

POLICY STATEMENT TO REGULATION 33-109 RESPECTING REGISTRATION INFORMATION

PART 1 GENERAL

1.1. Purpose

This Policy Statement sets out how the Canadian Securities Administrators interpret or apply *Regulation 33-109 respecting Registration Information* (chapter V-1.1, r. 12) (the Regulation).

The registration requirement in securities legislation provides protection to investors from unfair, improper or fraudulent practices and enhances capital market integrity and efficiency. The information required under the Regulation allows regulators to assess a filer's fitness for registration or for permitted individual status, with regard to their solvency, integrity and proficiency. These fitness requirements are the cornerstones of the registration requirement. In each jurisdiction of Canada the registration requirement and the Regulation apply to dealers, underwriters, advisers and investment fund managers and to individuals who act on their behalf as registered or permitted individuals.

1.2. Definition of permitted individuals

Section 1.1 of the Regulation defines a permitted individual as an individual who meets the criteria set forth in paragraph (a), (b) or (c) of the definition. A permitted individual may or may not be a registered individual. For example, the chief executive officer of a registered firm is registered as the firm's ultimate designated person and is also a permitted individual. The definition of permitted individual allows the Regulation to separate out the filing requirements which are applicable only to permitted individuals from those which are applicable to registered individuals.

1.3. Overview of the forms

The **following** forms are for firms:

- Form 33-109F3 *Business Locations other than Head Office* – to disclose each business location of the firm and any change of business location
- Form 33-109F6 *Firm Registration* – to apply for registration as a dealer, adviser or investment fund manager

The following forms are for individuals and are submitted in NRD format:

- Form 33-109F1 *Notice of Termination of Registered Individuals and Permitted Individuals* – to notify the regulator that a registered or permitted individual has ceased to have authority to act on behalf of the firm
- Form 33-109F2 *Change or Surrender of Individual Categories* – to apply for registration or review in an additional category or to surrender a category
- Form 33-109F4 *Registration of Individuals and Review of Permitted Individuals* – to apply for registration or review as a permitted individual
- Form 33-109F7 *Reinstatement of Registered Individuals and Permitted Individuals* – to reinstate an individual's registration or a permitted individual status

1.4. Notice requirements

Form 33-109F5 *Change of Registration Information* is used by firms and individuals to notify regulators of any change to their registration information. Under sections 3.1 and 4.1 of the Regulation a registrant and a permitted individual must keep their registration information current on an ongoing basis by filing notices of change of information within the required time.

Appendix A summarizes the notice requirements, time periods and the forms under the Regulation to notify regulators of a change to a firm's or individual's registration information.

1.5. Contact information

When a firm submits a Form 33-109F6, supporting documents or a Form 33-109F5, it can make the submission using e-mail, fax or mail. Appendix B attached to this policy sets out the contact information for the regulator in each jurisdiction of Canada and for the Investment Industry Regulatory Organization of Canada (IIROC) in those jurisdictions where the securities regulatory authority has delegated, assigned or authorized IIROC to perform registration functions.

PART 2 FORMS USED BY INDIVIDUALS

2.1. National Registration Database (NRD)

The NRD is the database containing information about all registrants and permitted individuals under securities or commodity futures legislation in each jurisdiction of Canada. The requirement for firms to enrol, and to make certain submissions, on NRD are set out in *Regulation 31-102 respecting National Registration*

Database (chapter V-1.1, r. 9). Detailed information about the NRD and the enrolment process is available in the NRD User Guide published at www.nrd-info.ca.

2.2. Form 33-109F4

Types of submissions using Form 33-109F4

The NRD format for submitting a completed Form 33-109F4 under subsection 2.2(1) or 2.5(1) of the Regulation include 4 distinct NRD submission types that are made in the following circumstances:

- *Initial Registration*, when an individual is seeking registration, or review as a permitted individual, through NRD for the first time
- *Registration in an Additional Jurisdiction*, when an individual is registered or is a permitted individual in a jurisdiction of Canada and is seeking registration, or review as a permitted individual, in an additional jurisdiction;
- *Registration with an Additional Sponsoring Firm*, when an individual is registered, or is a permitted individual, on behalf of one sponsoring firm and applies for registration, or seeks review as a permitted individual, to act on behalf of an additional sponsoring firm
- *Reactivation of Registration*, when an individual who has an NRD record is applying for registration, reinstatement of registration or is seeking review as a permitted individual and is not eligible under subsection 2.3(2) or 2.5(2) of the Regulation to submit a Form 33-109F7

Submissions by permitted individuals

Under subsection 2.5(1) of the Regulation, within 10 days of becoming a permitted individual, the individual must submit a Form 33-109F4 for review by the regulator. An individual whose registration is suspended may apply to reinstate the registration by submitting a completed Form 33-109F4 to the regulator. This is done with the *Reactivation of Registration* submission on NRD. After making this submission the individual may not conduct activities requiring registration unless and until the regulator has approved the application. However, an application for reinstatement or review is not required if the individual meets all of the conditions for automatic reinstatement in subsection 2.3(2) or 2.5(2) of the Regulation, which include submitting a completed Form 33-109F7 to the regulator as described in section 2.5 below.

Agent for service

Item 18 *Agent for service* of Form 33-109F4 is a certification clause by the individual that he or she has completed the appointment for service required in each relevant jurisdiction. There is no distinct form under Regulation 33-109 for the

appointment of an agent for service for use by individuals. Please refer to the form used by the registered firm. This format is acceptable to the regulator.

2.3 Form 33-109F2

This form is used by individuals to apply to add or to surrender a registration category, to seek review of a change in their permitted individual category or to change any information on Schedule C of a previously submitted Form 33-109F4. If an individual has ceased to have authority to act on behalf of their sponsoring firm as a registered or permitted individual in the last jurisdiction of Canada where they were so acting, they cannot submit a Form 33-109F2. Instead, the individual's sponsoring firm submits a Form 33-109F1 to notify the regulator of the termination or cessation of authority to act on behalf of the firm.

2.4 Form 33-109F5 for individuals

When an individual submits a Form 33-109F5 to update their registration information, NRD will transmit the information to the regulator in each jurisdiction in which the individual is registered or is a permitted individual. However, only the principal regulator processes the submission to update the individual's registration information on NRD, or if necessary to deny or withdraw the submission.

Form 33-109F5 should not be used by an individual applying to add or surrender a registration category or to seek review of a change in his/her permitted individual category. In this case, Form 33-109F2 is used. It should also be noted that Form 33-109F5 is not used by an individual that is registered or is a permitted individual in a jurisdiction of Canada and is seeking registration, or review as a permitted individual, in an additional jurisdiction. In this case, a Form 33-109F4 is used and is identified on NRD as *Registration in an Additional Jurisdiction*. This also applies to an individual adding a sponsoring firm; Form 33-109F4 is used and is identified on NRD as *Registration with an Additional Sponsoring Firm*.

2.5 Form 33-109F7 for reinstatement

When an individual leaves a sponsoring firm and joins a new registered firm, they may submit a Form 33-109F7 to have their registration or permitted individual status automatically reinstated in one or more of the same categories and jurisdictions as before, subject to all of the conditions set out in subsection 2.3(2) or 2.5(2) of the Regulation. An individual who meets all of the applicable conditions will be able to transfer directly from one sponsoring firm to another and start engaging in activities requiring registration from the first day that they submit the Form 33-109F7.

2.6. Business locations (Form 33-109F4 and Form 33-109F7)

The term "business location" is defined in section 1.1 of the Regulation. If the business location specified in Item 9 of Form 33-109F4 or Item 5 of Form 33-109F7 is a

residence, the individual must certify in both these forms that they give their consent for the regulator or, in Québec, the securities regulatory authority to enter the residence for the administration of securities legislation.

2.7. Ongoing fitness for registration

Every registrant must maintain their fitness for registration on an ongoing basis. Under securities legislation, the regulator has discretionary authority to suspend or revoke an individual's registration or to restrict it with terms and conditions at any time. The regulator may do this, for example, if it receives information through a notice of termination from an individual's former sponsoring firm or any other source that raises concerns about the individual's continued fitness for registration. Individuals will be given an opportunity to be heard before a decision is made to suspend or revoke registration or to impose terms and conditions.

PART 3 FORMS USED BY FIRMS

3.1. Form 33-109F6

When a firm submits a Form 33-109F6 to apply for registration, it may pay the regulatory fees to the applicable regulators by cheque or by using the NRD function called *Resubmit Fee Payment*. A firm that applies in multiple jurisdictions should submit its application to the regulator in the principal jurisdiction or, if Ontario is a non-principal jurisdiction, to the regulators in the principal jurisdiction and in Ontario. For more details refer to *Policy Statement 11-204 respecting Process for Registration in Multiple Jurisdictions* (Decision 2009-PDG-0115, 2009-09-04).

Under section 4A.1 of *Regulation 11-102 respecting Passport System* (chapter V-1.1, r. 1), the principal regulator for a foreign firm is the securities regulatory authority or regulator identified in Item 2.2(b) of the firm's most recent Form 33-109F6 or Form 33-109F5 – *Change of Registration Information* if the change noted in that form relates to Item 2.2(b) of Form 33-109F6. For firms without a head office in Canada or not already registered in a jurisdiction of Canada, Item 2.2(b) of Form 33-109F6 specifies that the principal regulator is the jurisdiction of Canada in which the firm expects to conduct most of its activities that require registration as at the end of its current financial year or conducted most of its activities that require registration as at the end of its most recently completed financial year. Firms should determine whether to base the selection on where they expect to conduct most of their activities or where they conducted most of their activities the previous year based on which they feel is most appropriate.

The factors a firm should consider in identifying the principal regulator are:

- the jurisdiction in which the firm has a business location,

- when applying for dealer registration or adviser registration, the jurisdiction in which the firm expects to have most of its clients as at the end of its current financial year or the jurisdiction in which most of the firm's clients were located at the end of its most recently completed financial year,
- when applying for investment fund manager registration, the jurisdiction in which the firm expects to conduct most of its investment fund manager activities as at the end of its current financial year or the jurisdiction in which most of the firm's investment fund manager activities were conducted at the end of its most recently completed financial year,
- when applying for investment fund manager registration and another category of registration, the jurisdiction in which the firm expects to conduct most of the activities that require registration as at the end of its current financial year or conducted most of the activities that require registration as at the end of its most recently completed financial year based on the foregoing.

Under section 4A.2 of *Regulation 11-102 respecting Passport System*, a securities regulatory authority or regulator has the discretion to change the principal regulator for the firm.

3.2. Form 33-109F5

A firm that is registered in multiple jurisdictions may submit a Form 33-109F5 to its principal regulator only to notify regulators of a change to the firm's registration information, in accordance with subsection 3.1(6) of the Regulation.

3.3. Form 33-109F3

A firm must notify the regulator of each business location in the jurisdiction. The term "business location" is defined in section 1.1 of the Regulation and may include a residence where a firm's registered individuals are based for the purpose of carrying out activities that require registration.

Firms certify in Item 22 of Form 33-109F4 that if the business location is a residence, the individual conducting business from that business location has completed a Form 33-109F4 certifying that they give their consent for the regulator or, in Québec, the securities regulatory authority to enter the residence for the administration of securities legislation.

Firms submit this form through the NRD website.

3.4. Discretionary exemption for bulk transfers

Regulators will consider an application for an exemption from certain requirements in the Regulation to facilitate a reorganization or combination of firms

which would otherwise require a large number of submissions to change business locations and transfer individuals. The information required, and the conditions to obtain, this type of exemption application are described in the attached Appendix C.

3.5. Form 33-109F1

Under section 4.2 of the Regulation, a registered firm must notify the regulator no more than 10 days after an individual ceased to have authority to act on behalf of the firm, as a registered or permitted individual. Typically, this occurs due to the termination of the individual's employment, partnership or agency relationship with the firm. However, it also occurs when an individual is re-assigned to a different position at the firm that does not require registration or is not a permitted individual category. Form 33-109F1 is submitted through the NRD website to give notice of the cessation date and the reason for the termination or cessation.

Under paragraph 4.2(1)(b) of the Regulation, the information in Item 5 of a Form 33-109F1 must be submitted unless the cessation of authority to act on behalf of the firm was caused by the death of the individual. A firm can submit the information in Item 5 either at the time of the making the initial submission on NRD, if the information is available within that 10 day period, or within 30 days of the cessation date, by making an NRD submission entitled *Update / Correct Termination Information*.

PART 4 DUE DILIGENCE BY FIRMS

4.1. Obligations of former sponsoring firm

After submitting a Form 33-109F1 with regard to a former sponsored individual a firm should promptly send the individual a copy of the completed Form 33-109F1. Under subsections 4.2(3) and (4) of the Regulation, within 10 days of a request by a former sponsored individual, a firm must provide the individual with a copy of the Form 33-109F1 that was submitted, and if necessary, a further copy that includes the information in Item 5 of the Form 33-109F1, within 10 days of submitting that information.

4.2. Obligations of new sponsoring firm

In fulfilling its obligations under subsection 5.1(1) of the Regulation, a firm should make reasonable efforts to do all of the following:

- establish written policies and procedures to verify an individual's information prior to submitting a Form 33-109F4 or Form 33-109F7 on behalf of the individual
- document the firm's review of an individual's information in accordance with the firm's policies and procedures

- regularly remind registered and permitted individuals about their disclosure obligations under the Regulation, such as notifying the regulator about changes to their registration information

Under subsection 5.1(2) of the Regulation, within 60 days of hiring a sponsored individual a firm must obtain a copy of the most recent Form 33-109F1, if any, for the individual. If a sponsoring firm cannot obtain it from the sponsored individual, as a last resort the sponsored individual should request it from the regulator.

The information referred to above will assist the firm in meeting its obligations under subsection 5.1(1) of the Regulation and should inform the firm's hiring decisions. If an individual is hired before a completed Form 33-109F1 is available and if the firm discovers an inconsistency in the individual's disclosure to the firm or the regulator, then the firm should take appropriate action. All of the required information should be available within 60 days of hiring the individual, which will often fall within the individual's probation period under their employment or agency contract.

PART 5 COMMODITY FUTURES ACT SUBMISSIONS

5.1. Ontario

In Ontario, if a person is required to make a submission under both the Regulation and OSC Rule 33-506 (*Commodity Futures Act*) *Registration Information* 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.

5.2. Manitoba

In Manitoba, the Regulation is a rule under each of the *Securities Act* (C.C.S.M. c. S50) and the *Commodity Futures Act* (C.C.S.M. c. C152). A single submission with respect to the same information will satisfy the requirements of both statutes.

Appendix A Summary of Notice Requirements in Regulation 33-109

Description of Change	Notice Period	Section	Form submitted
Firms – Form 33-109F6 information			by e-mail, fax or mail
Part 1 – Registration details	10 days	3.1(1)(b)	Form 33-109F5
Part 2 – Contact information, including head office address (except 2.4)	10 days		
Item 2.4 – Agent and Address for service [Items 3 and 4 of Schedule B to Form 33-109F6]	10 days	3.1(4)	Schedule B to Form 33-109F6 <i>Submission to jurisdiction</i>
Part 3 – Business history & structure	30 days	3.1(1)(a)	Form 33-109F5
Part 4 – Registration history	10 days	3.1(1)(b)	
Part 5 – Financial condition	10 days		
Part 6 – Client relationships	10 days		
Part 7 – Regulatory action	10 days		
Part 8 – Legal action	10 days		
Firms – other notice requirements			
Open / change of business location (other than head office)	10 days	3.2	Form 33-109F3
Termination / Cessation of Authority of a registered or permitted individual – Items 1 – 4 Item 5	10 days	4.2(2)(a)	Form 33-109F1
	30 days	4.2(2)(b)	
Individuals – Form F4 information			in NRD format
Item 1 – Name	10 days	4.1(1)(b)	Form 33-109F5
Item 2 – Address	10 days	4.1(2)	
Item 3 – Personal information	No update required		
Item 4 – Citizenship	30 days	4.1(1)(a)	
Item 5 – Registration jurisdictions	10 days	4.1(1)(b)	
Item 6 – Individual categories	10 days		
Item 7 – Address for service	10 days		
Item 8 – Proficiency	10 days		
Item 9 – Location of employment	10 days		
Item 10 – Current employment	10 days		
Item 11 – Previous employment	30 days	4.1(1)(a)	
Item 12 – Terminations	10 days	4.1(1)(b)	
Item 13 – Regulatory disclosure	10 days		
Item 14 – Criminal disclosure	10 days		
Item 15 – Civil disclosure	10 days		
Item 16 – Financial disclosure	10 days		
Item 17 – Ownership of securities	10 days		
Change of F4: registrant position or relationship with sponsoring firm / permitted status	10 days	4.1(4)	Form 33-109F2
Review of a Permitted individual	10 days after appointment	2.5	Form 33-109F4 or Form 33-109F7, subject to conditions
Automatic reinstatement of registration subject to conditions	within 90 days of cessation date	2.3(2)	Form 33-109F7

Appendix B Contact Information for the Regulators and IIROC

- Part 1 provides the regulators' contact information for registrants in all categories, except for those in the jurisdictions and categories listed in Part 2
- Part 2 below, provides IIROC's contact information in the jurisdictions where IIROC performs registration functions for representatives of investment dealers and, in some cases, for investment dealer firms

PART 1 – Regulators' Contact Information

Alberta

e-mail: registration@asc.ca
fax: (403) 297-4113
Alberta Securities Commission
Suite 600, 250–5th St. SW
Calgary, AB T2P 0R4
Attention: Registration department

Manitoba

e-mail: registrationmsc@gov.mb.ca
fax: (204) 945-0330
The Manitoba Securities Commission
500-400 St. Mary Avenue
Winnipeg, MB R3C 4K5
Attention: Registrations

Newfoundland and Labrador

e-mail: scon@gov.nl.ca
fax: (709) 729-6187
Superintendent of Securities, Service NL
Government of Newfoundland and Labrador
P.O. Box 8700, 2nd Floor, West Block
Confederation Building
St. John's, NL A1B 4J6
Attention: Registration Section

Nova Scotia

e-mail: nrs@novascotia.ca
fax: (902) 424-4625
Nova Scotia Securities Commission
Suite 400, 5251 Duke Street
Halifax, NS B3J 1P3
Attention: Registration

British Columbia

e-mail: registration@bcsc.bc.ca
fax: (604) 899-6506
British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, BC V7Y 1L2
Attention: Registration

New Brunswick

e-mail: nrs@fcnb.ca
fax: (506) 658-3059
Financial and Consumer Services Commission of
New Brunswick / Commission des services
financiers et des services aux consommateurs du
Nouveau-Brunswick
Suite 300, 85 Charlotte Street
Saint John, NB E2L 2J2
Attention: Registration

Northwest Territories

e-mail: SecuritiesRegistry@gov.nt.ca
fax: (867) 873-0243
Government of the Northwest Territories
Department of Justice
P.O. Box 1320
Yellowknife, NWT X1A 2L9
Attention: Exemption Review Staff

Nunavut

e-mail: CorporateRegistrations@gov.nu.ca
fax: (867) 975-6594
Government of Nunavut
Department of Justice
P.O. Box 1000 Station 570
Iqaluit, NU X0A 0H0
Attention: Superintendent of Securities

PART 1 – Regulators’ Contact Information

Ontario

Telephone: (416) 593-8314
e-mail: registration@osc.gov.on.ca
Ontario Securities Commission
22nd Floor
20 Queen Street West
Toronto, ON M5H 3S8
Attention: Compliance and Registrant Regulation

Québec

e-mail: inscription@lautorite.gc.ca
fax : (514) 873-3090
Autorité des marchés financiers
Direction de l'encadrement des intermédiaires
800 square Victoria, 22e étage
C.P 246, Tour de la Bourse
Montréal (Québec) H4Z 1G3

Yukon

e-mail: corporateaffairs@gov.yk.ca
fax: (867) 393-6251
Government of Yukon
Superintendent of Securities
P.O. Box 2703
Whitehorse, YT Y1A 2C6
Attention: Superintendent of Securities

Prince Edward Island

e-mail: ccis@gov.pe.ca
fax: (902) 368-5283
Securities Office
Department of Community Affairs and Attorney
General
P.O. Box 2000, 95 Rochford Street
Charlottetown, PE C1A 7N8
Attention: Superintendent of Securities

Saskatchewan

e-mail: registrationsfsc@gov.sk.ca
fax: (306) 787-5871
Financial and Consumer Affairs Authority of
Saskatchewan
Suite 601
1919 Saskatchewan Drive
Regina, SK S4P 4H2
Attention: Registration

PART 2 Investment Industry Regulatory Organization of Canada Contact Information

** registration of investment dealer firms and their representatives **

* registration of investment dealer representatives *

**** Alberta – IIROC ****

**** Saskatchewan- IIROC ****

e-mail: registration@iiloc.ca
fax: (403) 265-4603
#2300, 355- 4th Avenue SW,
Calgary, AB T2P 0J1
Attention: Registration department
**** Newfoundland and Labrador – IIROC ****

*** Ontario – IIROC ***

e-mail: registration@iiloc.ca
fax: (416) 364-9177
Suite 1600, 121 King Street West
Toronto, ON M5H 3T9
Attention: Registration department

****British Columbia – IIROC****

e-mail: registration@iiloc.ca
fax: 604-683-3491
1055 West Georgia Street
Suite 2800 – Royal Centre
Vancouver, BC V6E 3R5
Attention: Registration department

*** Québec – IIROC ***

e-mail: registration@iiloc.ca
fax: (514) 878-0797
Organisme canadien de réglementation du
commerce des valeurs mobilières
5 Place Ville Marie
Bureau 1550
Montréal (Québec) H3B 2G2
Attention : Service des inscriptions

Appendix C Discretionary Exemption for Bulk Transfers of Business 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 jurisdiction(s) and registered in the same categories as the acquiring firm, and if a significant number of individuals are associated on NRD with the business locations, the regulator will consider granting an exemption from any or all of the following requirements:

(a) to submit a notice regarding the termination of each employment, partner, or agency relationship under section 4.2 of the Regulation;

(b) to submit a registration application or a reinstatement notice for each individual seeking to be a registered individual under section 2.2 or 2.3 of the Regulation;

(c) to submit a Form 33-109F4 or Form 33-109F7 for each permitted individual under section 2.5 of the Regulation;

(d) to notify the regulator of a change to the business location information in Form 33-109F3 under section 3.2 of the Regulation.

(2) The 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 well in advance of the date (transfer date) on which the business locations will be transferred. It would typically be sufficient if a firm submits the application at least 30 days before the transfer date. An application for this type of exemption 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),

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

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

(4) 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 their principal regulator to discuss what steps are required for the firm to be eligible for a bulk transfer exemption as described above.

(5) A firm applying for this type of exemption in more than one jurisdiction should refer to *Policy Statement 11-203 respecting Process for Exemption Applications in Multiple Jurisdictions* (Décision 2008-PDG-0061, 2008-02-22) for guidance on the form of application and the information required. The firm may set out the information referred to in (2) as follows:

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:

Decision 2014-PDG-0142, 2014-11-14

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AMENDMENTS

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