

POLICY STATEMENT 33-109
TO REGULATION 33-109
RESPECTING REGISTRATION INFORMATION

PART 1
APPLICATION AND PURPOSE

1.1. Application

Regulation 33-109 respecting Registration Information ("Regulation 33-109") has been implemented in all jurisdictions.

1.2. Purpose

The purpose of Regulation 33-109 is to consolidate and harmonize requirements regarding the initial submission of registration information and the updating of that information.

PART 2
BUSINESS LOCATIONS

2.1. Business Locations

The securities regulatory authority or regulator is of the view that a business location for a registered firm, or a person or company that is applying for registration, is a location within the jurisdiction, including a residence, where a firm's registered individuals are based for the purpose of carrying out registerable activity.

PART 3
NOTICE OF CHANGES

3.1. Bulk Transfer of Locations and Individuals

(1) If a registered firm is acquiring a large number of business locations (for example, as a result of an amalgamation or asset purchase) from one or more other registered firms that are located in the same jurisdictions and registered in the same categories as the acquiring firm, and if a significant number of individuals are associated on NRD with the locations, the securities regulatory authority or regulator will consider exempting the firms and individuals involved in the transaction from the following requirements:

1. the requirement to submit a notice regarding the termination of each employment, partner, or agency relationship under section 4.3 of Regulation 33-109;

2. the requirement to submit a notice regarding each individual who ceases to be a permitted individual under section 5.2 of Regulation 33-109;

3. the requirement to submit a registration application for each individual applying to become a registered individual under section 2.2 of Regulation 33-109;

4. the requirement to submit a Form 33-109F4 for each permitted individual under section 3.3 of Regulation 33-109;

5. the requirement under section 3.1 of Regulation 33-109 to notify the regulator of a change to the business location information in Form 33-109F3.

(2) To exempt the firms and individuals involved in the transaction from the requirements set out above, the application should include the following information:

(a) the name and NRD number of the registered firm that will acquire control of the business locations;

(b) for each registered firm that is transferring control of the business locations,

(i) the name and NRD number of the registered firm;

(ii) the address and NRD number of each business location that is being transferred from the registered firm named in (b)(i) to the registered firm named in (a); and

(c) the date that the business locations will be transferred to the registered firm named in (a).

(3) To facilitate the processing of the exemption application, the applicant may put the information referred to in subsection (2) in the form set out in Appendix A to this Policy Statement.

(4) This exemption application should be submitted by the registered firm that will acquire control of the business locations at the closing of the transaction and should be submitted sufficiently in advance of the date on which the business locations are to be transferred (the "transfer date"). At this time, the securities regulatory authority is of the view that submitting the application at least 30 days prior to the transfer date should be sufficient.

(5) In addition to any application fee, it is likely that the payment of a fee will be a condition of this type of exemption order and that the fee will be related to the number of registered firms, business locations, registered individuals, and permitted individuals involved in the transaction.

(6) If the exemption is granted, as soon as practicable after the transfer date, the regulator will instruct the NRD administrator to indicate the transfer of the business locations, the registered individuals, and the permitted individuals on NRD.

(7) Bulk transfers involving firms that are registered in different categories or different jurisdictions may need to take additional steps. Firms involved in such a transaction should contact the applicable regulators to discuss what steps are required to allow the firms to use the bulk transfer process described above.

PART 4 DUE DILIGENCE

4.1. Sponsoring Firm Obligations

The securities regulatory authority or regulator is of the view that the reasonable efforts firms are required to undertake in Part 6 of Regulation 33-109 include

- (a) establishing written policies and procedures relating to the investigation of an individual prior to submitting a Form 33-109F4 on behalf of the individual,
- (b) ensuring that the review of an individual pursuant to these policies and procedures is documented;, and
- (c) regularly reminding
 - (i) registered individuals about their disclosure obligations under Regulation 33-109, such as notifying the regulator about changes to information, and
 - (ii) permitted individuals to notify their sponsoring firm about changes to information, so that the sponsoring firm can fulfill its disclosure obligations under Regulation 33-109.

PART 5 COMMODITY FUTURES ACT SUBMISSIONS

5.1. In Ontario, if a person or company is required to make a submission under both Regulation 33-109 and OSC Rule 33-506 (*Commodity Futures Act*) with respect to the same information, the securities regulatory authority is of the view that a single filing on a form required under either rule satisfies both requirements.

Appendix A

Request for NRD Bulk Transfer of Business Locations

This is an application for exemption under Regulation 33-109.

A) Registered firm that will acquire the business locations

Name:

Firm NRD number:

B) Registered firm transferring the business locations

Name:

Firm NRD number:

Business locations that will be transferred

Address of business location:

NRD number of business location:

Address of business location:

NRD number of business location:

(Repeat for each business location as necessary.)

C) Date that business locations will be transferred:

Décision 2007-PDG-0090 -- 4 mai 2007

Bulletin de l'Autorité : 2007-07-13, Vol. 4 n° 28