

Chapter 1

Notices

1.1 Notices

1.1.1 OSC Notice of General Order – Ontario Instrument 52-502 Exemption from National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure (Interim Class Order)

NOTICE OF GENERAL ORDER

ONTARIO INSTRUMENT 52-502

EXEMPTION FROM

NATIONAL INSTRUMENT 52-112 NON-GAAP AND OTHER FINANCIAL MEASURES DISCLOSURE (INTERIM CLASS ORDER)

December 2, 2021

The Ontario Securities Commission (the **Commission**) has made an order under subsection 143.11(2) of the *Securities Act* (Ontario) (the **Act**) providing an exemption from National Instrument 52-112 *Non-GAAP and Other Financial Measures Disclosure* (the **Instrument**) for a reporting issuer that is, or that has a subsidiary or an affiliate that is, a “federal financial institution” as defined in the *Bank Act* (Canada) and subject to OSFI Guidelines.

Under the *Bank Act*, “federal financial institution” means (a) a bank, (b) a body corporate to which the *Trust and Loan Companies Act* (Canada) applies, (c) an association to which the *Cooperative Credit Associations Act* (Canada) applies, or (d) an insurance company or a fraternal benefit society incorporated or formed under the *Insurance Companies Act* (Canada).

Description of Order

The Commission has made Ontario Instrument 52-502 *Exemption from National Instrument 52-112 Non-GAAP and Other Financial Measures Disclosure* (Interim Class Order) (the **Class Order**) exempting eligible issuers from the Instrument in respect of disclosure of a specified financial measure pursuant to an OSFI Guideline, if

- (a) the OSFI Guideline specifies the composition of the measure and the measure was determined in compliance with that OSFI Guideline, and
- (b) in proximity to the measure, the eligible issuer discloses the OSFI Guideline under which the measure is disclosed.

Terms defined in the Instrument and Class Order have the same meaning as used in this Notice.

The primary objective of the Instrument is to help ensure investors receive, among other things, transparent and understandable information about financial measures that are not prepared in accordance with Generally Accepted Accounting Principles. The OSFI Guidelines specify the composition of certain specified financial measures and contain specific disclosure requirements related to such measures.

The Class Order is intended to reduce regulatory burden for eligible issuers that are subject to OSFI Guidelines since sufficient disclosure exists surrounding these measures.

Reasons for the Order

Staff of the Commission have received feedback from a number of market participants that compliance with the Instrument would require eligible issuers subject to OSFI Guidelines to include adjusted additional disclosure that may contain cumbersome and duplicative disclosure that would not provide significantly different information to investors.

The Commission is satisfied that it would not be prejudicial to the public interest to provide, on an interim basis, an exemption from the Instrument described above.

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Day on which the Order Ceases to Have Effect

This Class Order comes into effect on December 2, 2021, and remains in effect until the earlier of the following:

- (a) June 2, 2023
- (b) the effective date of any amendment to the Instrument that includes the addition of an exception to the application of the Instrument based on disclosure of a specified financial measure pursuant to an OSFI Guideline.

Questions

If you have any questions regarding the Class Order, please contact any of the following:

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