

## REGULATION TO AMEND REGULATION 33-109 RESPECTING REGISTRATION INFORMATION

### Securities Act

(R.S.Q., c. V-1.1, s. 331.1, par. (1), (2), (3), (4.1), (26), (27), (27.0.1), (27.0.2) and (34))

1. Section 1.1 of Regulation 33-109 respecting Registration Information is amended:
  - (1) by deleting, in the definition of “permitted individual”, the words “who is not a registered individual and”;
  - (2) by inserting, in the French text of the definition of “registered individual” and after the word “mobilières”, the words “afin d’agir”.
2. Paragraph (2) of section 2.3 of the Regulation is amended:
  - (1) by replacing the words “and Exemptions” with “, Exemptions and Ongoing Registrant Obligations”;
  - (2) by inserting, in subparagraph (b), the words “resigned voluntarily” after “to resign,”;
3. Section 2.5 of the Regulation is amended by replacing, wherever they occur, “7 days” with “10 days”.
4. Section 3.1 of the Regulation is amended by replacing, wherever they occur, “7 days” with “10 days”.
5. Section 3.2 of the Regulation is amended by replacing “7 days” with “10 days”.
6. Section 4.1 of the Regulation is amended:
  - (1) by replacing, in paragraph (1), “7 days” with “10 days”;
  - (2) in paragraph (4):
    - (a) by adding, at the end of the introductory sentence, “:”;
    - (b) by replacing, at the end of subparagraph (a), “, or” with “;”;
    - (c) by replacing subparagraph (b) with the following:
 

“(b) the removal or the addition of a category of registration;

(c) the surrender of registration in one or more non-principal jurisdictions.”.
7. Section 4.2 of the Regulation is amended:
  - (1) by replacing subparagraph (b) of paragraph (1) with the following:
 

“(b) item 5 completed unless the reason for termination under item 4 was death of the individual.”;
  - (2) by replacing, in subparagraph (a) of paragraph (2), “7 days” with “10 days”;

(3) by replacing paragraphs (3) and (4) with the following:

“(3) A registered firm must, within 10 days of a request from an individual for whom the registered firm was the former sponsoring firm, provide to the individual a copy of the Form 33-109F1 that the registered firm submitted under subsection (1) in respect of that individual.

(4) If a registered firm completed and submitted the information in item 5 of a Form 33-109F1 in respect of an individual who made a request under subsection (3) and that information was not included in the initial copy provided to the individual, the registered firm must provide to that individual a further copy of the completed Form 33-109F1, including the information in item 5, within the later of

(a) 10 days after the request by the individual under subsection (3), and

(b) 10 days after the submission pursuant to subsection (2)(b).”.

**8.** Section 5.1 of the Regulation is amended:

(1) in paragraph (3):

(a) by replacing, at the end of the introductory sentence, “,” with “as follows:”;

(b) by replacing, at the end of subparagraph (a), “,” with “;”;

(c) by replacing, at the end of subparagraph (b), “, or” with “; or”;

(2) by replacing, in paragraph (5), the words “for an NRD submission” with the words “in respect of an NRD submission”.

**9.** Section 6.2 of the Regulation is amended:

(1) in paragraph (2):

(a) by inserting, in the introductory sentence and after the words “a registered firm that was”, the word “first”;

(b) by replacing, in subparagraph (a), “7 days” with “10 days”;

(c) by replacing, in subparagraph (ii) of subparagraph (b), “7 days” with “10 days”;

(2) by replacing, in paragraph (3), “7 days” with “10 days”.

**10.** Section 6.3 of the Regulation is amended:

(1) by inserting, in paragraph (2) and after the words “by that date”, “,”;

(2) by replacing the introductory sentence of subparagraph (a) of paragraph (4) with the following:

“(a) a notice referred to in subsection 4.1(1) if the change relates to previously submitted information about any of the following items of the individual’s Form 33-109F4:”.

**11.** Form 33-109F1 of the Regulation is amended:

(1) by replacing, at the end of the paragraph under the title “**GENERAL INSTRUCTIONS**”, the words “or permitted person has left their sponsoring firm” with the words “or permitted individual has left their sponsoring firm or has ceased to act in a registerable activity or as a permitted individual”;

(2) by replacing, at the end of the paragraph under the title “**Terms**”, “;” with “.”;

(3) by replacing, in the first paragraph under the title “**When to submit the form**”, the words “five business days” with “10 days”;

(4) in item 5:

(a) by replacing the first paragraph with the following:

“Complete Item 5 except where the individual is deceased. In the space below:

- state the reason(s) for the cessation / termination and
- provide details if the answer to any of the following questions is “Yes”.”;

(b) by replacing the second response option with the following:

“ Not applicable: individual is deceased”;

(5) by deleting item 6;

(6) by deleting Schedule A.

**12.** Form 33-109F2 of the Regulation is amended :

(1) by replacing, in the title, “**section 4.2 or 2.2(2) or 2.5(2)**” with “**section 2.2(2), 2.4, 2.6(2) or 4.1(4)**”;

(2) by replacing paragraph 1 of item 2 with the following:

“**1.** Are you filing this form under the passport system / interface for registration?

Choose “no” if you are registered in

(a) only one jurisdiction in Canada

(b) more than one jurisdiction in Canada and you are requesting a surrender in a non-principal jurisdiction or jurisdictions, but not in your principal jurisdiction

(c) more than one jurisdiction in Canada and you are requesting a change only in your principal jurisdiction

Yes  No ”;

- (3) by replacing item 4 with the following:

**“Item 4 Adding categories**

**1. Categories**

What categories are you seeking to add?

\_\_\_\_\_

**2. Professional liability insurance (Québec mutual fund dealers and Québec scholarship plan dealers)**

If you are seeking registration as a representative of a mutual fund dealer or of a scholarship plan dealer in Québec, are you covered by your sponsoring firm’s professional liability insurance?

Yes  No

If “No”, state:

The name of your insurer \_\_\_\_\_

Your policy number \_\_\_\_\_

**3. Relevant securities industry experience**

If you have not been registered in the last 36 months and you passed the required examination more than 36 months ago, do you consider that you have gained 12 months of relevant securities industry experience during the 36 month period?

Yes  No  N/A

If you are an individual applying for IIROC approval, select “Not Applicable” above.

If “yes”, complete Schedule A.”;

- (4) by inserting the following schedule after item 8:

**“SCHEDULE A  
Relevant securities industry experience (Item 4)**

Describe your responsibilities in areas relating to the category you are applying for, including the title(s) you have held, as well as start and end dates:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

What is the percentage of your time devoted to these activities?

\_\_\_ %

Indicate the continuing education activities which you have participated in during the last 36 months and which are relevant to the category of registration you are applying for:

\_\_\_\_\_

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_”;

(5) in Schedule A

(a) by replacing, in the title, “**SCHEDULE A**” with “**SCHEDULE B**”;

(b) by replacing, in the contact information under “**Alberta**”, “4th Floor, 300 - 5th Avenue” with “Suite 600, 250 - 5th St.” and “3C4” with “0R4”;

(c) by replacing, in the contact information under “**Ontario**”, the words “FOI Coordinator” with the words “Compliance and Registrant Regulation” and by adding, at the end, the words “E-mail: registration@osc.gov.on.ca”.

**13.** Schedule A of Form 33-109F3 of the Regulation is amended:

(1) by replacing, in the contact information under “**Alberta**”, “4th Floor, 300 - 5th Avenue” with “Suite 600, 250 - 5th St.” and “3C4” with “0R4”;

(2) by replacing, in the contact information under “**Ontario**”, the words “FOI Coordinator” with the words “Compliance and Registrant Regulation” and by adding, at the end, the words “E-mail: registration@osc.gov.on.ca”.

**14.** Form 33-109F4 of the Regulation is amended:

(1) by replacing, in the definition of “Approved person” under the title “**Terms**”, the words “in respect of a member of the IIROC (Member)” with the words “in respect of a member (Member) of the Investment Industry Regulatory Organization of Canada (IIROC)”;

(2) by inserting under the title “**How to submit this form**”, after the words “legal adviser” and wherever they occur, the words “with securities regulation experience”;

(3) in item 8:

(a) in question 1:

(i) by replacing, in the title, the words “**Course or examination**” with the words “**Course, examination or designation**”;

(ii) by replacing, in the first paragraph, the words “course and examination” with the words “course, examination and designation”;

(iii) by replacing, in the second paragraph, the words “course or examination” with the words “course, examination or designation”;

(b) by adding, at the end of question 2, the following options:

“RESP Dealers Association of Canada: \_\_\_\_\_

Other: \_\_\_\_\_”>”;

(c) by inserting, in question 3 and after the word “examination”, “, designation”;

(4) by inserting the following question after question 3:

**“4. Relevant securities industry experience**

If you are an individual applying for IIROC approval, select “Not Applicable below”.

If you have not been registered in the last 36 months and you passed the required examination more than 36 months ago, do you consider that you have gained 12 months of relevant securities industry experience during the 36 month period?

Yes  No  N/A

If “yes”, complete Schedule F.”;

(5) by inserting, in question 4 of item 9 and after the words “Name of”, the word “supervisor”;

(6) by adding, in item 1.3 of Schedule A and after “No ”, “N/A ”;

(7) under the title “**Categories common to all jurisdictions under securities legislation**” of Schedule C:

(a) by replacing, in the French text of the title “*Individual categories and permitted activities*”, “ACCFM” with “ACFM”;

(b) by replacing the title “*Investment Industry Regulatory Organization of Canada*” with “**IIROC**”;

(8) in item 8.1 of Schedule E:

(a) by replacing, in the title, the words “**Course or examination**” with the words “**Course, examination or designation**”;

(b) by replacing, in the heading of the first column in the table, the words “**Course or examination**” with the words “**Course, examination, designation**”;

(c) by adding, at the end, the following:

“If you have listed the CFA Charter in Item 8.1, please indicate by checking the box below whether you are a current member of the CFA Institute permitted to use the CFA Charter.

Yes  No

If “no”, please explain why you no longer hold this designation:

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If you have listed the CIM designation in Item 8.1, please indicate by checking the box below whether you are currently permitted to use the CIM designation.

Yes  No

If “no”, please explain why you no longer hold this designation:

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(9) in Schedule F:

(a) by replacing, in the title, “**Item 8.3**” with “**Items 8.3 and 8.4**”;

(b) by inserting in item 8.3, after the word “examination” and wherever it occurs, “, designation”;

(c) by adding, after item 8.3, the following :

**“Item 8.4 Relevant securities industry experience**

Describe your responsibilities in areas relating to the category you are applying for, including the title(s) you have held, as well as the start and end dates:

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What is the percentage of your time devoted to these activities?

\_\_\_ %

Indicate the continuing education activities which you have participated in during the last 36 months and which are relevant to the category of registration you are applying for:

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(10) by replacing item 5 of Schedule G with the following:

**“5. Conflicts of interest**

If you have more than one employer or are engaged in business related activities:

A. Disclose any potential for confusion by clients and any potential for conflicts of interest arising from your multiple employment or business related activities or proposed business related activities.

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B. Indicate whether or not any of your employers or organizations where you engage in business related activities are listed on an exchange.

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C. Confirm whether the firm has procedures for minimizing potential conflicts of interest and if so, confirm that you are aware of these procedures.

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D. State the name of the person at your sponsoring firm who has reviewed and approved your multiple employment or business related activities or proposed business related activities.

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E. If you do not perceive any conflicts of interest arising from this employment, explain why.

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(11) in Schedule O:

(a) by replacing, in the contact information under “**Alberta**”, “4th Floor, 300 - 5th Avenue” with “Suite 600, 250 - 5th St.” and “3C4” with “0R4”;

(b) by replacing, in the contact information under “**Ontario**”, the words “FOI Coordinator” with the words “Compliance and Registrant Regulation” and by adding, at the end, the words “E-mail: registration@osc.gov.on.ca”.

**15.** Form 33-109F5 of the Regulation is amended:

(1) by adding, at the end of question 2, the following:

“Name of firm \_\_\_\_\_  
 Registration categories \_\_\_\_\_  
 NRD number (firm) \_\_\_\_\_”;

(2) by inserting, in item 1 and under “ Form 33-109F6”, the following sentence:

“If submitting changes to Form 33-109F6, please attach a blackline of the amended sections of the form.”;

(3) by deleting, in question 2 of item 5, the following line:

“Name of firm”;

(4) in Schedule A:



(a) by replacing, in the contact information under “**Alberta**”, “4th Floor, 300 - 5th Avenue” with “Suite 600, 250 - 5th St.” and “3C4” with “0R4”;

(b) by replacing, in the contact information under “**Ontario**”, the words “FOI Coordinator” with the words “Compliance and Registrant Regulation” and by adding, at the end, the words “E-mail: registration@osc.gov.on.ca”.

**16.** Form 33-109F6 of the Regulation is amended:

(1) under the title “**Definitions**”:

(a) by replacing, in the definition of “NI 31-103”, the words “*and Exemptions*” with “, *Exemptions and Ongoing Registrant Obligations*”;

(b) by inserting, after the definition of “NI 33-109”, the following:

“NI 52-107 – National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards*”;

(c) by inserting, after the definition of “Form”, the following:

“Jurisdiction or jurisdiction of Canada – see National Instrument 14-101 *Definitions*”;

(d) by inserting, after the definition of “Firm”, the following:

“Foreign jurisdiction – see National Instrument 14-101 *Definitions*”;

(2) by replacing, in point 2 under the title “**Contents of the form**”, the words “and Manitoba” with “, Manitoba and New Brunswick”;

(3) under the title “**How to complete and submit the form**”:

(a) by deleting, in the next to last paragraph, the words “and fees”;

(b) by inserting, after the next to last paragraph, the following:

“In most of this form, answers are required to questions which apply only to Canadian provinces and territories; you will find that the questions are referenced to “jurisdictions” or “jurisdiction of Canada”. These refer to all provinces and territories of Canada. However, the questions in Part 4 –Registration History and Part 7 – Regulatory Action are to be answered in respect of any jurisdiction in the world.”;

(4) in item 1.3:

(a) by replacing, under “**Complete**”, “Questions 1.1, 1.2, 1.4, 1.5, 2.4, and Part 9” with “Questions 1.1, 1.2, 1.4, 1.5, 2.4, 3.9, 5.4, 5.6\* and Part 9” and “Questions 1.1, 1.2, 1.4, 1.5, 5.1, 5.4, 5.5, 5.6, 5.7, 5.8, Part 6 and Part 9” with “Questions 1.1, 1.2, 1.4, 1.5, 3.1, 5.1, 5.4, 5.5\*, 5.6\*, 5.7, 5.8, Part 6 and Part 9”;

(b) by adding, at the end, the following sentence:

“\* If the firm is adding Québec as a jurisdiction for registration in the category of mutual fund dealer or scholarship plan dealer, complete question 5.6.”;

(5) by inverting, in the table of item 1.4, “**NT**” and “**NS**”;

(6) by inverting, in the box entitled “Jurisdiction(s) where the firm has applied for the exemption” in item 1.5, “**NT**” and “**NS**”;

- (7) by inverting, in paragraph (b) of item 2.2, “NT” and “NS”;
- (8) by replacing items 2.5 and 2.6 with the following:

**“2.5 Ultimate designated person**

A registered firm must have an individual registered in the category of ultimate designated person.

Legal name	
Officer title	
Telephone number	
E-mail address	
NRD number, if available	
Address	
<input type="checkbox"/> Same as firm head office address	
Address line 1	
Address line 2	
City	Province/territory/state
Country	Postal/zip code

**2.6 Chief compliance officer**

- Same as ultimate designated person

A registered firm must have an individual registered in the category of chief compliance officer.

Legal name	
Officer title	
Telephone number	
E-mail address	
NRD number, if available	
Address	
<input type="checkbox"/> Same as firm head office address	
Address line 1	
Address line 2	
City	Province/territory/state
Country	Postal/zip code

(9) by replacing, in item 3.3, the words “or Manitoba” with “, Manitoba or New Brunswick”;

(10) in Part 4:

(a) by replacing, in the sentence under the title, the word “in the world” with the words “and any foreign jurisdiction”;

(b) by deleting, in item 4.5, the word “ever”;

(11) by replacing item 5.1 with the following:

**“5.1 Calculation of excess working capital**

Attach the firm’s calculation of excess working capital.

- Investment dealers must use the capital calculation form required by the Investment Industry Regulatory Organization of Canada (IIROC).
- Mutual fund dealers must use the capital calculation form required by the Mutual Fund Dealers Association of Canada (MFDA), except for mutual fund dealers registered in Québec only
- Firms that are not members of either IIROC or the MFDA must use Form 31-103F1 *Calculation of Excess Working Capital*. See Schedule C.”;

(12) by inverting, in item 5.4, “NT” and “NS”;

(13) by replacing items 5.5 and 5.6 with the following:

**“5.5 Bonding or insurance details**

This information is on the binder of insurance or on the financial institution bond.

Name of insurer	
Bond or policy number	
Specific insuring agreements and clauses	
Coverage for each claim (\$)	Annual aggregate coverage (\$)
Total coverage (\$)	
Amount of the deductible (\$)	Expiry date (yyyy/mm/dd)

If the firm’s insurance or proposed insurance is not in the form of a financial institution bond, explain how it provides equivalent coverage to the bond.

**5.6 Professional liability insurance (Québec only)**

If the firm is seeking registration in Québec as a mutual fund dealer or a scholarship plan dealer, provide the following information about the firm’s professional liability insurance:

Name of insurer

Policy number																											
Specific insuring agreements and clauses																											
Coverage for each claim (\$)	Annual aggregate coverage (\$)																										
Total coverage (\$)																											
Amount of the deductible (\$)	Renewal date (yyyy/mm/dd)																										
Jurisdictions covered:																											
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Which insurance policy applies to your representatives?																											
Firm's policy	<input type="checkbox"/>																										
Individual's policy	<input type="checkbox"/>																										
Both	<input type="checkbox"/>																										

”;

- (14) by replacing item 5.13 with the following:

**“5.13 Audited financial statements**

- (a) Attach, for your most recently completed year, either

- (i) non-consolidated audited financial statements; or

(ii) audited financial statements prepared in accordance with subsection 3.2(3) of NI 52-107.

(b) If the audited financial statements attached for item (a) were prepared for a period ending more than 90 days before the date of this application, also attach an interim financial report for a period of not more than 90 days before the date of this application.

If the firm is a start-up company, you can attach an audited opening statement of financial position instead.”;

- (15) in Part 6:

(a) by adding, under the instructions in the column to the left, the following:

“For guidance regarding whether a firm will hold or have access to client assets see section 12.4 of Companion Policy 31-103CP”;

(b) by replacing the sentence under the title of item 6.1 with the following:

“Will the firm hold or have access to client assets?”

(16) in Part 7:

(a) by replacing the sentence under the title with the following:

“The questions in Part 7 apply to any jurisdiction and any foreign jurisdiction. The information must be provided in respect of the last 7 years.”;

(b) by deleting, in item 7.1, the word “ever”;

(17) by deleting, in item 7.2, the word “ever”;

(18) in Part 8:

(a) by adding, at the end of the sentence under the title, the following:

“The information must be provided in respect of the last 7 years.”;

(b) by deleting, in item 8.1, the word “ever”;

(19) in Schedule A:

(a) by replacing, in the contact information under “**Alberta**”, “4th Floor, 300 - 5th Avenue” with “Suite 600, 250 - 5th St.” and “3C4” with “0R4”;

(b) by replacing, in the contact information under “**Ontario**”, the words “FOI Coordinator” with the words “Compliance and Registrant Regulation” and by adding, at the end, the words “E-mail: registration@osc.gov.on.ca”;

(20) in Schedule B:

(a) by replacing points 1 to 4 with the following:

“1. Name of person or company (the “Firm”):

2. Jurisdiction of incorporation of the person or company:

3. Name of agent for service of process (the “Agent for Service”):

4. Address for service of process on the Agent for Service:

Phone number of the Agent for Service: ”;

(b) by replacing, wherever it occurs in point 7, “7th” with “10th”;

(21) by replacing Schedule C with the following:

**“FORM 31-103F1  
CALCULATION OF EXCESS WORKING CAPITAL**

\_\_\_\_\_

Firm Name

Capital Calculation  
(as at \_\_\_\_\_ with comparative figures as at \_\_\_\_\_)

	Component	Current period	Prior period

1.	Current assets		
2.	Less current assets not readily convertible into cash (e.g., prepaid expenses)		
3.	Adjusted current assets Line 1 minus line 2 =		
4.	Current liabilities		
5.	Add 100% of long-term related party debt unless the firm and the lender have executed a subordination agreement in the form set out in Appendix B and the firm has delivered a copy of the agreement to the regulator or, in Québec, the securities regulatory authority		
6.	Adjusted current liabilities Line 4 plus line 5 =		
7.	Adjusted working capital Line 3 minus line 6 =		
8.	Less minimum capital		
9.	Less market risk		
10.	Less any deductible under the bonding or insurance policy required under Part 12 of Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations		
11.	Less Guarantees		
12.	Less unresolved differences		
13.	Excess working capital		

**Notes:**

This form must be prepared using the accounting principles that you use to prepare your financial statements in accordance with Regulation 52-107 respecting Acceptable Accounting Principles and Auditing Standards (M.O. 2010-16, 10-12-03). Section 12.1 of Policy Statement to Regulation 31-103 respecting Registration

Requirements, Exemptions and Ongoing Registrant Obligations provides further guidance in respect of these accounting principles.

**Line 5. Related-party debt** – Refer to the CICA Handbook for the definition of “related party” for publicly accountable enterprises.

**Line 8. Minimum Capital** – The amount on this line must be not less than (a) \$25,000 for an adviser and (b) \$50,000 for a dealer. For an investment fund manager, the amount must be not less than \$100,000 unless subsection 12.1(4) applies.

**Line 9. Market Risk** – The amount on this line must be calculated according to the instructions set out in Schedule 1 to this Form.

**Line 11. Guarantees** – If the registered firm is guaranteeing the liability of another party, the total amount of the guarantee must be included in the capital calculation. If the amount of a guarantee is included in the firm’s statement of financial position as a current liability and is reflected in line 4, do not include the amount of the guarantee on line 11.

**Line 12. Unresolved differences** – Any unresolved differences that could result in a loss from either firm or client assets must be included in the capital calculation.

The examples below provide guidance as to how to calculate unresolved differences:

(i) If there is an unresolved difference relating to client securities, the amount to be reported on Line 12 will be equal to the fair value of the client securities that are short, plus the applicable margin rate for those securities.

(ii) If there is an unresolved difference relating to the registrant's investments, the amount to be reported on Line 12 will be equal to the fair value of the investments (securities) that are short.

(iii) If there is an unresolved difference relating to cash, the amount to be reported on Line 12 will be equal to the amount of the shortfall in cash.

Please refer to section 12.1 of Policy Statement to Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations for further guidance on how to prepare and file this form.

**Management Certification****Registered Firm Name:** \_\_\_\_\_

We have examined the attached capital calculation and certify that the firm is in compliance with the capital requirements as at \_\_\_\_\_.

Name and Title	Signature	Date
1. _____	_____	_____
_____	_____	_____
2. _____	_____	_____
_____	_____	_____

**“SCHEDULE 1 OF FORM 31-103F1 CALCULATION OF EXCESS  
WORKING CAPITAL  
(calculating line 9 [market risk])**

For purposes of completing this form:

(1) “Fair value” means the value of a security determined in accordance with Canadian GAAP applicable to publicly accountable enterprises.

(2) For each security whose value is included in line 1, Current Assets, multiply the fair value of the security by the margin rate for that security set out below. Add up the resulting amounts for all of the securities you hold. The total is the "market risk" to be entered on line 9.

## (a) Bonds, Debentures, Treasury Bills and Notes

(i) Bonds, debentures, treasury bills and other securities of or guaranteed by the Government of Canada, of the United Kingdom, of the United States of America and of any other national foreign government (provided such foreign government securities are currently rated Aaa or AAA by Moody's Investors Service, Inc. or Standard & Poor's Corporation, respectively), maturing (or called for redemption):

within 1 year:	1% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year to 3 years:	1 % of fair value
over 3 years to 7 years:	2% of fair value
over 7 years to 11 years:	4% of fair value
over 11 years:	4% of fair value

(ii) Bonds, debentures, treasury bills and other securities of or guaranteed by any jurisdiction of Canada and obligations of the International Bank for Reconstruction and Development, maturing (or called for redemption):

within 1 year:	2% of fair value multiplied by the fraction determined by dividing the number of days
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	to maturity by 365
over 1 year to 3 years:	3 % of fair value
over 3 years to 7 years:	4% of fair value
over 7 years to 11 years:	5% of fair value
over 11 years:	5% of fair value

(iii) Bonds, debentures or notes (not in default) of or guaranteed by any municipal corporation in Canada or the United Kingdom maturing:

within 1 year:	3% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year to 3 years:	5 % of fair value
over 3 years to 7 years:	5% of fair value
over 7 years to 11 years:	5% of fair value
over 11 years:	5% of fair value

(iv) Other non-commercial bonds and debentures, (not in default): 10% of fair value

(v) Commercial and corporate bonds, debentures and notes (not in default) and non-negotiable and non-transferable trust company and mortgage loan company obligations registered in the registered firm's name maturing:

within 1 year:	3% of fair value
over 1 year to 3 years:	6 % of fair value
over 3 years to 7 years:	7% of fair value
over 7 years to 11 years:	10% of fair value
over 11 years:	10% of fair value

(b) Bank Paper

Deposit certificates, promissory notes or debentures issued by a Canadian chartered bank (and of Canadian chartered bank acceptances) maturing:

within 1 year:	2% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year:	apply rates for commercial and corporate bonds, debentures and notes

(c) Acceptable foreign bank paper

Deposit certificates, promissory notes or debentures issued by a foreign bank, readily negotiable and transferable and maturing:

within 1 year:	2% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year:	apply rates for commercial and corporate bonds, debentures and notes

“Acceptable Foreign Bank Paper” consists of deposit certificates or promissory notes issued by a bank other than a Canadian chartered bank with a net worth (i.e., capital plus reserves) of not less than \$200,000,000.

(d) Mutual Funds

Securities of mutual funds qualified by prospectus for sale in any jurisdiction of Canada:

(i) 5% of the net asset value per security as determined in accordance with Regulation 81-106 respecting Investment Fund Continuous Disclosure (M.O. 2055-05, 05-05-19), where the fund is a money market mutual fund as defined in Regulation 81-102 respecting Mutual Funds (Decision 2001-C-0209, 01-05-22); or

(ii) the margin rate determined on the same basis as for listed stocks multiplied by the net asset value per security of the fund as determined in accordance with Regulation 81-106 respecting Investment Fund Continuous Disclosure.

(e) Stocks

In this paragraph, "securities" includes rights and warrants and does not include bonds and debentures.

(i) On securities including investment fund securities, rights and warrants, listed on any exchange in Canada or the United States of America:

#### Long Positions – Margin Required

fair value Securities selling at \$2.00 or more – 50% of

fair value Securities selling at \$1.75 to \$1.99 – 60% of

fair value Securities selling at \$1.50 to \$1.74 – 80% of

value Securities selling under \$1.50 – 100% of fair

#### Short Positions – Credit Required

fair value Securities selling at \$2.00 or more – 150% of

share Securities selling at \$1.50 to \$1.99 - \$3.00 per

fair value Securities selling at \$0.25 to \$1.49 – 200% of

value plus \$0.25 per shares Securities selling at less than \$0.25 – fair

(ii) For positions in securities that are constituent securities on a major broadly-based index of one of the following exchanges, 50% of the fair value:

- (a) Australian Stock Exchange Limited
- (b) Bolsa de Madrid
- (c) Borsa Italiana
- (d) Copenhagen Stock Exchange
- (e) Euronext Amsterdam
- (f) Euronext Brussels
- (g) Euronext Paris S.A.
- (h) Frankfurt Stock Exchange

- (i) London Stock Exchange
- (j) New Zealand Exchange Limited
- (k) Stockholm Stock Exchange
- (l) Swiss Exchange
- (m) The Stock Exchange of Hong Kong Limited
- (n) Tokyo Stock Exchange

(f) Mortgages

except Ontario:

- (i) For a firm registered in any jurisdiction of Canada

value

- (a) Insured mortgages (not in default): 6% of fair

(b) Mortgages which are not insured (not in default): 12% of fair value of the loan or the rates set by Canadian financial institutions or Schedule III banks, whichever is greater.

- (ii) For a firm registered in Ontario:

(a) Mortgages insured under the National Housing Act (R.S.C., 1985, c. N-11) (not in default): 6% of fair value

(b) Conventional first mortgages (not in default): 12% of fair value of the loan or the rates set by Canadian financial institutions or Schedule III banks, whichever is greater.

- (g) For all other securities – 100% of fair value.”.

**17.** Form 33-109F7 of the Regulation is amended:

- (1) in the general instructions:

- (a) by replacing paragraph 1 with the following:

“1. this form is submitted on or before the end of three months after the cessation date of the individual’s employment, partnership or agency relationship with the individual’s former sponsoring firm.”;

- (b) by replacing paragraph 3 with the following:

“3. the individual’s employment, partnership or agency relationship with their former sponsoring firm did not end because the individual was asked by the firm to resign, resigned voluntarily or was dismissed, following an allegation against the individual of criminal activity, a breach of securities legislation, or a breach of the rules of an SRO.”;

(2) by adding, at the end of the first paragraph under the title “**Terms**”, the words “or their status as permitted individual”;

- (3) by replacing paragraph 5 of item 5 with the following:

“5.  Check here if the mailing address of the location is the same as the business address provided above. Otherwise, complete the following:

Mailing address: \_\_\_\_\_  
(number, street, city, province, territory or state, country, postal code)”;

(4) by inserting, in subparagraph (b) of paragraph 2 of item 9 and after the words “you were asked by the firm to resign”, the words “or resigned voluntarily”;

(5) by replacing, under the title “**Categories common to all jurisdictions under securities legislation**” of Schedule B, the words “**Investment Industry Regulatory Organization of Canada**” with “**IIROC**”;

(6) by replacing item 5 of Schedule D with the following:

**“5. Conflict of Interest**

If you have more than one employer or are engaged in business related activities:

A. Disclose any potential for confusion by clients and any potential for conflicts of interest arising from your multiple employment or business related activities or proposed business related activities.

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B. Indicate whether or not any of your employers or organizations where you engage in business related activities are listed on an exchange.

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C. Confirm whether the firm has procedures for minimizing potential conflicts of interest and if so, confirm that you are aware of these procedures.

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D. If you do not perceive any conflicts of interest arising from this employment, explain why.

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(7) by replacing, in the French text of Schedule B, “ACCFM” with “ACFM”;

(8) in Schedule F:

(a) by replacing, in the contact information under “**Alberta**”, “4th Floor, 300 - 5th Avenue” with “Suite 600, 250 - 5th St.” and “3C4” with “0R4”;

(b) by replacing, in the contact information under “**Ontario**”, the words “FOI Coordinator” with the words “Compliance and Registrant Regulation” and by adding, at the end, the words “E-mail: registration@osc.gov.on.ca”.

**18.** The Regulation is amended by replacing, wherever they occur, the words “Regulation 31-103 respecting Registration Requirements and Exemptions” with the words “Regulation 31-103 respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations”.

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