

Notice

Replacement of Regulation 33-109 respecting Registration Information

Replacement of Policy Statement to Regulation 33-109 respecting Registration Information

Regulation to amend Regulation 31-102 respecting National Registration Database

Amendments to Policy Statement to Regulation 31-102 respecting National Registration Database

July 17, 2009

Introduction

The Canadian Securities Administrators (the CSA or we) have adopted new and amended versions of regulations, forms and policy statements relating to the information we obtain from firms and individuals who register under securities legislation. We have approved *Regulation 33-109 respecting Registration Information*, including the related forms (together, Regulation 33-109), and its policy statement (Policy Statement 33-109), which will replace the texts that are currently in effect under the same numbers. We have also approved amendments to *Regulation 31-102 respecting National Registration Database* (Regulation 31-102) and its policy statement (Policy Statement 31-102). Subject to ministerial approvals in some jurisdictions, the new texts will become effective on September 28, 2009.

The new texts will enhance our administration of the registration requirement and are consequential to the adoption of *Regulation 31-103 respecting Registration Requirements and Exemptions* (Regulation 31-103). Regulation 33-109 also adopts a streamlined filing process for registrants that is consistent with *Policy Statement 11-204 respecting Process for Registration in Multiple Jurisdictions* (Policy Statement 11-204). Today the CSA is also publishing Regulation 31-103 and Policy Statement 11-204, which are available on the websites of CSA members.

The following texts will be published with this notice:

- Regulation 33-109
- Policy Statement 33-109
- *Regulation to Amend Regulation 31-102 respecting National Registration Database*
- Policy Statement 31-102 in the form of a black line

Purpose and substance of Regulation 33-109 and the amendments to Regulation 31-102

Regulation 33-109 establishes the information that CSA members require from firms that apply for registration as dealers, advisers or investment fund managers, and from individuals who act on behalf of these firms. It also requires registrants and permitted individuals to notify the securities regulatory authorities of changes to their information.

The forms under Regulation 33-109 are as follows:

- *Form 33-109F1 Notice of Termination of Registered Individuals and Permitted Individuals*
- *Form 33-109F2 Change or Surrender of Individual Categories*

- *Form 33-109F3 Business Locations other than Head Office*
- *Form 33-109F4 Registration of Individuals and Review of Permitted Individuals*
- *Form 33-109F5 Change of Registration Information*
- *Form 33-109F6 Firm Registration*
- *Form 33-109F7 Reinstatement of Registered Individuals and Permitted Individuals*

Two of the forms are new:

- Form 33-109F6, which modernizes and harmonizes the information that we obtain from firms that are registered or seeking registration, and
- Form 33-109F7, which streamlines the process for reinstating registration after an individual transfers from one sponsoring firm to another, as described below.

The amendments to Regulation 31-102 will:

- add investment fund managers as a new type of filer on the National Registration Database (NRD),
- clarify the requirements for firms to notify the NRD administrator of certain details, and
- codify a common type of discretionary exemption we have granted in the past to facilitate the use of NRD by foreign firms.

Reinstatement

An individual who leaves their job with a registered firm and joins a new registered firm may submit Form 33-109F7 within 90 days of leaving the former sponsoring firm to automatically reinstate their registration or permitted individual status, subject to certain conditions in subsection 2.3(2) of Regulation 33-109. An individual may not obtain reinstatement in this manner if they have new information to disclose regarding regulatory, criminal, civil or financial matters. An individual is also ineligible for reinstatement if the reason they left the former sponsoring firm was because they were asked to resign, or were dismissed, as a result of allegations of criminal activity, breach of securities legislation or breach of an SRO rule. An individual who is not eligible for automatic reinstatement must apply by submitting a Form 33-109F4 using the *Reactivation* submission on NRD.

Notice of Termination

When an individual leaves a sponsoring firm, or otherwise ceases to have authority to act on behalf of the firm as a registered or permitted individual, the sponsoring firm must submit a Form 33-109F1 to notify the securities regulatory authority of the date and reason for the termination or cessation. This initial submission on NRD must be made within 7 days of the termination date. Depending on the reason for the termination or cessation, the firm may also be required to answer additional questions in item 5 of the form. When required, a firm can provide this information in the initial submission on NRD or, if more time is needed, it can update the submission within 30 days of the termination date.

A registered or permitted individual can obtain a copy of their Form 33-109F1 from their former sponsoring firm. A new sponsoring firm must obtain from each registered or permitted individual who act on its behalf, a copy of the Form 33-109F1 most recently submitted in respect of the individual, if any.

Summary of written comments

We received some comments on the forms that we published on February 28, 2008. A summary of the comments and our responses is set out under *Responses to Comments Received on the NRD Forms* in Appendix A to the *Notice of Regulation 31-103 respecting Registration Requirements and Exemptions*. The notice of Regulation 31-103 is also being published today and is available on the websites of CSA members, including

www.lautorite.qc.ca
 www.albertasecurities.com
 www.bsc.bc.ca
 www.gov.ns.ca/nssc
 www.nbsc-cvmb.ca
 www.osc.gov.on.ca
 www.sfsc.gov.sk.ca

Changes since last publication

Registration information generally

We have made changes to Form 33-109F4 and Form 33-109F6 to clarify the information required. We have also made housekeeping changes to the other registration forms and added some definitions.

Updating firm information in Form 33-109F6

Under subsection 6.2(2) of Regulation 33-109, for a period of up to 12 months after September 28, 2009, firms that were registered before that date will continue to notify securities regulatory authorities of changes to the information previously submitted to their principal regulator, in most cases within 7 days of the change.

However, under section 6.1 of Regulation 33-109, firms that were registered before September 28, 2009 must submit a completed Form 33-109F6 on or before September 30, 2010. This will establish a baseline of registration information for each firm and facilitate a firm's compliance process for notifying securities regulatory authorities of changes. After a firm submits its completed Form 33-109F6 it will be subject to the notice requirement set out in section 3.1 of Regulation 33-109. Appendix A of Policy Statement 33-109 summarizes the notice requirements under Regulation 33-109.

Submissions to principal regulator only

We added a provision under which firms that submit a notice under Regulation 33-109 outside of the NRD website may send it to their principal regulator only. Appendix B to Policy Statement 33-109 provides the contact information of the securities regulatory authorities for notices and applications that are not submitted through the NRD website. We also added Part 6 *Transition* to Regulation 33-109.

Transition

We published *CSA Staff Notice 31-311 Draft Regulation 31-103 respecting Registration Requirements and Exemptions - Transition into the New Registration Regime* on June 12, 2009 to provide details of the transition process and timelines. The notice is available on the websites of CSA members.

Transition for Reinstatements

As indicated above, after joining a new sponsoring firm an individual may reinstate their registration by submitting a Form 33-109F7 within 90 days of leaving the former sponsoring firm. However, an individual who left the former sponsoring firm before September 28, 2009 would reinstate their registration by submitting a Form 33-109F4 using the

Reactivation submission on NRD, instead of the Form 33-109F7, subject to the applicable conditions. Fees would be withdrawn on NRD for the Form 33-109F4, but where applicable they would be refunded for individuals who qualify for automatic reinstatement.

Background

Regulation 33-109, amendments to Regulation 31-102 and related materials were published for comment on February 20, 2007 and on February 29, 2008.

Questions

Please address your questions to any of the following CSA staff:

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