

Membership Criteria

Preamble

SIMSA's mandate is to represent the interests and concerns of Saskatchewan industrial equipment and service suppliers, through promotion of its members and the creation of partnerships with industry and other associations. As such, our membership criteria reflect our broader desire for members to have a significant investment in Saskatchewan.

Further, as our mandate is to represent Saskatchewan suppliers, we give greater privilege to suppliers with their world headquarters in Saskatchewan.

What type of SIMSA memberships are available?

SIMSA offers Regular, Open, and Associate memberships.

What are the core differences between the three types of membership?

Regular and Open memberships are the direct supply chain to the industrial, mining, or energy sector, while Associate are the broader supporters. As examples; welders and suppliers of welding materials are Regular or Open, while banks are Associate.

Regular members have their world headquarters in Saskatchewan, while Open do not.

SIMSA's Board of Directors is filled at least by 9 Regular members and up to 3 Open members, Associate members are not Board eligible.

Regular and Open memberships both require three permanent fulltime employees in Saskatchewan, while Associate only require one. All membership types require a permanent physical office space in Saskatchewan.

Small Company Clause

This is an exception to the "three employees" criteria above for potentially Regular members only, not Open. This clause allows that 100% Saskatchewan-based sole-proprietor or 2-person companies, with all employees permanently located in Saskatchewan; and, whose primary focus is as a direct supplier to the mining, energy, or industrial sector; can join as an Associate member. Without this clause, these companies would have met the Regular membership criteria, except for the number of employees in Saskatchewan. This is referred to as the "Small Company Clause" herein.

Does my related company become a SIMSA member with me?

SIMSA memberships (Regular, Open and Associate) are only applicable to the specifically named company on the application form - not its subsidiaries, joint venture partners, suppliers, parent companies, etc. A subsidiary (etc.) must file its own membership application.

Criteria's Application

The following are the criteria details, which are only aided by the yes/no flow chart included herein.

Step 1 - the Regular/Open vs Associate Route?

If your primary business market is the selling of goods and/or services to the Saskatchewan industrial, mining, and energy sector; or providing direct inputs to the production of these goods and/or services within this supply chain; you must follow the Regular/Open route, which is Step 2a and potentially 2b (the Associate route is not an option). The key is a "primary" market vs. a lesser degree such as secondary or "one of many". If you qualify for the Associate route, proceed to Step 3.

Note: If you are a consulting business, you must also pass Step 4 in addition to the applicable Step 2 or 3.

Step 2a - Regular/Open Route

You must answer “yes” to the four following criteria, if you do not, then you are not eligible for SIMSA membership:

1. Must have a minimum of three full-time permanent staff located in Saskatchewan (except for those meeting the “Small Company Clause” above, who move to the Associate stream)
2. Must be a registered business in Saskatchewan with an ISC profile (Government agencies, Crowns, etc. may not be a Regular nor Open member)
3. Must have a Saskatchewan PST and WCB number when applicable
4. Must have a permanent physical office space in Saskatchewan*

*Clarification of a “Permanent physical office in Saskatchewan”

This space cannot be only a staging or lay-down site, established for a single project.

The following are characteristics of a “Permanent Physical office” and are to be considered as a whole:

- building is attached to a foundation (not sitting on wheels)
- not temporary in build nor intent, with these characteristics:
 - is connected utilities
 - receives mail
 - a place for day-to-day operations to be based from, with several persons performing duties
 - has corporate signage
 - has a listed Saskatchewan area-code telephone number
 - is listed with a street address - not a PO Box - on the corporate website
 - the sole Saskatchewan address is not your lawyer’s office
 - is in a building, or is a building
 - is not a laptop in someone’s home
- A homebased office is OK if several persons are working from it, but several persons working from several homebased offices is not OK (the later indicates only a franchised/dispersed sales-force with little commitment to and investment in Saskatchewan)

Step 2b - Regular vs Open

If you have answered “yes” to all 4 of the above criteria (Step 2a), then the next step is to decide if you would be a Regular or Open member (SIMSA Board eligible or not).

The key question here is, “Is your company’s world headquarters” in Saskatchewan?” If you answer “yes” you are eligible for Regular membership. If you answer “no” you are eligible for “Open” membership.

However, if you are a Consulting Business - as potentially either a Regular or Open member - you must also pass Step 4 herein.

*Clarification of a “World headquarters in Saskatchewan”

When considering if a company’s “world headquarters are located in Saskatchewan” or not; If the company named on the membership application form, is incorporated in Saskatchewan and their head-office is in Saskatchewan; and the company is not accountable to another higher-ranking entity in any way (i.e. is a subsidiary, franchise, or licensee); then the Company is deemed to have its World Headquarters in Saskatchewan.

To provide some more context, to qualify as such, the company’s;

- website should say “head office” in conjunction with their Saskatchewan location, with the President/CEO (decision making) being in Saskatchewan as well as at least ½ of the voting and non-voting shares being in Saskatchewan
- ISC profile should have;
 - a Saskatchewan mailing and physical office address, that are not a law office
 - at least 1 director should be in Saskatchewan, thus the company does not use a “Power of Attorney” person to achieve a Saskatchewan resident Director
 - Shareholders and Directors can be anywhere and still have “a significant investment in Saskatchewan” (this may require further scrutiny)

Step 3 - Associate Route

If Step 1 deems you to be on the Associate route (Step3), then you must answer “yes” to the four following criteria, if you do not, then you are not eligible for SIMSA membership:

1. Must have a minimum of one full-time permanent staff located in Saskatchewan
2. Must be a registered business in Saskatchewan with an ISC profile (Government agencies, Crowns, etc. may be an Associate member).
3. Must have a Saskatchewan PST and WCB

number when applicable

4. Must have a permanent physical office space in Saskatchewan (Note, the same clarification of a “permanent physical office in Saskatchewan” under Step 2a herein applies)

If you have answered “yes” to all 4 of the above criteria (Step 3), you are eligible for Associate membership.

However, if you are a Consulting Business/Sales Agent, you must also pass Step 4 herein.

Note: Associate members are not eligible to be a member of SIMSA’s Board, nor can they nominate or vote for such.

Step 4 - Consulting Businesses/Sales Agent

As, “SIMSA supports, promotes, and represents the interests of Saskatchewan-based suppliers;” and “members must have an interest in promoting, and growing the Saskatchewan supply chain”; and, the project owners we work with want to know if they are sourcing locally and to what extent then;

1. A Saskatchewan-based company is not eligible for membership, if a significant portion of their business involves any combination of the following:
 - a. Acting as a consultant to introduce out of province suppliers to Saskatchewan owners, as opposed to acting as an ongoing interface. This could be characterized by the consultant;
 - i. *being paid a fee/commission by the out of province supplier, while the owner pays the supplier directly.*
 - ii. *acting to source rather than physically assemble larger pieces of a project*
 - iii. *promoting a non-Saskatchewan supplier (retailer, fabricator, distributor etc. vs. an OEM) during a meeting with the owner, rather than themselves*
 - iv. *acting as an intermediary or third party making a commission or finder’s fee from acting like an agent, rather than as a distributor or retailer*
 - v. *providing “business leads” to a supplier rather than performing the actual sales*

vi. *not having a showroom and/or not performing repairs and/or not performing assemblies*

- b. Selling parts/services from/for, or acting to benefit a supplier who themselves could be a member of SIMSA, by using information gathered from SIMSA members-only events.
- c. Selling parts/services from/for, or acting to benefit, a supplier who themselves is not eligible to be a member of SIMSA, by using information gathered from SIMSA members-only events.

To be clear, SIMSA membership and its affiliated direct benefits, are intended solely for the member; not the member’s clients, affiliates, or partners. Any breach of this is grounds for denial and/or revocation of SIMSA membership.

Note

Dispute resolution

An applicant not meeting the SIMSA membership criteria does not constitute a dispute: A dispute is in the interpretation of the criteria.

On occasion, there may be an appeal when an application has not been approved. Such appeals will be managed first by the Membership Committee prior to a review by the Appeals Committee.

SIMSA’s rights

SIMSA reserves the right to review membership eligibility at any time.

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Membership Decision Flowchart

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The below is a simplified representation of the above criteria, intended solely for ease of understanding Step 1 -3 herein. Step 4 is in addition when applicable. The written criteria above shall be considered correct if any discrepancies exist.

