



Canadian Securities  
Administrators

Autorités canadiennes  
en valeurs mobilières

## NOTICE AND REQUEST FOR COMMENT

### **Proposed Revocation and Replacement of National Instrument 33-109 *Registration Information* and Companion Policy 33-109CP,**

### **Proposed Amendments to National Instrument 31-102 *National Registration Database* and Companion Policy 31-102CP**

**February 29, 2008**

#### **Introduction**

The Canadian Securities Administrators (the **CSA** or **we**) are publishing for a 90-day comment period National Instrument 33-109 - *Registration Information* (**NI 33-109**) and Companion Policy 33-109CP (**33-109CP**). The proposed national instrument and policy are intended to replace the national instrument and policy currently in force under the same numbers.

The CSA is also publishing for comment proposed amendments to National Instrument 31-102 - *National Registration Database* (**NI 31-102**) and Companion Policy 31-102CP (**31-102CP**).

#### **Substance and purpose of proposed amendments**

We are proposing the changes chiefly as a consequence of the new requirements in proposed National Instrument 31-103 *Registration Requirements* (**NI 31-103**).

*Proposed changes to NI 33-109, which will be revoked and replaced*

We have made the following changes:

-revised the definition of *permitted individual* to include only the following officers: chief executive officer, chief financial officer, or chief operating officer of the firm, or those performing the functional equivalent of any of those positions. More junior officers that neither trade nor advise, or that have no dealings in Canada are therefore excluded. We have regularly granted exemptions from the requirement for junior officers to submit a Form 33-109F4. This change merely codifies that practice.

-added references to the registration categories of ultimate designated person and chief compliance officer.

-condensed Parts 4 and 5 into one part containing the requirements for both registered individuals and permitted individuals.

-expanded sections 4.3 and 5.1 to take into account the proposed two-stage disclosure process in Form 33-109F1.

*Proposed changes to Form 33-109F1*

We have revised Form 33-109F1 to support the proposal in proposed NI 31-103 for permanent registration and more efficient reinstatement of registered individuals. The version now published for comment adds permitted individuals to the amended Form 33-109F1 that was published for comment with proposed NI 31-103 on February 23, 2007 and also incorporates minor changes to address some of the comments we received.

*Proposed changes to Form 33-109F2*

Cross references have been updated.

Item 3 Details of Surrender now specifies that it applies if the individual is surrendering his or her registration with the sponsoring firm in the local jurisdiction.

*Proposed changes to Form 33-109F3*

Cross references have been updated.

*Proposed changes from Form 33-109F4*

We have made the following changes:

-a number of minor housekeeping changes as a consequence of the proposals in proposed NI 31-103. In particular, the new categories of registration in proposed NI 31-103 have resulted in changes to Schedule C of Form 33-109F4.

-applied plain language principles to make Form 33-109F4 easier to understand

-defined certain terms used in Form 33-109F4 that are not defined elsewhere.

*Proposed changes to Form 33-109F5*

Cross references have been updated.

*Proposed Form 33-109F6*

We have made the following changes:

- a number of minor housekeeping changes as a consequence of proposed NI 31-103. In particular, the new categories of registration in NI 31-103 have resulted in changes to Schedule C of Form 33-109F6.
- applied plain language principles to make Form 33-109F6 easier to understand.
- defined certain terms used in Form 33-109F6 that are not defined elsewhere.
- included CSA-wide relevant requirements that were previously requested in additional requirement lists by each jurisdiction.

*Proposed Form 33-109F7*

This is a new form to support more efficient reinstatement of registered individuals.

*Proposed changes to 33-109CP*

We have made the following changes:

- removed the existing section 1.1 because it is no longer necessary.
- added Part 2 to explain the reinstatement process
- added section 4.2 to clarify the ongoing requirements to update information in applications for registration.
- expanded section 5.1 to address the sponsoring firm's due diligence obligations on their review of individuals, including correcting incorrect or deficient information in Form 33-109F7.
- added section 5.2 to explain issues relating to Form 33-109F1.
- added Part 7 to explain the intended use of each of the forms.

*Proposed changes to NI 31-102*

We have made the following changes:

- added Forms 33-109F5 and 33-109F7 to the list in section 2.1.
- amended section 3.2(e) to require a firm filer to notify the NRD administrator of any change in the name, telephone number, or e-mail address of the firm's chief AFR.
- added section 4.4 to require a firm filer to pay through NRD any late filing fees arising because of an activity that creates a submission on NRD.

-added section 4.5 to codify the exemptions that are regularly granted from the requirement to pay fees though NRD.

-removed Part 7 because it is no longer necessary.

#### *Proposed changes to 31-102CP*

We have made the following changes:

-removed the existing section 1.1 because it is no longer necessary.

-added section 7.2 to address *Commodity Futures Act* submissions.

### **Summary of proposed amendments**

The proposed changes will:

- reflect the proposals in proposed NI 31-103
- reflect the proposed amendments to certain forms
- codify exemptions that are granted regularly
- address housekeeping matters

### **Authority for proposed amendments - Ontario**

The Ontario Securities Commission is seeking amendments to the *Securities Act* (Ontario) to provide it with the requisite authority to make certain provisions in NI 33-109 and NI 31-102. The remaining provisions are made under the authority of the following paragraphs of subsection 143(1) of the *Securities Act* (Ontario): 1, 7, 10, 39, 44, 45, 46, and 49.

### **Unpublished materials**

In proposing the amendments to NI 33-109, 33-109CP, NI 31-102, and 31-102CP, the CSA has not relied on any significant unpublished study, report, or other written materials.

### **Alternatives considered**

We did not consider any alternatives to the proposed changes to NI 33-109, 33-109CP, NI 31-102, and 31-102CP.

### **Anticipated costs and benefits**

We anticipate that the proposed changes will facilitate the implementation of proposed NI 31-103 and eliminate the need for certain exemptions that are granted routinely.

### **Request for Comments**

Interested parties are invited to make written submissions about these proposed changes. Submissions received by May 29, 2008 will be considered. If you are not sending your

submissions by e-mail, please include a diskette or CD containing your submission (in Windows format, Word).

Submissions should be addressed to all of the CSA members listed below:

Ontario Securities Commission  
Autorité des marchés financiers

It is not necessary to send comments separately to all CSA member authorities. Please send them to [one of the] the following persons, who will ensure they are sent to the other CSA members:

c/o John Stevenson  
Secretary to the Commission  
Ontario Securities Commission  
20 Queen Street West, Suite 1903, Box 55  
Toronto, Ontario M5H 3S8  
Fax: (416) 593-2318  
e-mail: [jstevenson@osc.gov.on.ca](mailto:jstevenson@osc.gov.on.ca)

Anne-Marie Beaudoin  
Corporate Secretary  
Autorité des marchés financiers  
Tour de la Bourse  
800, square Victoria, C.P. 246, 22 étage  
Montreal, Québec H4Z 1G3  
Fax: (514) 864-8381  
Email: [consultation-en-cours@lautorite.qc.ca](mailto:consultation-en-cours@lautorite.qc.ca)

We cannot keep submissions confidential because securities legislation in certain jurisdictions requires that a summary of the written submissions received during the comment period be published.

## **Questions**

Please refer your questions to any of:

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Toronto, Ontario M5H 3S8  
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The text of the proposed amendments follow or can be found elsewhere on a CSA member website.