eligible Issuer is Exempt

Key Element	Commentary
An eligible issuer is exempt from the requirement to file an interim financial report for each of the three and nine-month interim periods of its financial year See section 4 of the Blanket Order See also: - Subsection 4.3(1) of NI 51-102 - Paragraph 4.2(b)(i) of NI 51-102	<i>Three and Nine-Month Interim Period</i> The Blanket Order provides an exemption from the requirement in NI 51-102 to file an interim financial report for each of the three and nine-month periods, subject to certain terms and conditions as described in the chart below. Issuers relying on the exemptions in respect of filing interim financial reports for the three and nine-month periods are not required to file MD&As in respect of such interim periods. The Blanket Order does not include a specific exemption from the MD&A requirements for the three and nine-month interim periods as there is no trigger for an

Key Element	Commentary
• <i>Subsection 5.1(1) of NI 51-102</i> • <i>Subsection 5.1(2) of NI 51-102</i> • <i>Subsection 5.1(2) of NI 52-109</i>	issuer to file an MD&A for any interim period for which it did not file an interim financial report. The Blanket Order does not include a specific exemption from the interim certificate requirements for the three and nine-month interim periods as there is no trigger for an issuer to file an interim certificate for any interim period for which it did not file an interim financial report. <i>Six-Month Interim Period</i> Issuers must comply with the filing deadline in NI 51-102 when filing an interim financial report and related MD&A for the six-month interim period and certification of the foregoing filings as required by National Instrument 52-109 <i>Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109)</i>.
An eligible issuer is exempt from the requirement to deliver interim financial reports and MD&As for each of the three and nine-month interim periods of its financial year <i>See section 10 of the Blanket Order</i> <i>See also:</i> • <i>Subsection 4.6(3) of NI 51-102</i> • <i>Subsection 5.6(1) of NI 51-102</i>	The Blanket Order provides an exemption to issuers from the requirement to deliver an interim financial report and related MD&A where such documents are not required to be filed.
An eligible issuer is exempt from including, in the interim financial report for the six-month interim period, a statement of comprehensive income for the current quarter to date and comparative financial information for the corresponding three-	The Blanket Order provides an exemption to issuers for the interim financial report for the six-month interim period. For example, an issuer with a December 31 year end will only be required to include in its interim financial report for the six-month interim period, a statement of comprehensive income for the six-months ended June 30 and comparative financial information for the corresponding period in the immediately preceding financial year

Key Element	Commentary
month period in the immediately preceding financial year <i>See section 9 of the Blanket Order</i> <i>See also:</i> • <i>Paragraph 4.3(2)(c) of NI 51-102</i>	(i.e. a statement of comprehensive income for the three-months ended June 30 and comparative financial information for the corresponding three-month period in the immediately preceding financial year will not be required).
An eligible issuer is exempt from certain MD&A form requirements <i>See sections 11-14 of the Blanket Order</i> <i>See also:</i> • <i>Item 1.5 of Form 51-102F1</i> • <i>Item 1.10 of Form 51-102F1</i> • <i>Item 2.2(a)(i) of Form 51-102F1</i>	<i>Item 1.5 and Item 1.10</i> We are of the view that it is appropriate to exempt issuers participating in the SAR Pilot from these requirements in their entirety to further reduce burden for such issuers. Therefore, an issuer that opts into the SAR Pilot will not be required to provide (i) a summary of quarterly results, and related discussion, for each of the eight most recently completed quarters and (ii) a discussion and analysis of events or items in the fourth quarter. <i>Item 2.2(a)(i)</i> This exemption is applicable to the MD&A for the six-month interim period. For example, an issuer with a December 31 year end will only be required to include in its MD&A for the six-month interim period, a discussion of its analysis of year-to-date results including a comparison of financial performance to the corresponding period in the previous year for the six-months ended June 30. Therefore, an issuer that opts into the SAR Pilot will not be required to include in its interim MD&A a discussion of its analysis of current quarter results including a comparison of financial performance to the corresponding period in the previous year for the three-months ended June 30.

Additional Conditions and Restrictions

Key Element	Commentary
An issuer cannot rely on the exemptions in the Blanket Order if in the last 12 months it had stopped relying on the exemptions in the Blanket Order <i>See paragraph 4(f)(iii) of the Blanket Order</i>	The intent of this condition is to prohibit issuers from opting in and out of the SAR Pilot. We think it would create confusion in the market, especially for investors, if an issuer frequently changes the cadence of when it reports interim financial results.
An issuer must file a news release announcing its adoption of the SAR Pilot <i>See subsection 4(g) of the Blanket Order</i>	An issuer intending to rely on the Blanket Order must file a news release with the information specified in the Blanket Order. The news release will provide transparency to the market about the issuer's future filings and allows investors and intermediaries to set their expectations for the timing of future interim financial reporting. As a result, issuers should consider filing the news release as soon as possible after the end of the initial interim period for which they do not intend to file an interim financial report and related MD&A.
An issuer must cease relying on the exemptions in the Blanket Order if it has changed its financial year-end <i>See subsection 5(a) of the Blanket Order</i>	Changes in financial year-end while relying on the Blanket Order may result in significant periods with no financial disclosure. We understand that in connection with certain restructuring transactions an issuer may intend to change its financial year-end. If an issuer has been relying on the Blanket Order and intends to change its financial year-end, such issuer is encouraged to contact their principal regulator to discuss staff's expectations for financial disclosure post-transaction.
The exemptions in the Blanket Order do not apply in respect of financial disclosure required in a short form prospectus, an information circular, take-over bid circular or an issuer bid circular <i>See section 7 of the Blanket Order</i>	The SAR Pilot is intended to be a pilot project to reduce burden in respect of continuous disclosure requirements. The SAR Pilot is not meant to alter prospectus or prospectus-level disclosure required in the context of a prospectus offering or a circular. The conditions of the Blanket Order require an issuer that files a short form prospectus, information circular, take-over bid circular or issuer bid circular to include the most recent interim financial disclosure in the form required by NI 51-102.

Key Element	Commentary
	We believe this approach will maintain the integrity of the short form prospectus disclosure system, facilitate comparisons between similar issuers and provides issuers with flexibility to raise capital and conduct business operations during the life of the SAR Pilot. Issuers planning to file a short form prospectus or a circular while relying on the Blanket Order are encouraged to contact their principal regulator to discuss staff's expectations for financial disclosure.
An issuer that has filed a short form prospectus must not rely on the exemptions in the Blanket Order during the period of distribution <i>See section 8 of the Blanket Order</i>	As outlined above, the SAR Pilot is not meant to alter disclosure required in the context of a prospectus offering. Accordingly, if an issuer has filed a short form prospectus and has not closed its offering by the filing deadline for a subsequent interim period, the issuer must prepare, and file interim financial disclosure required under NI 51-102 without regard to the exemptions included in the Blanket Order. Such interim financial disclosure would be deemed incorporated by reference into the issuer's prospectus by virtue of the language required to be included in a short form prospectus under item 11.2 of Form 44-101F1 <i>Short Form Prospectus</i>.
An issuer must cease relying on the exemptions in the Blanket Order if it has filed a base shelf prospectus <i>See subsection 5(b) of the Blanket Order</i> An issuer relying on the exemptions in the Blanket Order must not file a shelf prospectus supplement under a base shelf prospectus that was filed prior to its adoption of the SAR Pilot <i>See section 6 of the Blanket Order</i>	As outlined above, the SAR Pilot is not meant to alter disclosure required in the context of a prospectus offering. Accordingly, the SAR Pilot is not compatible with continuous distributions under shelf prospectuses. A shelf prospectus supplement can be filed at any time over the life of a base shelf prospectus i.e. 25 months. Further, base shelf prospectuses are used by issuers to, among other things, conduct continuous offerings (e.g., at-the-market distributions). Accordingly, the SAR Pilot is not compatible with the filing of shelf prospectus supplements.



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