



IN THE MATTER OF THE *SECURITIES ACT*  
S.N.W.T. 2008, C.10 AS AMENDED

- and -

*In the Matter Of the Canadian Public Accountability Board (CPAB)*

**RECOGNITION ORDER**

Section 72

**WHEREAS** on August 19, 2013, the Superintendent of Securities of the Northwest Territories (the “Superintendent”) recognized the Canadian Public Accountability Board (“CPAB”) as an auditor oversight body in the Northwest Territories under section 72 of the *Securities Act* (the “Act”), until July 31, 2014;

**AND WHEREAS** on July 31, 2014, the Superintendent continued the recognition of CPAB until July 31, 2017;

**AND WHEREAS** CPAB has applied to the Superintendent for a further continuation of recognition;

**AND WHEREAS** based on the application which includes CPAB’s By-laws and Rules, as well as representations, acknowledgements and undertakings made by CPAB to the Superintendent, the Superintendent is satisfied that continuing the recognition of CPAB will not be prejudicial to the public interest;

**IT IS ORDERED THAT:**

Terms defined in the Act, National Instrument 14-101 *Definitions* and National Instrument 52-108 *Auditor Oversight* have the same meanings when used in this order.

The Superintendent recognizes CPAB as an auditor oversight body under section 72 of the Act, until July 31, 2020, on the following terms and conditions:

1. CPAB complies with the *Canadian Public Accountability Board Act* (Ontario), 2006, (“CPAB Act”);
2. CPAB provides to the Superintendent a copy of the Certificate required by

the CPAB Act to be submitted to the Ontario Securities Commission (the “OSC”) by the CPAB Council of Governors, as soon as practicable after the delivery of the certificate to the OSC;

3. CPAB discloses to the Superintendent all issues arising from each annual assessment by the OSC of CPAB’s Annual Report, as required by the CPAB Act, when, and to the extent, CPAB is aware of those issues;
4. CPAB provides the Superintendent with 30 days’ advance notice of any proposed material changes to any of the information in its Application;
5. CPAB promptly notifies the Superintendent in writing, and includes the names of relevant reporting issuers and audit firms, when it:
  - (a) becomes aware of any violation by a Participating Audit Firm of Professional standards or CPAB’s Rules relating to an audit or audits of one or more reporting issuers, that in CPAB’s opinion creates a heightened risk to the investing public;
  - (b) advises a reporting issuer that it should seek the Superintendent’s view about any matter;
  - (c) becomes aware that a reporting issuer will be re-filing annual or interim financial statements, or re-stating or potentially re-stating financial information for comparative periods in annual or interim financial statements, for reasons other than the retrospective application of a change in accounting standard or policy or new accounting standard;
  - (d) terminates the status of any audit firm as a Participating Audit Firm because of the firm’s non-compliance with its participation agreement with CPAB; or
  - (e) receives information that suggests a reporting issuer may have materially misstated its financial statements or otherwise breached securities legislation.
6. CPAB discusses on a semi-annual basis with the Superintendent:
  - (a) its plans for inspections of Participating Audit Firms as part of its annual review program;
  - (b) the general results of inspections CPAB has conducted as part of its annual review program since its last report to the Superintendent; and

- (c) any issues related to sub-paragraphs (a) or (b) above that in CPAB's opinion may be relevant to assessing compliance with securities legislation.

7. CPAB promptly:

- (a) notifies the Superintendent of any plans to conduct a targeted review of one or more Participating Audit Firms or the audit files of one or more reporting issuers whose principal regulator is the Superintendent and the targeted review is not part of CPAB's annual review program;
- (b) reports to the Superintendent the results of the targeted review; and
- (c) reports to the Superintendent any issues related to subparagraphs (a) or (b) above that in CPAB's opinion may be relevant to assessing compliance with securities legislation.

8. This Recognition Order takes effect on August 1, 2017.

**DATED** at Yellowknife, Northwest Territories this 31<sup>st</sup> day of July, 2017.

*Tom Hall* \_\_\_\_\_

Thomas W. Hall,  
Superintendent of Securities