

**REGULATION TO AMEND REGULATION 31-103 RESPECTING
REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING
REGISTRANT OBLIGATIONS**

Securities Act

(chapter V-1.1, s. 331.1, par. (11), (26) and (34))

1. Section 14.6.1 of Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations (chapter V-1.1, r. 10) is amended by replacing paragraphs (1) and (2) with the following:

“(1) In this section

“cleared specified derivative”, “clearing corporation option”, “futures exchange”, “option on futures”, “specified derivative” and “standardized future” have the same meaning as in section 1.1 of Regulation 81-102 respecting Investment Funds (chapter V-1.1, r. 39);

“regulated clearing agency” has the same meaning as in subsection 1.1 of Regulation 94-101 respecting Mandatory Central Counterparty Clearing of Derivatives (chapter I-14.01, r. 0.01).

“(2) Subsection 14.5.2(2) does not apply to a registered firm in respect of cash or securities of a client or investment fund deposited with a member of a regulated clearing agency or a dealer as margin for transactions outside of Canada involving clearing corporation options, options on futures, standardized futures or cleared specified derivatives if

(a) the member or dealer is a member of a regulated clearing agency, futures exchange or stock exchange, and, as a result in any case, is subject to a regulatory audit,

(b) the member or dealer has a net worth, determined from its most recent audited financial statements, in excess of \$50 million, and

(c) a reasonable person would conclude that using the member or dealer is more beneficial to the client or investment fund than using a Canadian custodian.”.

2. (1) This Regulation comes into force on June 12, 2019.

(2) In Saskatchewan, despite subsection (1), if this Regulation is filed with the Registrar of Regulations after June 12, 2019, this Regulation comes into force on the day on which it is filed with the Registrar of Regulations.