

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

Securities Act

(chapter V-1.1, s. 331.1, par. (1), (3), (8), (11), (26) and (34))

1. Regulation 31-103 respecting registration requirements, exemptions and ongoing registrant obligations (chapter V-1.1, r. 10) is amended by adding the following section:

### **“13.4.3. Restrictions on a registered individual who is in a position of influence**

(1) In this section, “position of influence” means a position, other than a position with a sponsoring firm, if, due to the functions of the position or the training or specialized knowledge required for the position, an individual in that position would be considered by a reasonable person to have influence over other individuals.

(2) For greater certainty, a position of influence under subsection (1) includes the following:

- (a) a leader in a religious or similar organization;
- (b) a medical doctor;
- (c) a nurse;
- (d) a professor, instructor or teacher at a degree or diploma granting institution;
- (e) a lawyer;
- (f) a notary.

(3) A registered firm must not permit a registered individual of the firm who is in a position of influence to purchase or sell securities or derivatives for, or recommend securities or derivatives to,

- (a) an individual who
  - (i) has a relationship with the registered individual arising from the position of influence, and
  - (ii) to a reasonable person, would be considered to be susceptible to the registered individual’s influence, or
- (b) a spouse, parent, brother, sister, grandparent or child of an individual described in paragraph (a).

(4) A registered individual who is in a position of influence must not purchase or sell securities or derivatives for, or recommend securities or derivatives to

- (a) an individual who
  - (i) has a relationship with the registered individual arising from the position of influence, and
  - (ii) to a reasonable person, would be considered to be susceptible to the registered individual’s influence, or
- (b) a spouse, parent, brother, sister, grandparent or child of an individual described in paragraph (a).”

**2.** This Regulation comes into force on (*insert here the date of coming into force of this Regulation*).