



**IN THE MATTER OF THE *SECURITIES ACT*
(S.Y. 2007 c.16 as amended)**

- and -

Yukon Eligible Small Business Registration and Prospectus Exemptions

**SUPERINTENDENT'S ORDER 2016/08 Y.S.A.
(under section 16 of the *Securities Act*)**

WHEREAS on July 13th, 1999 the Registrar of Securities issued Registrar's Order 99/38, in the Matter of the Issuance of "Qualified Investments" under section 5.2 of the *Income Tax Act* (Yukon), under the *Securities Act*, R.S.Y. 1986, Chapter 158, as amended;

AND WHEREAS the *Securities Act*, R.S.Y. 1986, Chapter 158 was replaced with the proclamation of the *Securities Act*, S.Y. 2007 c. 16 ("*Securities Act*") on March 17, 2008, which Act has since been amended;

AND WHEREAS the *Income Tax Act* was revised and consolidated as the *Income Tax Act*, RSY 2002, c. 118 ("*Income Tax Act*") on January 1, 2003, which Act has also since been amended;

AND WHEREAS the Yukon Small Business Investment Tax Credit program is an ongoing program, administered by the Department of Economic Development of the Government of Yukon, it therefore follows that to facilitate and promote the program it would be in the interest of all the parties affected by the above noted exemption if Registrar's Order 99/38 is replaced with an Order that reflects references to current legislation, makes appropriate amendments to the text and to the applicable terms and conditions, and incorporates any changes to the program;

AND WHEREAS, under section 13 of the *Income Tax Act*, each eligible small business corporation that seeks to use the program must apply to the Minister of Economic Development ("Minister") and provide additional required documents and information, in order to obtain one or more "small business corporation investment tax credit certificates";

AND WHEREAS the Yukon Superintendent of Securities has determined that it would not be prejudicial to the public interest to make this Order;

IT IS ORDERED THAT:

- 1) Unless the context otherwise requires, terms defined in the *Securities Act*, and National Instrument 14-101 *Definitions*, have the same meaning in this Order.
- 2) In this Order:
"eligible investor" has the same meaning as in subsection 13(1) of the *Income Tax Act*;

"eligible small business corporation" has the same meaning as in subsection 13(1) of the *Income Tax Act*; and

“small business corporation investment tax credit certificate” has the same meaning as in subsection 13(1) of the *Income Tax Act*.

3) In Yukon, the dealer registration requirement does not apply to a trade in a security by an eligible small business corporation where:

(a) the eligible small business corporation has been issued a small business corporation investment tax credit certificate that relates to the trade; and

(b) before the trade is completed, the eligible small business corporation delivers to the eligible investor who is to acquire the security:

(i) a copy of the application to the Minister under subsection 13(8) of the *Income Tax Act* for the small business corporation investment tax credit certificate;

(ii) all accompanying documents or information provided to that minister under paragraphs 13(9)(a), (c), (d) and (g) to (i) of the *Income Tax Act*, but not including any personal information other than the name and address of an individual referred to in paragraph 13(9)(d); and

(iii) any disclosure document that

(A) the Minister requires the eligible small business corporation to deliver to the eligible investor, or

(B) is prescribed for the purposes of subsection 13(11) of the *Income Tax Act*.

4) In Yukon, the prospectus requirement does not apply to a distribution of a security in the circumstances set out in subsection 3.

5) Registrar’s Order 1999/38 is hereby revoked and replaced with this Order.

6) This Order does not affect the rights of eligible small business corporations that relied on Registrar’s Order 99/38 prior to the issuance of this Order, in respect of the exemptive relief granted through Registrar’s Order 99/38.

DATED at Whitehorse, Yukon, this 28th day of November, 2016.

Fred Pretorius (original signature on file)

Fred Pretorius
Yukon Superintendent of Securities
Yukon Government, Canada