[28 Sep 2009] *– The following is NP 11-204 as it was initially implemented. This version of NP 11-204 is no longer current.*

NATIONAL POLICY 11-204
PROCESS FOR REGISTRATION IN MULTIPLE JURISDICTIONS

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NATIONAL POLICY 11-204
PROCESS FOR REGISTRATION IN MULTIPLE JURISDICTIONS

PART 1 APPLICATION

1.1 Application
This policy describes procedures for a firm or individual to register in more than one Canadian jurisdiction.

PART 2 DEFINITIONS

2.1 Definitions
In this policy,

"IIROC" means the Investment Industry Regulatory Organization of Canada;

"interface registration" means a registration described in section 3.3 of this policy;

"MI 11-102" means Multilateral Instrument 11-102 *Passport System*;

"NI 31-102" means National Instrument 31-102 *National Registration Database*;

"NRD" has the same meaning as in NI 31-102;

"NRD submission" has the same meaning as in NI 31-102;

"OSC" means the regulator in Ontario;

"passport jurisdiction" means the jurisdiction of a passport regulator;

"passport registration" means a registration described in section 3.2 of this policy;

"passport regulator" means a regulator that has adopted MI 11-102;

"permitted individual" has the same meaning as in NI 33-109;

"regulator" means a securities regulatory authority or regulator; and

"SRO" means self-regulatory organization.

2.2 Further definitions
Terms used in this policy and that are defined in National Instrument 14-101 *Definitions*, MI 11-102 or Companion Policy 11-102CP *Passport System* have the same meanings as in those instruments and policy.

2.3 Interpretation

Unless the context indicates otherwise, a reference in this policy to a 'regulator', 'principal regulator', or the OSC is a reference to the SRO to whom the regulator, principal regulator, or OSC has delegated, assigned or authorized the performance of all or part of its registration function or to the relevant office of that SRO for the jurisdiction of the regulator or principal regulator.

PART 3 OVERVIEW AND PRINCIPAL REGULATOR

3.1 Overview

This policy deals with a firm's or individual's registration in multiple jurisdictions in the following circumstances:

(i) The firm or individual is seeking registration or is registered in the firm's or individual's principal jurisdiction (including Ontario) and the firm or individual seeks registration in another jurisdiction (excluding Ontario). This is a "passport registration."

(ii) The firm or individual is seeking registration or is registered in the firm's or individual's principal jurisdiction, the principal regulator is a passport regulator, and the firm or individual seeks registration in Ontario. This is an "interface registration."

3.2 Passport registration

Under MI 11-102, if a firm or individual seeks registration or is registered in the firm's or individual's principal jurisdiction (including Ontario) and seeks registration in another jurisdiction (excluding Ontario), the firm or individual makes a submission to register in the other jurisdiction. Only the principal regulator reviews the firm's or individual's submission and the firm or individual's sponsoring firm deals only with the firm's or individual's principal regulator. The principal regulator reviews the firm's or individual's submission to register in the other jurisdiction only to ensure that it is complete. The other regulator does not conduct a review of the firm or individual.

3.3 Interface registration

If a firm or individual seeks registration or is registered in the firm's or individual's principal jurisdiction, the principal regulator is a passport regulator, and the firm or individual seeks registration in Ontario, the firm or individual submits an application to register in Ontario. The principal regulator will review the firm's or individual's application to register in Ontario and the OSC will decide whether to opt in or opt out of the principal regulator's determination. The firm or the individual's sponsoring firm will generally deal only with the firm's or the individual's principal regulator.

3.4 Registration in passport jurisdictions and Ontario

If a firm or individual whose principal regulator is a passport regulator seeks registration in a non-principal passport jurisdiction and in Ontario, the firm or individual should refer to the processes for

- a passport registration, to register in the non-principal passport jurisdiction, and

- an interface registration, to register in Ontario.

3.5 Registration by SRO

In some jurisdictions, the regulator has delegated, assigned or authorized an SRO to perform all or part of its registration function. The SRO continues to perform these functions in the relevant jurisdictions for a passport registration or an interface registration under this policy. At the date of this policy, the following arrangements apply to registration of IIROC member firms and their representatives.

(a) If Alberta, Saskatchewan, British Columbia or Newfoundland and Labrador is the principal jurisdiction of a firm or individual, the firm or the individual's sponsoring firm should deal with the office of IIROC, instead of the regulator, in or for that jurisdiction.

(b) If Ontario or Québec is the principal jurisdiction of an individual, the individual's sponsoring firm should deal with the office of IIROC, instead of the regulator, in or for that jurisdiction in respect of the individual.

3.6 Principal regulator

(1) For purposes of a passport registration and an interface registration under this policy, the principal regulator of a firm or individual is identified in the same manner as in section 4A.1 of MI 11-102. This section summarizes section 4A.1 of MI 11-102 and provides guidance for identifying a firm's or individual's principal regulator. The regulator of any jurisdiction can be a principal regulator for registration under this policy.

If a firm or individual makes an application for exemptive relief from a requirement in Parts 3 and 12 of NI 31-103 or Part 2 of NI 33-109 in connection with an application for registration in the principal jurisdiction, the principal regulator for the application for exemptive relief is identified in the same manner as in section 4.4.1 of MI 11-102. If a firm or individual makes any other application for exemptive relief from a registration requirement, the principal regulator is identified in the same manner as in sections 4.1 to 4.4 of MI 11-102. If a firm or individual is not seeking the relief, or is seeking more than one item of relief and not all of the items of relief, in its principal jurisdiction, the principal regulator is identified in the same manner as in section 4.5 of MI 11-102. A firm or individual should refer to section 3.6 of NP 11-203 for further guidance on how to identify the principal regulator for exemptive relief application purposes.

(2) Subject to subsection (5) of this section and section 3.7 of this policy, the principal regulator of a firm is the regulator in the jurisdiction where the firm has its head office, unless the firm's head office is outside Canada. A firm identifies its head office in item 2.1 *Head office address* of Form 33-109F6 and this information is reflected on NRD.

(3) For greater certainty, a firm is a domestic firm if it is a legal entity and has a head office in Canada. For example, a Canadian subsidiary of a foreign firm is a domestic firm. A Canadian branch office of a foreign firm is not.

(4) Subject to subsection (7) of this section and section 3.7 of this policy, the principal regulator of an individual is the regulator in the jurisdiction where the individual has his or her working office, unless the individual's working office is outside Canada. The working office of a domestic individual is the office of the sponsoring firm where the individual does most of his or her business. A domestic individual identifies his or her working office in item 9 *Location of Employment* of Form 33-109F4 and this information is reflected on NRD.

(5) Subject to section 3.7 of this policy, if the head office of a firm is outside Canada, the principal regulator for the foreign firm is the regulator in the jurisdiction of Canada the firm identified as its principal jurisdiction in its most recently filed Form 33-109F5 or Form 33-109F6. These forms require a foreign firm to identify its principal jurisdiction in Canada. If the foreign firm is not registered in a jurisdiction of Canada or has not completed its first financial year since being registered, the principal jurisdiction is the jurisdiction of Canada in which the firm expects most of its clients to be resident at the end of its current financial year. In all other circumstances, it is the jurisdiction in which most of the firm's clients were resident at the end of its most recently completed financial year.

(6) Subject to section 3.7 of this policy, if the working office of an individual is outside Canada, the principal regulator of the foreign individual is the principal regulator of the individual's sponsoring firm.

(7) A firm should notify the regulator by providing the information about its head office or principal jurisdiction in Form 33-109F6 in accordance with NI 33-109 if

- in the case of a domestic firm, the firm changes the jurisdiction of its head office,
- in the case of a foreign firm, the jurisdiction in which most of the firm's clients were resident at the end of its most recently completed financial year changes.

NI 33-109 provides that the firm may make this submission to a non-principal regulator by giving it only to its principal regulator. A firm should refer to Appendix B of CP 33-109 for guidance on how to make this submission.

(9) In the event of a change in a domestic individual's working office, the individual should make the NRD Submission for a *Location of Employment Change* in accordance with NI 33-109.

(10) Under MI 11-102, a foreign firm registered in a non-principal passport jurisdiction before September 28, 2009 must submit the information required in item 2.2(b) of Form 33-109F6 by submitting a Form 33-109F5 on or before October 28, 2009. A foreign firm

may make its submission to a non-principal passport regulator by giving it only to its principal regulator. Foreign firms should refer to Appendix B of CP 33-109 for guidance on how to make this submission.

(11) Under MI 11-102, the principal regulator for a foreign individual is the same as the principal regulator for the individual's sponsoring firm. For that reason, the foreign individual is not required to make a submission to identify the individual's principal regulator.

3.7 Discretionary change of principal regulator

(1) If a regulator thinks that the principal regulator identified under section 3.6 of this policy is inappropriate, the regulator will give the firm or individual written notice of the appropriate principal regulator for the firm or individual and the reasons for the change. The regulator specified in the notice will be the firm or individual's principal regulator as of the later of the date the firm or individual receives the notice and the effective date specified in the notice, if any. To streamline the process, the regulators will give the written notice relating to the principal regulator of an individual to the individual's sponsoring firm.

(2) Regulators do not generally expect changing the principal regulator for a domestic firm or domestic individual. Regulators anticipate changing the principal regulator for a foreign firm only in exceptional circumstances. Regulators may change the principal regulator for a foreign individual if the foreign individual is not registered in his or her sponsoring firm's principal jurisdiction or if the individual's principal regulator under this policy does not correspond to his or her principal regulator as shown on NRD. Regulators will give written notice of a change in principal regulator.

PART 4 GENERAL GUIDANCE FOR FIRMS AND INDIVIDUALS

4.1 Effect of submission

(1) If an individual makes an NRD submission for the individual in relation to a passport registration or an interface registration in a non-principal jurisdiction, this has the effect of submitting the current information in the individual's entire Form 33-109F4 in the jurisdiction.

(2) Because firms do not file or submit their Form 33-109F6 on NRD, the form requires instead that the firm make a solemn declaration or affirmation that, among other things,

- the information provided on the form is true and complete, and
- with respect to a submission made in respect of a non-principal jurisdiction, at the date of the submission,
    - the firm has filed or submitted all information required to be filed or submitted in relation to the firm's registration in its principal jurisdiction,

- the information is true and complete.

In addition, the form requires the firm to authorize its principal regulator to give each non-principal regulator access to any information the firm has filed or submitted to the principal regulator under securities legislation of the principal jurisdiction in relation to the firm's registration in that jurisdiction.

Should a regulator discover that a firm made a false declaration or affirmation, the regulator may take appropriate enforcement action against the firm.

4.2 Fees

(1) A firm or an individual must submit any required fees for the firm or the individual under applicable securities legislation in the principal jurisdiction and the non-principal passport jurisdiction when making the relevant submission. A submission is not considered complete unless the required fees are submitted under applicable securities legislation in relevant jurisdictions.

(2) A firm may pay the fee related to a submission by sending a cheque to the relevant regulator or submitting payment to each relevant regulator directly on NRD. A domestic individual must pay the fee related to a submission to each relevant regulator by submitting it on NRD. A foreign individual must pay the fee related to a submission by sending a cheque to the relevant regulator or submitting payment to each relevant regulator directly on NRD.

4.3 Firm submissions

A firm should refer to Appendix B of CP 33-109 for guidance on how to make a submission under section 5.2(1) to (3) or section 6.2(1) or (2) of this policy.

PART 5 PASSPORT REGISTRATION

5.1 Application

(1) This part applies to a firm or individual seeking registration in any category (other than a firm seeking registration as a restricted dealer) in a non-principal passport jurisdiction. To register in a non-principal jurisdiction, a restricted dealer must apply directly to the non-principal passport regulator. This part applies to an individual seeking registration in a non-principal passport jurisdiction to act on behalf of a restricted dealer if the restricted dealer is registered as such in that jurisdiction and its principal jurisdiction.

(2) A firm seeking registration as a restricted dealer must complete the entire Form 33-109F6 and submit it, along with all supporting materials, in each jurisdiction where it seeks registration as such.

5.2 Filing of materials

For a firm

(1) Under MI 11-102, a firm that seeks registration in a non-principal passport jurisdiction in a category for which the firm is registered or is concurrently seeking registration in its principal jurisdiction (including Ontario) should complete the entire Form 33-109F6 or the items of Form 33-109F6 specified in section 1.3 of the form for the firm's particular situation. The firm should submit the F6 or relevant items together with any supporting materials. Making the submission to the principal regulator satisfies the firm's obligation under MI 11-102 to make the submission to the regulator in the non-principal passport jurisdiction.

For an individual

(2) Under MI 11-102, an individual who seeks registration in a non-principal passport jurisdiction in a category for which the individual is registered or is concurrently seeking registration in his or her principal jurisdiction (including Ontario) should submit a completed Form 33-109F4, or in some cases a completed Form 33-109F2, for the individual in accordance with NI 33-109.

(3) NI 33-109 requires a completed Form 33-109F4 or completed Form 33-109F2 to be submitted on NRD. NRD automatically submits the relevant form to the appropriate regulators. In some circumstances, it is not necessary to complete the entire form. For example, it is not necessary to complete the entire form for an individual to seek registration in the same category in an additional jurisdiction, to add or remove a category of registration, or to register in a category with an additional or a new sponsoring firm. In those circumstances, the relevant NRD submission indicates which items of the form to complete.

(4) Making an NRD submission under subsection (3) satisfies the individual's obligation under MI 11-102 to submit a completed Form 33-109F4.

Fees in non-principal jurisdiction

(5) Fees required for a firm or individual to register automatically in a non-principal passport jurisdiction under MI 11-102 are prescribed in the fee regulation of each jurisdiction. If the principal regulator refuses to register the firm or individual, the regulator in any non-principal passport jurisdiction in respect of which a submission was made will return the fees submitted in relation to the submission.

5.3 Registration

(1) NRD will record a firm's or an individual's category of registration in the principal jurisdiction, any T&C imposed by the principal regulator, and any exemption from Parts 3 and 12 of NI 31-103 or Part 2 of NI 33-109 granted by the principal regulator.

(2) Under MI 11-102, a firm or individual that is registered in a category in the firm's or individual's principal jurisdiction is automatically registered in a non-principal passport jurisdiction in the same category as in the firm's or the individual's principal jurisdiction

if the firm or individual submitted the relevant completed NI 33-109 form and is a member or approved person of an SRO if that is required for that category of registration.

For a mutual fund dealer based in Québec, the SRO condition means that the firm must be a member of the Mutual Fund Dealers Association of Canada (MFDA) before it can register in another jurisdiction. However, this condition does not apply if the firm has an exemption in the local jurisdiction from the requirement to be a member of the MFDA.

For a representative of a mutual fund dealer or scholarship plan dealer whose working office is outside Québec, the SRO condition means that he or she must be a member of the Chambre de la sécurité financière before he or she can become registered in Québec. This condition does not apply if the individual has an exemption in Québec from the requirement to be a member of the Chambre.

For a representative of a mutual fund dealer whose working office is in Québec, the SRO conditions means that he or she must be an approved person of the MFDA before he or she can become registered outside of Québec. This condition does not apply if the individual has an exemption in the relevant jurisdiction from the requirement to be an approved person of the MFDA.

If a firm or individual is registered in the same category in the principal jurisdiction and in the non-principal passport jurisdiction, MI 11-102 provides that a T&C imposed on the registration in the principal jurisdiction applies as if it were imposed in the non-principal passport jurisdiction. The T&C applies until the earlier of the date that the regulator that imposed it cancels or revokes it, or the T&C expires.

(3) NRD will record for each non-principal passport jurisdiction in respect of which the firm or individual made the relevant submission

- the firm's or the individual's automatic registration in the same category as in the principal jurisdiction,

- any T&C imposed by the principal regulator that applies automatically to the firm or individual in the non-principal jurisdiction, and

- any exemption from Parts 3 and 12 of NI 31-103 or Part 2 of NI 33-109 granted by the principal regulator that applies automatically in the non-principal jurisdiction.

If a firm or individual made the relevant submission to register concurrently in the principal jurisdiction and one or more non-principal passport jurisdictions, NRD will show the same registration date in the principal jurisdiction and the non-principal passport jurisdiction(s).

If a firm or individual is already registered in the principal jurisdiction when the firm or individual makes the relevant submission in respect of a non-principal jurisdiction, NRD

will show the date the submission is made in respect of the non-principal passport jurisdiction as the registration date in the non-principal passport jurisdiction for an individual. For a firm, NRD may show a different registration date in the non-principal passport jurisdiction. If that is the case, the registration date in the non-principal passport jurisdiction is the date on which the relevant submission was made in respect of the non-principal passport jurisdiction. The principal regulator will confirm the firm's registration date in the non-principal passport jurisdiction outside NRD.

(4) The principal regulator may grant or have granted a discretionary exemption application from a requirement of Parts 3 and 12 of NI 31-103 or Part 2 of NI 33-109 in connection with an application to register in the principal jurisdiction. In that case, the exemption applies automatically in the non-principal passport jurisdiction in which the firm or individual is registered automatically under MI 11-102 if certain conditions are met. The conditions are set out section 4.7 of MI 11-102. Among other things, section 4.7(1)(c) of MI 11-102 requires the applicant to give notice of intention to rely on the exemption in the non-principal jurisdiction.

PART 6 INTERFACE REGISTRATION

6.1 Application

(1) This part applies to a firm or an individual seeking registration in any category (other than a firm seeking registration as a restricted dealer) in Ontario when Ontario is a non-principal jurisdiction. To register in Ontario, a restricted dealer must apply directly to the OSC. This part applies to an individual seeking registration in Ontario to act on behalf of a restricted dealer if the restricted dealer is registered as such in Ontario and its principal jurisdiction.

(2) A firm seeking registration as a restricted dealer in Ontario must complete the entire Form 33-109F6 and submit it, along with all supporting materials, directly to the OSC whether Ontario is the firm's principal jurisdiction or non-principal jurisdiction.

6.2 Filing materials

For a firm

(1) If a firm seeks registration in Ontario in a category for which it is concurrently seeking registration in its principal jurisdiction, the firm should complete the entire Form 33-109F6 and submit it to its principal regulator and the OSC. Supporting materials that are required under Form 33-109F6 may be submitted to the OSC by giving them to the principal regulator.

(2) If a firm is registered in a category in its principal jurisdiction and subsequently seeks registration in the same category in Ontario, the firm should complete the items of Form 33-109F6 specified in section 1.3 of the form and submit the form to the principal regulator and the OSC.

Supporting materials that are required under Form 33-109F6 may be submitted to the OSC by giving them to the principal regulator.

(3) If a firm seeks to add a category in its principal jurisdiction and in Ontario, the firm must complete the items of Form 33-109F6 specified in section 1.3 of the form and submit the form to its principal regulator and the OSC.

Supporting materials that are required under Form 33-109F6 may be submitted to the OSC by giving them to the principal regulator.

For an individual

(4) Under NI 33-109, an individual who seeks registration is required to submit a completed Form 33-109F4, or in some cases a completed Form 33-109F2, through NRD. NRD automatically submits the relevant form to the appropriate regulators. In some circumstances, it is not necessary to complete the entire form. For example, it is not necessary to complete the entire form for an individual to seek registration in the same category in an additional jurisdiction, to add or remove a category of registration, or to register in a category with an additional or a new sponsoring firm. In those circumstances, the relevant NRD submission indicates which items of the form to complete.

(5) Making an NRD submission under subsection (4) satisfies the individual's obligation to submit a completed Form 33-109F4.

6.3 Decision-making process

(1) If a firm or individual seeks registration in the principal jurisdiction and in Ontario, the firm or the individual's sponsoring firm will generally deal only with the principal regulator.

(2) The principal regulator will submit to the OSC (or the Ontario office of IIROC, for an individual seeking registration as a representative of an investment dealer) an interface document containing its proposed determination. The OSC will advise the principal regulator whether it opts in to, or opts out of, the principal regulator's proposed determination generally within one business day from receiving the interface document. The Ontario office of IIROC will generally do this within one business day from receiving the interface document.

(3) The OSC may impose a local T&C on a firm's or an individual's registration without opting out.

(4) If the OSC opts out, it will give the principal regulator written reasons for its decision and the principal regulator will forward the reasons to the firm or the individual's sponsoring firm and use its best efforts to resolve the opt-out issues with the firm or the sponsoring firm of the individual and the OSC.

(5) If the principal regulator is able to resolve the OSC's opt-out issues with the firm or the individual's sponsoring firm before NRD shows the firm or individual as being registered in the principal jurisdiction, the OSC may opt back into the interface registration. In that case, the OSC will notify the principal regulator and the firm or the individual's sponsoring firm that it has opted back in. If the principal regulator is unable to resolve the OSC's opt-out issues, the firm or individual's sponsoring firm should deal with the OSC directly to resolve them.

6.4 Decision

(1) NRD will record a firm or individual's category of registration in the principal jurisdiction, any T&C that applies in the principal jurisdiction, and any exemption from Part 4 of NI 31-103 or Part 2 of NI 33-109 granted by the principal regulator. If the OSC opts in, NRD will also record that the firm or individual is registered in the same category in Ontario, including the date when the registration takes effect, and that the OSC has adopted the same T&C and granted the same exemption from Divisions 1 and 2 of Part 3 and Part 12 of NI 31-103 [or Part 2 of NI 33-109] as the principal regulator.

(2) If the OSC imposes a local T&C on a firm's or an individual's registration, NRD will also record any T&C applicable in Ontario only.

6.5 Opportunity to be heard

(1) If the principal regulator of a firm or an individual that seeks registration in the principal jurisdiction and, concurrently, in Ontario is not prepared to grant registration or is prepared to grant registration with a T&C, the principal regulator will

- send the firm or the individual's sponsoring firm a copy of the principal regulator's proposed T&C, if applicable, and

- notify the firm or the individual's sponsoring firm that it has the right to request an opportunity to be heard from the principal regulator.

If the OSC opts in to the determination of the principal regulator to refuse registration or impose a T&C, the principal regulator will forward to the firm or the individual's sponsoring firm the OSC's notification that the firm or individual has the right to request an opportunity to the heard from the OSC.

(2) If a firm or individual exercises the right to request an opportunity to be heard from the principal regulator or from the principal regulator and the OSC, the principal regulator will notify the OSC.

(3) If the firm or the individual's sponsoring firm also requests an opportunity to be heard in Ontario, the principal regulator and the OSC will decide whether to provide an opportunity to be heard separately, jointly or concurrently. After the firm or individual had an opportunity to be heard and the principal regulator makes a decision, the principal regulator will send to the OSC a new interface document setting out its proposed determination, if applicable.

(4) If a firm or individual is registered in the principal jurisdiction and, subsequently, applies to register in Ontario, and the OSC decides to refuse registration or impose a local T&C, the OSC will send the principal regulator for the firm or the individual

- a copy of the T&C, if applicable, and
- the OSC's notification that the firm or individual has the right to request an opportunity to be heard in Ontario.

The principal regulator will forward these documents to the firm or individual's sponsoring firm. Thereafter, the firm or individual will deal directly with the OSC.