

**CSA Multilateral Notice of Amendments to
Certain National, Multilateral and Local Instruments
and
Changes to Companion Policy 31-103 *Registration Requirements,
Exemptions and Ongoing Registrant Obligations*
related to
Derivatives Regulation in Alberta, New Brunswick,
Nova Scotia and Saskatchewan**

October 6, 2016

Introduction

The securities regulatory authorities in Alberta, New Brunswick, Nova Scotia and Saskatchewan (the **Participating Jurisdictions** or **we**) are making amendments to certain national, multilateral and local instruments and changes to a related companion policy (collectively, the **Amendments**).

The Amendments will become effective on February 1, 2017 subject, in certain jurisdictions, to obtaining the necessary Ministerial approvals.

The instruments and policy affected by the Amendments are as follows:

- Multilateral Instrument 11-102 *Passport System*,
- National Instrument 14-101 *Definitions*,
- National Instrument 21-101 *Marketplace Operation*,
- National Instrument 23-102 *Use of Client Brokerage Commissions*,
- National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*,
- Companion Policy 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*,
- National Instrument 55-104 *Insider Reporting Requirements and Exemptions*, and
- in New Brunswick, Financial and Consumer Services Commission (New Brunswick) Local Rule 31-502 *Supplementary Registration Requirements*.

The text of the Amendments is contained in Annexes A through H of this Notice and will also be available on the websites of the Participating Jurisdictions:

www.albertasecurities.com

www.fcnb.ca

www.nssc.novascotia.ca

www.fcaa.gov.sk.ca

Substance and Purpose

The Amendments address local amendments to legislation in Alberta, New Brunswick Nova Scotia and Saskatchewan that were introduced to provide a platform for the regulation of derivatives. The Amendments are being implemented to reflect this amended legislation.

Background

On December 13, 2013, amendments to the *Securities Act* (New Brunswick) (the **NB Act**) were proclaimed to create a framework for derivatives regulation. Among other things, the NB Act was amended to add a definition of “derivative” and to replace throughout the NB Act, where necessary, the terms “exchange contract” and “futures contract” with the term “derivative”.

On October 31, 2014 amendments to the *Securities Act* (Alberta) (the **AB Act**) were proclaimed to create a similar framework for derivatives regulation. Among other things, the AB Act was amended to add a definition of “derivative” and to replace throughout the AB Act, where necessary, the term “exchange contract” with the term “derivative”. Consequential amendments to certain national, multilateral and provincial rules were made, effective October 31, 2014. The consequential amendments proposed in Alberta are intended to harmonize language in the various instruments with the language proposed to apply in the other Participating Jurisdictions.

On February 10, 2016, amendments to *The Securities Act, 1988* (the **SK Act**) were proclaimed to provide a similar platform for regulation of derivatives. The overall effect of the amendments is to add a definition of “derivative” into the SK Act and to make consequential changes throughout the Act to reflect this such as replacing the word “exchange contract” with the word “derivative”.

On February 17, 2016, amendments to the *Securities Act* (Nova Scotia) (the **NS Act**) were proclaimed to provide a similar platform for regulation of derivatives. Among other things, the NS Act was amended to add a definition of “derivative”.

As a result of the amendments to the AB Act, the NB Act, the NS Act and the SK Act, certain national, multilateral and local instruments and policies are being amended to reflect changes to terminology.

On May 19, 2016, the securities regulatory authorities in Alberta, New Brunswick and Saskatchewan published proposed amendments and changes for a 60-day comment period which expired on July 18, 2016. On August 16, 2016, the securities regulatory authority in Nova Scotia

published proposed amendments and changes for a 30-day comment period which expired on September 15, 2016. The Participating Jurisdictions did not receive any comments. The Amendments have not been changed from the May 2016 and August 2016 proposals, except to consolidate the Nova Scotia Amendments into this Notice with the Alberta, New Brunswick and Saskatchewan Amendments.

Contents of Annexes

The following annexes form part of this CSA Multilateral Notice:

Annex A	Amendments to Multilateral Instrument 11-102 <i>Passport System</i>
Annex B	Amendments to National Instrument 14-101 <i>Definitions</i>
Annex C	Amendments to National Instrument 21-101 <i>Marketplace Operation</i>
Annex D	Amendments to National Instrument 23-102 <i>Use of Client Brokerage Commissions</i>
Annex E	Amendments to National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i>
Annex F	Changes to Companion Policy 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i>
Annex G	Amendments to National Instrument 55-104 <i>Insider Reporting Requirements and Exemptions</i>
Annex H	Local matters - none

Questions

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