



Securities

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Overview

Raising money in either the public or private markets is a demanding and necessary requirement for growing businesses. Field Law understands the necessity of working with clients to capitalize on their business opportunities by providing timely client-focused advice.

Field Law's Securities Group provides crucial and timely advice on corporate finance matters, including:

- [Mergers and Acquisitions](#)
- Equity or Debt Offerings - Public or Private
- Restructuring
- Corporate Governance
- Regulatory Compliance
- Representation with securities commissions and stock exchanges
- [Corporate Secretarial Services](#)
- Shareholder Meeting Services
- Ongoing Continuous Disclosure Services
- Local Counsel Opinions

Our lawyers advise businesses from start-up through to listing on a stock exchange and beyond on all matters relating to structuring, financings, corporate governance and regulatory compliance.

Field Law has extensive experience in these areas, representing a wide-range of clients including public and private corporations of various sizes involved in a variety of industries. We assist these clients in domestic, national and international corporate and commercial transactions that range from small dollar amounts to large and very complex transactions. We regularly advise bidders and target companies (including boards of directors and special committees) on how to best navigate complex merger and acquisition transactions.

Our broad experience enables us to consistently provide our clients with creative, innovative and cost effective solutions to a variety of situations. We assist clients in choosing appropriate financing techniques, negotiating commercial terms and in designing and structuring transactions that meet specific business needs. We will work seamlessly with your external service providers to ensure that your tax and accounting needs are met.

To assist our clients, we not only leverage our knowledge in securities law, but couple that background with utilizing other departments in our firm, including without limitation employment, real estate, environmental, energy, intellectual property and information technology. This, together with industry knowledge gained in serving our diverse client base,

Industries

Cannabis
Construction
Energy + Environment
Indigenous
Manufacturing
Mining + Minerals
Technology
Transportation

Services

Business
Compliance + Corporate
Governance
Corporate + Commercial
Transactions
Corporate Secretarial Services
Collections, Bankruptcy +
Insolvency

ensures that we are able to provide highly effective, value-oriented, practical and specific advice to our clients.

People

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FAQ

Question:

I am issuing shares in a small company I own to people I know in Alberta. Does the Securities Act apply to me?

Answer:

Yes. The Securities Act (Alberta) applies to all trades of a security to an Alberta purchaser, and must file a prospectus before engaging in distribution of securities. That said, there are numerous exemptions to the prospectus requirement in National Instrument 45-106. For instance, if your corporation qualifies as a private corporation, or if your investors are close to you, make large investments or are “accredited”, you may have exemptions available to you. Given the technicality and relative complexity of the Securities Act, you will often need professional legal and accounting advice whenever you engage in activities that are subject to securities regulation.

Question:

I am the principal of a company issuing promissory notes to investors who are lending my company money. Does the Securities Act apply to me?

Answer:

Yes. Issuing a promissory note in exchange for debt (except for certain notes which are governed by the Personal Property Security Act, etc.) is a trade in a security and must have a prospectus or a prospectus exemption to comply with the Act.

Question:

What exactly is a security?

Answer:

Many people think securities are limited to shares. However, the term “security” is very broadly defined in the Securities Act and includes a broad range of property interests and rights. A security is basically a property interest, right or claim held by one person (the investor) in another (the issuer) pursuant to which the investor expects to profit or benefit financially from the business or operations of the issuer.

Common forms include shares, bonds, debentures, promissory notes, units of a mutual fund or limited partnership and warrants, rights and options to purchase securities of an issuer. Note that whether something is a security is solely not a question of the form of the investment, but the facts and legal obligations surrounding the legal business relationship between persons.

Question:

Where can I find more information about a public company?

Answer:

A “reporting issuer” is a corporation that has issued securities to the public. Check the Alberta Securities Commission Reporting Issuer list to see if a company is currently a reporting issuer in Alberta.

Reporting issuers are subject to continuous disclosure requirements and must file regular continuous disclosure documents on SEDAR (www.sedar.com). These documents include financial statements, press release and prospectuses and can be accessed for free online.

Question:

What is insider trading?

Answer:

Illegal insider trading is the prohibited act of either buying or selling securities based on material information that is not publicly disclosed. Individuals that are found to be buying or selling securities based on non-public information, to maximize profit or minimize losses, will be investigated by the ASC. Be careful of “hot tips” received from an individual who works for a company. If the information that this individual supplies you with has not been disclosed to the public, you could face prosecution for trading on inside information.

Insider trading occurs legally where insiders (including directors and officers) of a company buy and sell stock. In Alberta insiders are required to report their trades on SEDI (System for Electronic Disclosure by Insiders) within 5 days, and control persons are required to file early warning reports when they intend to trade and file SEDI reports within 3 days.

Question:

What does it mean when a company’s securities have been (a) cease traded, (b) halted, (c) suspended and (d) delisted?

Answer:

A “cease trade order” may be issued by the Alberta Securities Commission when a company or a person fails to maintain certain statutory required filings, such as financial reports or insider trading reports. A cease trade order (or CTO) means all trading in the securities must cease.

A company’s securities may be “halted” by the stock exchange for a short period of time, for instance in anticipation of important information concerning the listed company being made public. A “suspension” of trading by the stock exchange can occur for a number of reasons, including a company’s failure to maintain minimum listing requirements or failure to file financial reports.

A halt/suspension only prevents trading of the securities on the exchange. As long as a cease trade order isn’t issued, persons can still trade the securities outside of the exchange.

When a company’s securities are “delisted” they no longer trade on a stock exchange, either for being suspended for more than a year, or due to a transaction that results in the delisting of the stock (ie. a going private transaction).

Question:

How can I recognize a fraudulent investment?

Answer:

Fraudulent investment schemes are always changing, but most include one or more common tactics. Warning signs of a fraudulent or questionable investment scheme include:

- Promises of “high-return” and “low-risk” investment opportunities – these terms are somewhat mutually exclusive and generally do not both apply to an investment.

- Investment promotions through unsolicited telephone calls or e-mails
- Loans to access locked-in RRSP funds

Question:

I periodically get paid commissions for finding investors for non-listed corporations. Does this raise any Securities Act concerns?

Answer:

It might. These rules have recently changed such that exempt market distributions (securities issued under prospectus exemptions, such as those found in NI45-106) are no longer exempt for purposes of registration requirements. Issuers and dealers will need to address the new registration requirements found in NI31-103. All persons involved in the “business” of trading securities must register under the new regime. Even issuers, if they frequently issue securities, may be affected by the new registration requirements.

Helpful Links

- [Canadian National Stock Exchange Alberta Securities Commission](#)
- [British Columbia Securities Commission](#)
- [Ontario Securities Commission](#)
- [Quebec Securities Commission](#)
- [TSX Venture Exchange](#)
- [Toronto Stock Exchange](#)
- [Canada Newswire](#)
- [CCN Matthews](#)
- [TSX Venture Daily Bulletins](#)
- [Globe & Mail, Globe Investor](#)
- [SEDAR](#)
- [Government of Canada](#)
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- Broadridge Investor Communication Solutions, Canada Canadian Capital Markets Association
- Canadian Investor Relations Institute Canadian Securities Administrators
- Canadian Securities Institute
- Canadian Society of Corporate Secretaries (CSCS)
- Market Regulation Services Inc.
- The Canadian Depository for Securities Limited
- The Institute of Chartered Secretaries and Administrators in Canada Business in Vancouver
- Canada Post
- CCH Canadian Limited Financial Executives International-Canada
- FP Infomart - Research Tool International Financial Centre B.C.
- Registrar of Companies in B.C.