

Notice and Request for Comment

Proposed Policy Statement 11-204 respecting Process for Registration in Multiple Jurisdictions

Proposed Amendments to Regulation 11-102 respecting Passport System

Proposed Amendments to Policy Statement to Regulation 11-102 respecting Passport System

Proposed Amendments to Policy Statement 11-202 respecting Process for Prospectus Reviews in Multiple Jurisdictions

Proposed Amendments to Policy Statement 11-203 respecting Process for Exemptive Relief Applications in Multiple Jurisdictions

Other Related Amendments

This notice describes the proposals of the Canadian Securities Administrators (the CSA) to streamline the process for registration in multiple jurisdictions. The proposals include rule and policy amendments by the CSA, other than the Ontario Securities Commission (OSC), (the passport regulators) to make the passport system available for registration. The proposals also include a new policy statement for adoption by all members of CSA, including the OSC, setting out the processes for registration in multiple jurisdictions. These proposed rule and policy amendments would further simplify the securities regulatory system for registrants who deal with clients in more than one Canadian jurisdiction.

The proposals also include rule and policy amendments to deal with issues that have arisen since the implementation of the phase II of passport for issuers. The phase II of passport for issuers covers continuous disclosure, prospectuses and discretionary exemption applications.

Passport system — overview

In September 2005, the passport regulators implemented *Regulation 11-101 respecting Principal Regulator System* (Regulation 11-101) as phase I of passport. On March 17, 2008, the passport regulators implemented *Regulation 11-102 respecting Passport System* (Regulation 11-102) as phase II of passport for issuers and repealed the provisions of Regulation 11-101 related to issuers. We propose implementing phase II of passport for registration, and updates to phase II of passport for issuers, in the first half of 2009.

The OSC is not adopting the proposed amendments to Regulation 11-102 and to *Policy Statement 11-102 respecting Passport System* (Policy Statement 11-102) to implement the passport for registrants. As with the passport for issuers, CSA developed proposed interfaces to make the securities regulatory system as efficient and effective as possible in the circumstances for all registrants who want to deal with clients in both passport jurisdictions and Ontario. The OSC has participated in developing the proposed interfaces between the passport jurisdictions and Ontario.

Passport for registration, together with the related Ontario interfaces, would replace the National Registration System (NRS). We describe the elements of the passport and interface system for registration more fully below.

A key foundation for the passport system is a set of nationally harmonized regulatory requirements consistently interpreted and applied throughout Canada.

Implementation of passport for registration depends on the adoption of proposed *Regulation 31-103 respecting Registration Requirements* (Regulation 31-103). CSA members expect to implement consequential amendments to national and local rules, and some of our governments to proclaim act amendments to harmonize registration requirements, when we adopt Regulation 31-103.

The governments of the Northwest Territories and Nunavut have enacted a new *Securities Act*, which the regulators in those jurisdictions expect will be in force when CSA members adopt Regulation 31-103.

CSA expects to make consequential amendments to *Regulation 31-102 respecting National Registration Database* (Regulation 31-102) and *Regulation 33-109 respecting Registration Information* (Regulation 33-109), its policy statement and forms and to make minor changes to proposed Regulation 31-103 and its policy statement. CSA members are not publishing these amendments for comment because they are not material, but we describe them generally later in this notice.

Passport system – rule and policy changes for registration

The passport regulators are publishing the proposed rule and policy changes to implement passport for registration. The major elements of the passport system for registration are set out in:

- amendments to Regulation 11-102, and
- amendments to Policy Statement 11-102.

We developed the amendments to appendices to Regulation 11-102 based on the securities act and rule provisions we expect to be in force when we implement passport for registration.

All CSA members, including the OSC, are publishing proposed *Policy Statement 11-204 respecting Process for Registration in Multiple Jurisdictions* (Policy Statement 11-204) and proposed consequential amendments to *Policy Statement 11-203 respecting Process for Exemptive Relief Applications in Multiple Jurisdictions* (Policy Statement 11-203).

Passport for registration contained in the proposed amendments to Regulation 11-102 and related documents and proposed Policy Statement 11-204 would replace NRS, which is the current process registrants use to obtain decisions in multiple jurisdictions. Consequently, CSA, including the OSC, also proposes to repeal the following:

- *Regulation 31-101 respecting National Registration System* (Regulation 31-101), including *Form 31-101F1 Election to use NRS and Determination of Principal Regulator* (Form 31-101F1), and *Form 31-101F2 Notice of Change* (Form 31-101F2), and
- *Policy Statement 31-201 respecting National Registration System* (Policy Statement 31-201)

(collectively, the proposed repeals).

Purpose and scope of passport for registration

The purpose of passport for registration is to implement a system that gives a registrant access to clients in multiple jurisdictions by dealing only with the registrant's principal regulator and meeting the requirements of one set of harmonized laws. A registrant's principal regulator will usually be the regulator in the jurisdiction where the registrant's head office or working office is located.

Local amendments

CSA members in some jurisdictions plan to make consequential amendments to local securities rules and policies.

Amendments to passport for issuers

We propose to update the passport for issuers to address a few issues that have arisen since implementation. The passport regulators propose to amend Regulation 11-102 and Policy Statement 11-102, and CSA proposes to amend *Policy Statement 11-202 respecting Process for Prospectus Reviews in Multiple Jurisdictions* (Policy Statement 11-202) and Policy Statement 11-203.

Publication and request for comments

The following texts are published with this notice:

- regulation to amend Regulation 11-102
- amendments to Appendix D of Regulation 11-102 (in the form of a blackline)
- amendments to Policy Statement 11-102 (in the form of a blackline)
- Policy Statement 11-204
- amendments to Policy Statement 11-202
- amendments to Policy Statement 11-203 (in the form of a blackline)

CSA expects to implement proposed Policy Statement 11-204, the proposed amendments to Policy Statement 11-202 and Policy Statement 11-203, and the proposed repeals when we implement Regulation 31-103, which we currently target for the first half of 2009. The passport regulators expect to implement the proposed amendments to Regulation 11-102 and Policy Statement 11-102 at the same time.

Background

In 2005, the passport regulators implemented phase I of the passport system using the statutory powers that were available at the time. In March 2008, we implemented phase II of the passport for issuers using recently acquired statutory powers. We are also using these powers to implement the passport for registration.

On March 28, 2007, the passport regulators published a proposed passport system for registration. We received 17 submissions on that publication which also included the passport for issuers. The passport regulators responded to all comments received, except those specifically related to registration, in a notice published on January 25, 2008. We attach as an appendix a summary of the registration comments, including our response.

Under the Memorandum of Understanding Regarding Securities Regulation of September 2004 entered into by the Ministers responsible for securities regulation in the passport jurisdictions (MOU), governments undertook to review the fee structures of participating jurisdictions to assess how they might want to change them so they are consistent with the objectives of passport.

The Council of Ministers created under the MOU asked CSA to review the fee structures of its members and propose changes to Ministers. CSA is conducting the review

and will report to Ministers. Meanwhile, under passport, existing fees continue to apply to market participants in all jurisdictions, except for fees for exemption applications, which apply only in the principal jurisdiction.

Summary of proposals

Passport for registration

Phase I of passport for registration consisted of NRS and the mobility exemption in Regulation 11-101. NRS provides a registered firm or individual with an exemption from the fit and proper requirements that would otherwise apply when the firm or individual seeks registration in a non-principal jurisdiction, an exemption from fit and proper filing and notice requirements, and a mutual reliance process for obtaining registration in a non-principal jurisdiction by dealing only with the principal regulator.

CSA published a revised mobility exemption on February 29, 2008 as part of the second publication for comment of proposed Regulation 31-103 and proposed repealing Regulation 11-101 (because it only contains the current mobility exemption, which will be replaced with the new exemption in Regulation 31-103).

CSA does not propose to keep the NRS exemption from the fit and proper requirements that would otherwise apply when a firm or individual seeks registration in a non-principal jurisdiction. This exemption is no longer necessary because the requirements will be harmonized under Regulation 31-103. Furthermore, CSA proposes to replace the NRS exemption from the notice and filing requirements with a permission in the Policy Statement to Regulation 31-103 for a firm to submit fit and proper notices and filings to its principal regulator only.

In addition, the passport regulators propose to simplify obtaining registration and complying with requirements in multiple jurisdictions as follows.

(i) Automatic registration and other regulatory action

We propose to replace NRS with a new system under Part 6 of Regulation 11-102. Under sections 6.3 and 6.4 of Regulation 11-102, a firm or individual that is registered in its principal jurisdiction can obtain registration in a non-principal passport jurisdiction through a submission that, for a firm, can be made only with its principal regulator. A submission for an individual will continue to be made on the National Registration Database (NRD).

For a firm, automatic registration also depends on receipt of the submission having been acknowledged. A regulator will acknowledge receipt by updating NRD to show that the firm is registered in the non-principal jurisdiction. This condition would make the firm's registration effective on the date shown on NRD so that the NRD information would be conclusive. CSA is currently looking at ways to remove the acknowledgement as a condition of registration so that automatic registration in a non-principal passport jurisdiction can occur upon making the required submission, while still preserving the accuracy of NRD as the database of record for firm registration. We did not include the acknowledgement as a condition for automatic registration of individuals because NRD keeps track of every submission date for individuals.

Section 6.3 of Regulation 11-102 does not apply to a firm registered in the category of restricted dealer. To register in a non-principal jurisdiction, a restricted dealer must apply directly in the non-principal passport jurisdiction. Automatic registration does not apply because there are no standard requirements for this category, which has been designed to deal with purely local categories. However, other aspects of passport, including automatic registration of the firm's representatives, would apply to a restricted dealer registered as such in multiple passport jurisdictions.

Regulation 11-102 makes regulatory actions by a firm's or individual's principal regulator apply automatically in each non-principal passport jurisdiction where the firm or individual is registered. Section 6.5 provides that any terms, conditions, restrictions, or requirements imposed by the principal regulator would also apply in each non-principal passport jurisdiction. If the registration is suspended, cancelled, terminated, revoked or surrendered in the principal jurisdiction, sections 6.6 to 6.8 provide that the registration would automatically be suspended, cancelled, terminated or revoked in each non-principal passport jurisdiction as appropriate. These provisions apply whether or not the firm or individual was registered automatically in a non-principal passport jurisdiction under section 6.3 or 6.4.

Registration fees would apply in each passport jurisdiction as at present. However, we plan to make changes to NRD to allow a firm making a submission to register in more than one jurisdiction to submit each jurisdiction's fees on NRD instead of by cheque as is currently the case.

Passport is designed to accommodate registration through self-regulatory organizations in jurisdictions where the necessary arrangements are in place. If one of those jurisdictions is a firm's or individual's principal jurisdiction, the firm or individual would deal with the self-regulatory organization it normally deals with in its principal jurisdiction to become registered in a non-principal passport jurisdiction under Regulation 11-102.

(ii) Automatic transition to terms and conditions of Principal Regulator

Section 6.9 of Regulation 11-102 delays the automatic application of the terms and conditions of the principal regulator in a non-principal passport jurisdiction until 30 days after the effective date of Part 6 of Regulation 11-102. This is to give a firm or individual time to apply to the regulator in the non-principal jurisdiction for an exemption from section 6.5 of Regulation 11-102. This means that, if a firm or individual does not apply for the exemption, the firm or individual will generally be subject to a single set of terms and conditions, i.e., those of the principal regulator.

(iii) Transition – Notice of Principal Regulator for Foreign Firm

Under section 6.10(1) of Regulation 11-102, if a foreign firm was registered in a category in multiple jurisdictions of Canada before the effective date of Part 6, the firm must submit information about its principal regulator in proposed Form 33-109F6, which will be revised to make this possible. The purpose of this submission is for a foreign firm to identify its principal regulator in accordance with section 6.1 of Regulation 11-102 and notify the securities regulatory authorities or regulators. Section 6.10(2) permits the foreign firm to make its submission by giving it to the principal regulator instead of the regulator in the non-principal passport jurisdiction.

(iv) Applicable requirements

We propose to harmonize most regulatory requirements for registrants through proposed Regulation 31-103, which CSA published for a second comment period on February 29, 2008. Proposed Regulation 31-103 contains some requirements and carve-outs for specific jurisdictions, which are apparent on the face of the regulation. In addition, some jurisdictions may have unique registration requirements in their statute or local rules or regulations.

Passport for discretionary exemption applications

Consequent to the proposed amendments for passport for registration and the expected concurrent adoption of proposed Regulation 31-103, passport regulators also propose to amend

- Regulation 11-102 to ensure the principal regulator for registration deals with the usual applications for exemption made in connection with an application for registration, and
- Appendix D of Regulation 11-102 to add the relevant provisions of proposed Regulation 31-103 and other equivalent registration provisions to the list of equivalent provisions from which a registrant may obtain a discretionary exemption and have it apply automatically in non-principal passport jurisdictions under Part 4 of Regulation 11-102.

Policy Statement 11-204

CSA proposes to implement new processes for making national registration decisions through Policy Statement 11-204, which all jurisdictions would adopt. Policy Statement 11-204 would work in tandem with Regulation 11-102. The processes will provide the interface:

- for registrants from passport jurisdictions to register in Ontario; and
- for Ontario registrants to register in one or more passport jurisdictions.

The interface for passport jurisdiction registrants would be similar to NRS. They would ensure that a passport jurisdiction registrant generally deals only with its principal regulator to gain access to Ontario.

The interface for Ontario market participants would provide them with direct access to passport jurisdictions under Regulation 11-102. An Ontario market participant would therefore be able to deal with the OSC as its principal regulator to register automatically in passport jurisdictions.

A foreign registrant would be able to gain access to the Canadian capital markets through a principal regulator on the same basis as a market participant in that regulator's jurisdiction.

Description of other amendments

The passport regulators propose to amend Regulation 11-102 and Policy Statement 11-102, and CSA proposes to amend Policy Statement 11-202 to address issues that have arisen since we implemented Regulation 11-102. The proposed additional amendments to Regulation 11-102

- repeal the exemptions from the non-harmonized continuous disclosure and prospectus requirements because the requirements would no longer exist or the relevant passport regulators have determined that they should continue to apply in their jurisdiction.
- amend the definition of 'national prospectus instrument' to add National instrument 71-101, *Multijurisdictional Disclosure System* and extend passport to MJDS offerings, and
- make necessary adjustments to the equivalent provisions in Appendix D.

The amendments to Policy Statement 11-202 reflect administrative practices that CSA has developed since the passport regulators implemented Regulation 11-102.

Most of the amendments to Policy Statement 11-203 are consequential to the proposed amendments to Regulation 11-102 to implement passport for registration. The others deal with issues that have arisen since the implementation of passport for issuers.

CSA also expects to amend Regulation 31-102 and Regulation 33-109, its related forms and policy statement, as applicable, to

- allow firms, and individuals filing under a temporary hardship exemption, to make their submissions in alternate format instead of in paper format,
- allow foreign firms to identify their principal regulator under item A of Form 33-109F6, and
- generally adapt them for use with Regulation 11-102, for example, by adding the concept of 'principal regulator' and giving a firm permission to submit a notice of change on Form 33-109F5 to the firm's principal regulator only.

CSA also expects to further amend proposed Regulation 31-103 and its policy statement, which we published for a second comment period on February 29, 2008. The proposed additional amendments include

- conforming the definition of 'principal regulator' in Regulation 31-103 to the concept of 'principal regulator' in proposed Part 6 of Regulation 11-102,
- eliminating the notice of principal regulator requirement under the mobility exemption in Regulation 31-103,
- adopting a requirement to give notice before relying on the mobility exemption under Regulation 31-103 like under Regulation 11-101,
- giving permission in the policy statement to a firm to submit the notices and filings required under the 'fit and proper' notice and filing requirements of Part 4 of proposed Regulation 31-103 to the firm's principal regulator only, and
- reflecting the repeal of NRS.

Anticipated Costs and Benefits

The passport regulators expect that passport for registration will enhance the efficiency of regulation of the capital markets and simplify the use of the regulatory system for registrants. By using the passport tools, we can make more timely decisions and our processes more efficient and seamless for registrants.

We did not do a cost-benefit analysis of passport for registration. We worked with the OSC to develop interfaces for Ontario registrants who want to deal with clients in passport jurisdictions, and for registrants in passport jurisdictions who want to deal with clients in Ontario. The interfaces make the securities regulatory system as efficient and effective as possible in the circumstances for all registrants who want to deal with clients in both passport jurisdictions and Ontario.

Request for Comment

We request comments on the proposed amendments to Regulation 11-102 and Policy Statement 11-102, proposed new Policy Statement 11-204, the proposed amendments to Policy Statement 11-202 and Policy Statement 11-203, and the proposed repeals.

How to Provide Your Comments

Please provide your comments on

- the amendments to Regulation 11-102, Policy Statement 11-102, Policy Statement 11-202, Policy Statement 11-203, and new Policy Statement 11-204, by **September 17, 2008**, and
- the repeal of NRS by **October 17, 2008**.

Please address your submissions to the regulators listed below:

British Columbia Securities Commission
 Alberta Securities Commission
 Saskatchewan Financial Services Commission
 Manitoba Securities Commission
 Autorité des marchés financiers
 New Brunswick Securities Commission
 Nova Scotia Securities Commission
 Office of the Attorney General, Prince Edward Island
 Financial Services Regulation Division, Consumer and Commercial Affairs Branch,
 Department of Government Services, Newfoundland and Labrador
 Registrar of Securities, Government of Yukon
 Registrar of Securities, Department of Justice, Government of the Northwest Territories
 Registrar of Securities, Legal Registries Division, Department of Justice, Government of
 Nunavut

You do not need to deliver your comments to each of these regulators. Please deliver your comments to the two addresses that follow, and they will be distributed to the other jurisdictions:

Anne-Marie Beaudoin
 Secrétaire
 Autorité des marchés financiers
 800, square Victoria, 22^e étage
 C.P. 246, Tour de la Bourse
 Montréal, Québec H4Z 1G3
 Fax : (514) 864-6381
 e-mail: consultation-en-cours@lautorite.qc.ca

Leigh-Anne Mercier
 Senior Legal Counsel
 British Columbia Securities Commission
 P.O. Box 10142, Pacific Centre
 701 West Georgia Street
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 e-mail: lmercier@bcsc.bc.ca

If you are not sending your comments by e-mail, please send a diskette or CD containing your comments in Word.

We cannot keep submissions confidential because securities legislation in certain provinces requires that a summary of the written comments received during the comment period be published.

Questions

Please refer your questions to any of:

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July 18, 2008

*Regulation 11-102 respecting Passport System***List of commenters**

1. Edward Jones
2. IGM Financial¹
3. Investment Industry Association of Canada
4. Investment Funds Institute of Canada
5. BMO Nesbitt Burns inc., Private Client Division
6. Canadian Bankers Association
7. Borden, Ladner, Gervais – Toronto Securities and Capital Markets practice group²
8. Investment Dealers Association of Canada (IDA)

¹ Comment letter addressed to passport jurisdictions and similar letter sent to the OSC in response to OSC Notice 11-904 *Request for Comment Regarding the Proposed Passport System*.

² Comment letter addressed to passport jurisdictions and OSC in response to OSC Notice 11-904 *Request for Comment Regarding the Proposed Passport System*.

**Summary of comments and responses
on the registration part of
Regulation 11-102 respecting Passport System
(Regulation 11-102)**

Passport regulators adopted Regulation 11-102 on March 17, 2008 to establish the passport system for issuers - covering continuous disclosure, prospectuses and discretionary exemptions. When Regulation 11-102 was first published for comment on March 28, 2007, it also included provisions to provide a passport for registration. The following summarizes and responds to the comments on the first published version of Regulation 11-102 that related specifically to passport for registration.³

Comments

#	Themes	Comments	Responses
1.	Interface with Ontario	Three commenters expressed concern about the proposed repeal of the national registration system (NRS) particularly given that the OSC is not adopting passport. They suggested either that the improvements of passport should be incorporated into NRS or that we should maintain NRS unless a simple and practical interface can be developed for Ontario. They also suggested that CSA should provide guidance on how the two regimes would interact.	<p>Passport regulators plan to implement the passport system for registration even though the OSC is not planning to adopt Regulation 11-102. CSA also plans to repeal NRS. However, to make the system as efficient and effective as possible in the circumstances for all market participants who want to gain access to the capital markets in both passport jurisdictions and Ontario, passport regulators and the OSC worked together to develop interfaces between the passport jurisdictions and Ontario.</p> <p>Policy Statement 11-204 would set out the processes for registration in multiple jurisdictions for market participants based in passport jurisdictions and in Ontario.</p> <p>Policy Statement 11-204 would maintain the processes from NRS to give registrants in passport jurisdictions efficient and coordinated access to Ontario. Proposed Part 6 of Regulation 11-102 would give registrants</p>

³ The comment letters are available on the Alberta Securities Commission website at www.albertasecurities.com. The summary of comments and CSA responses regarding the passport system generally and the passport system for issuers is also on the ASC website, attached as Schedule J to the CSA's advance notice of implementation of Regulation 11-102 dated January 25, 2008.

Comments			
#	Themes	Comments	Responses
			in Ontario direct access to passport jurisdictions based on the decisions of the OSC as principal regulator (PR). These interface mechanisms are consistent with those that support the passport system for issuers.
2.	Harmonized Terms and Conditions	One commenter expressed concern about the fact that under the passport system, cancellations, amendments, revocations or other changes to terms and conditions of registration (T&Cs) could vary across jurisdictions because any existing terms and conditions imposed by a non-principal regulator through a settlement or a decision after a hearing would continue to apply only in the non-principal jurisdiction.	<p>We propose a 30-day transition period, after which the T&Cs in effect in a registrant's principal jurisdiction would apply automatically in the jurisdictions of the registrant's non-principal regulators (NPRs). At that time, any T&Cs imposed by NPRs would no longer apply, except for T&Cs imposed by an NPR under a settlement agreement or in a decision after a hearing. We have maintained this exception because we believe it would be inappropriate to cancel by 'operation of law' T&Cs that result from illegal conduct or activity in a jurisdiction.</p> <p>We note, however, that it is rare for a registrant to have this type of T&C. In addition, in the rare cases where they exist, a registrant would have different T&Cs in multiple jurisdictions only if, after review, the PR decided not to impose the same T&C as the NPR.</p> <p>We also expect that implementing proposed <i>Regulation 31-103 respecting Registration Requirements</i> would result in regulators imposing fewer T&Cs and, to the extent any are imposed, in the T&Cs being largely uniform across jurisdictions.</p>
3.	Consultation among passport jurisdictions	A commenter asked that there not be a mandatory requirement for the principal regulator to consult with a non-principal regulator before making a registration-related decision.	The proposed system would not require consultations between a PR and an NPR in a passport jurisdiction before the PR makes a registration decision.
4.	Fees	Four commenters suggested eliminating or reducing fees in non-principal jurisdictions under passport because they believe that	The proposed passport for registration would maintain the status quo with respect to fees for registration. With respect to an application for an

Comments

#	Themes	Comments	Responses
		non-principal regulators will do no work or less work under passport. One commenter acknowledged that fees support the entire regulatory system and suggested that market participants pay all fees to the principal regulator. Another commenter recommended against that approach for registered firms.	<p>exemption covered by Regulation 11-102, a registrant will pay fees only in its principal jurisdiction.</p> <p>The intergovernmental (passport) MOU Regarding Securities Regulation contemplates a review of fees to assess whether to change them so they are more consistent with the objectives of the passport system. The Council of Ministers under the Passport MOU asked CSA to review the fee structure of its members and propose changes to the Ministers. CSA is conducting the review and will report to the Ministers.</p> <p>All fees for individuals are submitted through National Registration Database (NRD), which provides a single-window of access for paying fees.</p> <p>When a firm applies for registration or wants to register automatically in a passport jurisdiction, Policy Statement 11-204 gives the firm the option to submit the applicable fees in each jurisdiction by cheque or on NRD. Any subsequent fees for firms are submitted on NRD.</p>
5.	Registration implementation issues if Ontario does not adopt Regulation 11-102	<p>Two commenters asked specific questions about implementing the passport system for registration without Ontario:</p> <p>a. Could an individual whose firm has its head office in Ontario participate in passport?</p> <p>b. If so, which regulator would act as principal regulator for the individual and could the firm have a principal regulator in each jurisdiction where it has representatives?</p>	<p>a. Yes.</p> <p>b. The PR for the individual would generally be the regulator in the jurisdiction where the individual's working office is located</p>

Comments

#	Themes	Comments	Responses
			(including Ontario). A firm has only one PR for the purpose of passport, which is generally the regulator in the jurisdiction of its head office (including Ontario).
		c. How will opting in and opting out of passport work for a firm whose head office and a majority of its representatives are in Ontario? If a firm cannot participate because of the location of its head office, will it have to file any documentation?	c. We have removed the provision for firms to opt-out of passport. Instead, we have included a provision that would make the T&Cs of the PR apply automatically in non-principal jurisdictions and a 30-day period for a firm or individual registered in multiple jurisdictions when Regulation 11-102 comes into effect to apply for an exemption from the automatic application of the PR's T&Cs in the non-principal jurisdictions.
		d. If a firm opts-out and Ontario decides to join passport, will the firm have the opportunity to revisit its decision?	d. As indicated in the response in (c) above, this scenario is no longer contemplated.
		e. How would NRD be updated to reflect the automatic registration process under the passport system? How will the system be different especially in light of the fact the Ontario residents will not be able to participate in passport?	e. When we implemented NRS, we made changes to NRD to enable a PR to record some registration decisions of NPRs affecting individual registrants. Under passport, we would enhance NRD by eliminating the need for NPRs, except the OSC, to opt in before the PR records its decision. We can do this because, under passport, NPRs (other than the OSC) no longer have to opt-in. This will speed up the process for registration in multiple jurisdictions for individuals in Ontario. For individuals outside Ontario, the OSC will be the only regulator that will still opt in. Policy Statement 11-204 provides that the OSC will generally do this within one business day from receiving the PR's proposed registration decision. The Ontario office of the Investment Industry Regulatory Organization of Canada (IIROC), the successor to the IDA, is considering what

Comments			
#	Themes	Comments	Responses
			its turn around time will be in those circumstances.
6.	Transition issues for registration	Two commenters submitted that the 30-day transition period proposed for firms to opt out of the passport system is too short and should be at least 180 days.	As indicated above, we have removed the provision under which a registrant could opt-out of passport.
7.	Technical registration issues	<p>One commenter raised several technical registration issues about</p> <p>a. the information an individual should provide on NRD to register in additional jurisdictions</p> <p>b. whether the IDA will continue to approve individuals before they are registered by their principal regulator in the jurisdictions that do not delegate registration to the IDA</p> <p>c. the meaning of the phrase “date on which the filing is made” as being the date of registration in a non-principal jurisdiction in section B2.3 of Appendix B to the Policy Statement</p> <p>d. where to request a hearing when the IDA registers firms or individuals in a jurisdiction</p>	<p>a. An individual would provide the same information on NRD as the individual currently does, using existing NRD submissions.</p> <p>b. We expect no change to this procedure. The PR would make a registration decision under passport in the same manner as it does currently.</p> <p>c. We would delete Form 11-102F1. Instead, a firm would use Form 33-109F6, or a subset of that form, to register in an additional jurisdiction. We have also deleted the reference to the “date on which the filing is made” and made firm registration effective in a non-principal jurisdiction when receipt of the submission is acknowledged. Receipt would be acknowledged when NRD shows the firm as registered in the jurisdiction.</p> <p>d. We expect no change to the current procedure.</p>
8.	Delegation of registration to self-regulatory organizations (SROs)	Three commenters suggested all CSA members should consider delegating their registration function to the IDA to ensure a single point of contact in every jurisdiction and a common and consistent	Delegation is outside the scope of the passport project. Any securities regulatory authority that has delegated registration functions to IIROC, the successor to the IDA, has done so under an enabling provision in its

Comments

#	Themes	Comments	Responses
		approach.	securities legislation. Any future delegation is in the discretion of the concerned regulatory authority and would need to conform to that regulator's statutory power to delegate.
