

MEDIA BACKGROUNDER
Prospectus Exemption – Equity Crowdfunding

- This exemption is only available for trades in Saskatchewan.
- The exemption will sunset in two years.
- FCAA will develop a monitoring/compliance plan for this exemption.

To Offer

- Maximum size per offering of \$100,000
- No more than two offerings open in a year.
- Limit each offering to six months.
- Ten day pre-offering notice to be filed with FCAA.
- Promoters, directors and officers must sign and consent to a Canadian Police Information Centre (CPIC) check.
- Abbreviated offering document clearly explain the basics of the offering.
- Electronically disclosure before the purchase.
- Require an investor risk warning and deliver electronically to investor before purchase.
- No commissions payable to issuers.
- No fee for this exemption payable to FCAA.
- Any entity can use this exemption.
- No limit on the type of security that can be offered.
- There must be sufficient funds raised under an offering to complete the project.
- Reports of trade filed with FCAA within 30 days of closing of the offering.
- Impose hold and seasoning periods on first trades of securities purchased.
- No ongoing disclosure required.

To Invest

- Any investor can purchase securities but would be limited to a maximum purchase of \$1,000 per offering.
- No limit on the number of offerings an investor can participate in annually.

Online Funding Portals

- Online funding portals will not be required to register with FCAA.
- Will not provide investment advice.