

Annex A

Summary of changes to the Instrument relative to existing law and policy

This annex summarizes the key changes being made to the Instrument. We reference the sections of NI 31-103 except where otherwise indicated. This annex contains the following sections:

1. Custody Amendments
2. Exempt Market Dealer Amendments
3. Client Relationship Model Phase 2 Amendments
4. Housekeeping Amendments

If all necessary ministerial approvals are obtained, the Amendments, other than the Custody Amendments, come into force on December 4, 2017. The Custody Amendments come into force six months later, on June 4, 2018.

1. CUSTODY AMENDMENTS

Amendments to NI 31-103 and 31-103CP

Part 1 Interpretation

Section 1.1 [definitions of terms used throughout this Instrument]

We added definitions for the following terms in section 1.1:

- Canadian custodian
- foreign custodian
- qualified custodian

Part 9 Membership in a self-regulatory organization

In order to exclude IIROC member firms and MFDA member firms from the Custody Amendments, on the condition that they comply with the corresponding IIROC and MFDA custodial regimes, we amended sections 9.3 [*exemptions from certain requirements for IIROC members*] and 9.4 [*exemptions from certain requirements for MFDA members*]. Appendices G and H were also amended to include any additional IIROC and MFDA provisions, as necessary.

Certain paragraphs in sections 9.3 and 9.4 were repealed as a result of sections 14.8 [*securities subject to a safekeeping agreement*] and 14.9 [*securities not subject to a safekeeping agreement*] being repealed as part of the Custody Amendments.

Part 14 Handling client accounts - firms

Section 14.1 [application of this Part to investment fund managers]

We amended section 14.1 to clarify that the Custody Amendments also apply to investment fund managers. We also clarified the guidance in 31-103CP.

Section 14.2 [relationship disclosure information]

We added paragraph 14.2(2)(a.1) to require registered firms that hold client assets or “direct or arrange” custodial arrangements for clients to confirm where and how the client’s assets are held, and any related risks and benefits. We also added paragraph 14.2(2)(a.2) to require registered firms with access to client assets to disclose to clients where and how client assets are held and accessed, including any related risks and benefits. We added guidance to 31-103CP to outline our expectations in respect of this disclosure.

Section 14.5.1 [definition of “securities” in Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan]

We added section 14.5.1 to clarify that, in respect of certain local securities legislation, the use of the term “securities” in Division 3 excludes “exchange contracts” in Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan.

Section 14.5.2 [restriction on self-custody and qualified custodian requirement]

We added a new section 14.5.2.

With some exceptions, subsection 14.5.2(1) prohibits a registered firm from acting as a custodian or sub-custodian for cash and securities of its clients or the investment funds it manages (i.e., self-custody), and subsection 14.5.2(5) prohibits the use of any custodian (Canadian or foreign) that is not functionally independent of the registered firm. Subsection 14.5.2(2) requires a “Canadian custodian” to hold the cash and securities of a client or an investment fund where a registered firm (a) directs or arranges which custodian will hold the cash or securities, or (b) holds or has access to the cash or securities. However:

- subsection 14.5.2(3) permits a “foreign custodian” to hold the cash and securities of a client or investment fund, but only when it is more beneficial to that client or investment fund to use the “foreign custodian” instead of a “Canadian custodian”, and
- to retain current practices in respect of cash, subsections 14.5.2(4) and (6) permit a Canadian financial institution that is functionally independent of the registered firm to act as a custodian for the cash of a registered firm’s client or investment fund.

We made amendments to the July 2016 Proposal to clarify subsections 14.5.2(2) and 14.5.2(3). Specifically, subsection 14.5.2(2) makes clear that it is permissible for a client or an investment fund subject to the Custody Amendments to use multiple custodians, provided that the registered firm complies with the requirements in the Custody Amendments. Subsection 14.5.2(3) clarifies that the elements of the definition of “foreign custodian” are among the relevant factors that a registered firm must consider when assessing whether the “foreign custodian” is more beneficial to a client or investment fund than a “Canadian custodian”. We also added guidance to 31-103CP regarding the use of a “foreign custodian”. We included a number of factors that we expect registered firms to consider when choosing to use a “foreign custodian”.

We added guidance to 31-103CP (under the title “14.5.2 [restriction on self-custody and qualified custodian requirement]”) to outline our expectations in respect of the new custody requirements. We also clarified that certain investment instruments may be both securities and derivatives, and that the Custody Amendments apply to those instruments (subject to certain exclusions outlined in the Custody Amendments).

We also added guidance to 31-103CP (under the title “14.5.2 [prohibition on self-custody and the use of a custodian that is not functionally independent]”) to describe our expectations for a “system of controls and supervision that a reasonable person would conclude is sufficient to manage the risks to the client or investment fund” associated with custody, in the limited situations where registered firms are either permitted to self-custody or use a custodian that is not functionally independent of the registered firm. In addition, we included guidance for registered firms not subject to the Custody Amendments regarding our expectations.

New paragraphs 14.5.2(7)(a) to (f) set out exemptions from the new custodial requirements for the following:

- investment funds subject to NI 81-102 or National Instrument 41-101 *General Prospectus Requirements* (NI 41-101),
- a security that is recorded on the books of the security’s issuer, or the issuer’s transfer agent, only in the name of the client or investment fund,
- cash or securities of a permitted client that is not an individual or an investment fund, where that permitted client has acknowledged, in writing, that the custodial requirements that would otherwise apply to the registered firm do not apply,
- customer collateral subject to the custodial requirements under National Instrument 94-102 *Derivatives: Customer Clearing and Protection of Customer Collateral and Positions*, and
- mortgages under certain conditions.

We added guidance to 31-103CP to clarify our expectations and rationale in respect of certain of these exemptions.

We also added guidance to 31-103CP (under the title “14.5.2 [general prudent custodial practices]”) to describe general prudent custodial practices when the Custody Amendments do not apply. We also provided our expectations regarding reconciliation with custodians’ records, and client review of custodial statements.

Finally, we also added guidance to 31-103CP under the title “14.5.2 [custodial arrangements]” regarding investment fund managers’ obligations in the selection, and ongoing monitoring, of the custodian for the investment funds that they manage. We also included guidance that dealers and advisers with influence over a client’s selection of a custodian should conduct due diligence similar to that expected of an investment fund manager.

Section 14.5.3 [cash and securities held by a qualified custodian]

We added new section 14.5.3 which sets out requirements regarding how cash and securities of clients and investment funds should be held by a qualified custodian. Registered firms are required to take reasonable steps to ensure that the cash and securities are held as outlined.

We added guidance to 31-103CP (under the title "14.5.3 [cash and securities held by a qualified custodian]") to explain how the requirements in subsection 14.5.3(a) can be satisfied. We also clarified that a qualified custodian may deposit securities with a depository or clearing agency that operates a book-based system.

Section 14.6 [client and investment fund assets held by a registered firm in trust]

We amended section 14.6 so that it applies in situations where the new custody requirements under sections 14.5.2 and 14.5.3 do not apply or where a registered firm is self-custodying as permitted by section 14.5.2. Specifically, amended section 14.6 maintains the minimum client and investment fund asset protection standards of segregation and holding client and investment fund assets in trust for the client or investment fund. Consistent with new section 14.5.2, new subsection 14.6(2) allows for the use of a foreign custodian for cash only when it is more beneficial to the client or investment fund to use that foreign custodian as opposed to a Canadian custodian. We amended subsection 14.6(2) to conform to the amendment we made in subsection 14.5.2(3).

We amended 31-103CP to reflect the changes to section 14.6. We also added guidance for investment fund managers that handle cash-in-transit for investment in, or on the redemption of, the securities of their investment fund. In addition, we provided guidance for outsourcing the function of handling cash-in-transit to a service provider.

Section 14.6.1 [custodial provisions relating to certain margin or security interests] and section 14.6.2 [custodial provisions relating to short sales]

We added new sections 14.6.1 and 14.6.2 which were not part of the July 2016 Proposal. These sections set out acceptable custodial practices for certain margin and security interests, and for short sales, respectively. These amendments reflect our policy intent to codify existing custodial best practices of registered firms. The permissible activities in these sections are similar to the custodial practices for prospectus-qualified funds permitted under NI 81-102 and NI 41-101. We added guidance to 31-103CP to outline our expectations for a registered firm's assessment of a foreign dealer that would hold cash and securities for clients or investment funds as permitted by these sections.

We also added guidance to section 14.6.1 of 31-103CP to confirm certain acceptable custodial practices relating to securities lending, repurchase and reverse repurchase agreements, similar to the permitted practices under NI 81-102 and NI 41-101.

Section 14.7 [holding client assets – non-resident registrants], Section 14.8 [securities subject to a safekeeping agreement] and Section 14.9 [securities not subject to a safekeeping agreement]

Sections 14.7, 14.8 and 14.9 have been repealed to remove outdated provisions.

Coming into Force of the Custody Amendments

The Amendments, other than the Custody Amendments, come into force on December 4, 2017. The Custody Amendments, including new paragraphs 14.2(a.1) and (a.2), and new or amended sections 14.5.1 through 14.6.2 (see Annex E Amendments to NI 31-103), come into force six months later, on June 4, 2018. This is to allow registered firms to prepare for, and accommodate, the new custody requirements.

2. EXEMPT MARKET DEALER AMENDMENTS

Amendments to NI 31-103 and 31-103CP

Part 7 Categories of registration for firms

Section 7.1 [dealer categories]

We amended subsection 7.1(2) as follows:

- We removed the words "whether or not a prospectus was filed in respect of the distribution" from subparagraph 7.1(2)(d)(i) to clarify that EMDs may not participate in offerings of securities under prospectuses in any capacity, including as underwriters and selling group members; this includes securities underlying special warrants that are qualified by a prospectus.
- We amended subparagraph 7.1(2)(d)(ii) to clarify the activities that EMDs may engage in with respect to the resale of securities.

We deleted the restriction currently found in subsection 7.1(5) that restricts EMDs from trading in securities whose classes are listed, quoted or traded on a marketplace, whether on-exchange or off-exchange, as this restriction is now reflected in amended subparagraph 7.1(2)(d)(ii).

We also revised 31-103CP to clarify matters relating to these changes.

Part 8 Exemptions from the requirement to register

Section 8.6 [investment fund trades by adviser to managed account]

We expanded the exemption from the dealer registration requirement in section 8.6 so that registered advisers may trade in the securities of investment funds (including, as is the case today, those distributed under a prospectus) if the adviser or an affiliate of the adviser advises and manages the investment fund and certain conditions are met.

The amendment to section 8.6 will broaden the exemption from dealer registration for advisers that use affiliated investment funds as an efficient way to invest their clients' money.

We also revised 31-103CP to clarify matters relating to these changes.

3. CLIENT RELATIONSHIP MODEL PHASE 2 AMENDMENTS

Amendments to NI 31-103 and 31-103CP

Part 9 Membership in a self-regulatory organization

We amended sections 9.3 and 9.4 to exempt IIROC members and MFDA members from certain CRM2 Requirements, on the condition that they comply with the corresponding IIROC and MFDA provisions. We also amended Appendices G and H to include the corresponding IIROC and MFDA provisions.

Part 13 Dealing with clients – individuals and firms

Section 13.17 [exemption from certain requirements for registered sub-advisers]

We amended section 13.17 to exempt a registered adviser, who is acting as a sub-adviser to a registered adviser or dealer, from certain client reporting requirements in Part 14. Client reporting responsibilities necessary in a sub-advisory arrangement are customized to the relevant business needs and agreed to contractually.

Part 14 Handling client accounts – firms

Section 14.1.1 [duty to provide information]

We amended section 14.1.1 to clarify the requirement for investment fund managers to provide dealers and advisers with certain information that they need to comply with their client reporting obligations. We also added guidance to 31-103CP setting out our expectations about this requirement.

Section 14.2 [relationship disclosure information]

We added guidance to 31-103CP to clarify our expectations concerning a firm's obligation to provide a general description of the products and services it offers to a client under paragraph 14.2(2)(b), including our expectations on disclosure when a firm primarily invests its clients' money in securities issued by related parties.

Section 14.2.1 [pre-trade disclosure of charges]

We added guidance to 31-103CP to clarify our expectations about a firm's pre-trade disclosure obligations in the case of a frequent trader who can reasonably be expected to understand "standard charges".

Section 14.11.1 [determining market value]

We amended subsection 14.11.1(3) to remove references to section 14.18 and subsection 14.19(1). Instead, subsection 14.19(7) addresses the procedure to follow if market value cannot be determined for the purposes of calculating the information required to be delivered in the investment performance report.

We also corrected the paragraph references in subsection 14.11.1(3) that specify when a firm must exclude the market value of a security from calculations of the total value of cash and securities in an account or statement.

We also added guidance to 31-103CP concerning market valuation for client reporting purposes, including determining:

- market value for a liquid security for which a reliable price is quoted on a market place, and

- that the market value of a security is not determinable.

Section 14.14 [account statements]

We amended paragraph 14.14(4)(d) to clarify that the number of securities purchased, sold or transferred must be disclosed in account statements. We also amended paragraph 14.14(5)(f) to clarify requirements relating to investor protection fund (IPF) disclosure in account statements. We added guidance to section 14.14 of 31-103CP concerning our expectations about consolidated statements and supplementary reporting.

Section 14.14.1 [additional statements]

We amended paragraph 14.14.1(2)(g) to clarify requirements relating to IPF disclosure in additional statements and added a new subsection (2.1) exempting a firm from providing this disclosure where a client's securities are held or controlled by an IIROC or MFDA member. This addition was made to avoid the possibility that a client might receive inaccurate information about the extent of IPF coverage from a firm that is not itself a member of the IPF. We also added guidance to 31-103CP about IPF disclosure.

Section 14.14.2 [security position cost information]

We amended section 14.14.2 to allow a firm to disclose, for a security position that was opened before July 15, 2015, market value as at December 31, 2015, or an earlier date, if that earlier date is reasonable based on certain criteria. This amendment has the same effect as the temporary relief provided in parallel orders issued by CSA members in May 2015 and described in CSA Staff Notice 31-341 *Omnibus/Blanket Orders Exempting Registrants from Certain CRM2 Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the CRM2 Orders). We also added guidance to 31-103CP on determining and reporting security position cost information.

Section 14.17 [report on charges and other compensation]

We added guidance to 31-103CP to clarify our expectations for the disclosure of a firm's operating charges and payments received from issuers of securities.

Section 14.18 [investment performance report]

We amended subsection 14.18(6) to clarify situations under which a firm is not required to deliver an investment performance report to a client.

Section 14.19 [content of investment performance report]

We amended section 14.19 so that the requirement that investment performance reports must include market value information as at and since July 15, 2015, if the account was opened before that date, may instead be met as follows:

- where the firm reports on a calendar year basis (i.e., its first reports covered the period from January 1 to December 31, 2016), by including market value information as at and since: (a) January 1, 2016 (the firm is not required to provide the information for any earlier period), or (b) a date earlier than January 1, 2016 if that earlier date is reasonable based on certain criteria; and
- where the firm does not report on a calendar year basis (i.e., its first reports cover a 12-month period ending no later than July 14, 2017), by including market value information as at and since: (a) July 15, 2015 (the firm is not required to provide the information for any earlier period), or (b) a date earlier than July 15, 2015 if that earlier date is reasonable based on certain criteria.

We also amended section 14.19 so that the requirement that investment performance reports must include annualized total percentage return information since inception or for the period since July 15, 2015 may instead be met as follows, if the account was opened before July 15, 2015:

- where the firm reports on a calendar year basis, by providing the information for the period since January 1, 2016, or a date earlier than January 1, 2016 if that earlier date is reasonable based on certain criteria; and
- where the firm does not report on a calendar year basis, by providing the information for the period since July 15, 2015, or a date earlier than July 15, 2015 if that earlier date is reasonable based on certain criteria.

These amendments have the same effect as the corresponding temporary relief provided in the CRM2 Orders.

We also added guidance to 31-103CP to clarify our expectations concerning certain of the information required to be included in investment performance reports.

Exempt Market Dealers

We added guidance to 31-103CP on how the client reporting requirements in Part 14 may apply to EMDs that are not also registered as advisers or in another category of dealer.

4. HOUSEKEEPING AMENDMENTS

Amendments to NI 31-103

Section 1.2 [interpretation of “securities” in Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan]

We amended this section to reflect in the official version of NI 31-103 adopted by all CSA jurisdictions, jurisdiction-specific changes that have already been adopted in the corresponding local jurisdictions. These changes are described in more detail in CSA Staff Notice 11-335 *Notice of Local Amendments and Changes in Certain Jurisdictions*, dated April 13, 2017 (CSA Staff Notice 11-335).

Section 3.16 [exemptions from certain requirements for SRO-approved persons]

We amended this section where it refers to a member of IIROC to clarify that the referenced member must also be registered as an investment dealer. Similarly, we amended the section where it refers to a member of the MFDA to clarify that the referenced member must also be registered as a mutual fund dealer.

Section 8.2 [definition of “securities” in Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan]

We amended this section to reflect, in the official version of NI 31-103 adopted by all CSA jurisdictions, jurisdiction-specific changes that have already been adopted in the corresponding local jurisdictions. These changes are described in more detail in CSA Staff Notice 11-335.

Section 8.12 [mortgages]

Subsection 8.12 (3) was amended to reflect in the official version of NI 31-103 adopted by all CSA jurisdictions, a New Brunswick-specific change that has already been adopted in New Brunswick. By virtue of this change, the exemption from the dealer registration requirement that is provided for in subsection 8.12(2) does not apply in New Brunswick.

Section 8.18 [international dealer]

We amended the international dealer exemption in section 8.18 in response to comments received by a commenter that identified a technical gap in the existing international dealer exemption. This amendment is also intended to address the concerns identified in CSA Staff Notice 31-346 *Guidance as to the Scope of the International Dealer Exemption in relation to Foreign-Currency Fixed Income Offerings by Canadian Issuers* and to codify routinely granted exemptive relief.

Section 8.20 [exchange contract — Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan]

We amended this section to reflect in the official version of NI 31-103 adopted by all CSA jurisdictions, jurisdiction-specific changes that have already been adopted in the corresponding local jurisdictions. These changes are described in more detail in CSA Staff Notice 11-335.

Section 8.20.1 [exchange contract trades through or to a registered dealer — Alberta, British Columbia, New Brunswick, Nova Scotia and Saskatchewan]

We amended this section to reflect, in the official version of NI 31-103 adopted by all CSA jurisdictions, jurisdiction-specific changes that have already been adopted in the corresponding local jurisdictions. These changes are described in more detail in CSA Staff Notice 11-335.

Section 8.24 [IIROC members with discretionary authority]

We amended this section, where it refers to a member of IIROC, to clarify that the referenced member must also be registered as an investment dealer.

Section 8.26 [international adviser]

We amended this section to reflect in the official version of NI 31-103 adopted by all CSA jurisdictions, jurisdiction-specific changes that have already been adopted in the corresponding local jurisdictions. These changes are described in more detail in CSA Staff Notice 11-335.

We also amended subsection 8.26(3) to clarify that the relevant advice to a permitted client must be in relation to a foreign security, and cannot be in relation to securities that are not foreign securities (unless providing that advice is incidental to providing advice on a foreign security).

Section 9.3 [exemptions from certain requirements for IIROC members]

We amended the first line of subsections 9.3(1) and 9.3(2), where it refers to a member of IIROC, to clarify that the referenced member must also be registered as an investment dealer.

Section 9.4 [exemption from certain requirements for MFDA Members]

We amended the first line of subsections 9.4(1) and 9.4(2), where it refers to a member of the MFDA, to clarify that the referenced member must also be registered as a mutual fund dealer.

We also amended subsection 9.4(4) to make the requirements in section 12.12 [*delivering financial information – dealer*] apply to mutual fund dealers in Québec despite subsection 9.4(4). Exemptions related to other requirements listed in subsection 9.4(1) will continue to apply to the extent equivalent requirements are applicable to the mutual fund dealer under the regulations in Québec.

Section 10.1 [failure to pay fees]

Paragraph 10.1(1)(a) was amended to reflect in the official version of NI 31-103 adopted by all CSA jurisdictions, an Alberta-specific reference change that has already been adopted in Alberta. The change in reference reflects the replacement of Schedule for Fees in Alta. Reg 115/95 Securities Regulation by ASC Rule 13-501 *Fees*.

Section 12.1 [capital requirements]

We amended the first line of subsection 12.1(5), where it refers to a member of IIROC, to clarify that the referenced member must also be registered as an investment dealer.

Section 12.12 [delivering financial information — dealer]

We amended the first line of subsection 12.12(2.1), where it refers to a member of the MFDA, to clarify that the referenced member must also be registered as a mutual fund dealer.

We also amended section 12.12 by adding new subsections 12.12 (4) and (5) to allow a mutual fund dealer registered only in Québec, that is not a member of the MFDA and that is not registered in any other category, to provide only one calculation of its regulatory capital. Such a firm may deliver to the securities regulatory authority either the *Appendix I- Monthly Report on Net Free Capital* required by the *Regulation respecting the trust accounts and financial resources of securities firms*, as this Appendix read on September 27, 2009, or the Form 31-103F1 under section 12.12 of NI of 31-103 as at the end of the prescribed period.

Section 12.14 [delivering financial information — investment fund manager]

We amended subsection 12.14(4) where it refers to a member of IIROC to clarify that the referenced member must also be registered as an investment dealer.

We amended subsection 12.14(5) where it refers to a member of the MFDA to clarify that the referenced member must also be registered as a mutual fund dealer.

Section 14.12 [content and delivery of trade confirmation]

We added a new subsection 14.12(7) to state that, in Newfoundland and Labrador, Ontario and Saskatchewan, a registered dealer that complies with the requirements of section 14.12 in respect of the purchase or sale of a security is not subject to the following corresponding statutory provisions: subsections 37 (1), (2) or (3) of the *Securities Act* (Newfoundland and Labrador); subsection 36(1) of the *Securities Act* (Ontario); and subsection 42(1) of *The Securities Act, 1988* (Saskatchewan).

Section 15.1 [granting an exemption]

We amended subsection 15.1(3) to add a reference to Alberta so that it provides: “Except in Ontario and Alberta, an exemption referred to in subsection (1) is granted under the statute referred to Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.”

Amendments to Form 31-103F1 Calculation of Excess Working Capital

Line 10

We amended Line 10 to provide, in the case of a mutual fund dealer registered only in Québec and that is not registered in any other category, an alternative deduction of the deductible under the firm’s liability insurance instead of the bonding or insurance required under Part 12 of NI 31-103.

Schedule 1

In subparagraph (a)(i), we replaced the present references to specific rating organizations with a reference to “designated rating organization” (which is defined in section 1.1 of NI 31-103 to have the same meaning as in National Instrument 81-102 *Investment Funds*). This has the effect of including certain additional ratings organizations.

In paragraph (d), we have corrected a previous typographical error in the reference to the *Investment Company Act of 1940* by substituting “Company” for “Companies.”

Amendments to 31-103CP

8.26 International adviser

We deleted the second sentence under this heading as it referred to text contained in a previous iteration of subsection 8.26(2) of NI 31-103.

14.12 Content and delivery of trade confirmations

We added a reference to the new exemption in subsection 14.12(7) that may be available to a registered dealer that complies with the requirements of section 14.12 in respect of the purchase or sale of a security. We also state that, for these purposes, a firm that has an exemption from section 14.12 and complies with the terms of that exemption would be considered to have complied with requirements of section 14.12.

Appendix A

We updated contact information in respect of New Brunswick.

Appendix B

We updated the definitional source references for the term “exchange contract” to reflect the fact that, in the case of Alberta, Saskatchewan, New Brunswick and Nova Scotia, the term “exchange contract” is now defined in National Instrument 14-101 *Definitions* (and not the corresponding Securities Act for each of those jurisdictions).

These changes, which have already been adopted in those local jurisdictions, are described in more detail in CSA Staff Notice 11-335.

Amendments to NI 33-109

Section 2.3 [Reinstatement]

As explained in section 2.5 of 33-109CP, when an individual leaves a sponsoring firm and joins a new registered firm, they may submit a Form 33-109F7 *Reinstatement of Registered Individuals and Permitted Individuals* 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 specified in subsection 2.3(2) or 2.5(2) of NI 33-109.

Among the specified conditions is a requirement in subparagraph 2.3(2)(c)(i) of NI 33-109 that, after the individual's cessation date, there have been no changes to the information previously submitted in respect of Item 13 [*Regulatory disclosure*] of the individual's Form 33-109F4 *Registration of Individuals and Review of Permitted Individuals*, other than in respect of Item 13.3(c).

We amended subparagraph 2.3(2)(c)(i) of NI 33-109 so that the exception for changes in the information in respect of Item 13 refers to Item 13.3 (a) and not Item 13.3(c).

Section 7.1 [exemption]

We amended subsection 7.1(3) of NI 33-109 to add a reference to Alberta so that it provides: “Except in Ontario and Alberta, an exemption referred to in subsection (1) is granted under the statute referred to Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.”

Form 33-109F2 Change or Surrender of Individual Categories

We amended Schedule B *Contact information for Notice of collection and use of personal information* to update contact information for New Brunswick, Nunavut and Prince Edward Island.

Form 33-109F3 Business Locations Other than Head Office

We amended Schedule A *Contact information for Notice of collection and use of personal information* to update information for New Brunswick, Nunavut and Prince Edward Island.

Form 33-109F4 Registration of Individuals and Review of Permitted Individuals

Schedule C Individual Categories (Item 6)

In the check-boxes under the heading “Individual categories and permitted activities”, in the check box for “Permitted Individual”, we added “described in paragraph (c) of the definition of “permitted individual” in section 1.1 of National Instrument 33-109 *Registration Information*.” This change will align with the corresponding part of the Form on NRD.

Schedule O Contact information for Notice of collection and use of personal information

We updated information for New Brunswick, Nunavut and Prince Edward Island.

Form 33-109F5 Change of Registration Information

Schedule A Contact information for Notice of collection and use of personal information

We updated information for New Brunswick, Nunavut and Prince Edward Island.

Form 33-109F6 Firm Registration

Item 4.2 Exemption from securities registration

Firms that are seeking registration under securities legislation, derivatives legislation, or both, are required to complete and submit a Form 33-109F6 *Firm Registration*. Item 4.2 of Form 33-109F6 requires the firm to provide information on exemptions from registration or licensing to trade or advise in securities or derivatives. We amended Item 4.2 to eliminate this information requirement if the firm has already notified the securities regulator or, in Québec, the securities regulatory authority, in accordance with the applicable exemption.

Schedule A Contact information for Notice of collection and use of personal information

We updated information for New Brunswick, Nunavut and Prince Edward Island.

Schedule C Form 31-103F1 Calculation of Excess Working Capital

We amended this Schedule to reflect the amendments to Form 31-103 F1 referred to above.

Form 33-109F7 Reinstatement of Registered Individuals and Permitted Individuals

We amended Form 33-109F7 so that in subparagraph 2.3(2)(c)(i) the exception for changes in the information in respect of Item 13 refers to Item 13.3 (a) and not Item 13.3(c), with corresponding changes in the General Instructions and Item 9.1 of Form 33-109F7.

Schedule B Individual Categories (Item 3)

In the check-boxes under the heading “Individual categories and permitted activities”, in the check box for “Permitted Individual”, we have added “described in paragraph (c) of the definition of “permitted individual” in section 1.1 of National Instrument 33-109 *Registration Information*”.

As in the case of corresponding Schedule C *Individual Categories (Item 6)* in Form 33-109F4, this change will align with the corresponding part of the Form on NRD.

Schedule F Contact information for Notice of collection and use of personal information

We updated information for New Brunswick, Nunavut and Prince Edward Island.

Amendments to 33-109CP

In Appendix B, we updated the contact information for New Brunswick and Nunavut.