

MSC Notice 2002-21

Manitoba Securities Commission
The Securities Act
The Commodity Futures Act
Republication for Comment of Proposed
Multilateral Instrument 31-102
and Companion Policy 31-102CP
National Registration Database (NRD)

Introduction

The members of the Canadian Securities Administrators (CSA) are republishing for comment proposed Multilateral Instrument 31-102 and Companion Policy 31-102CP National Registration Database.

Purpose

The proposed instrument requires that certain registration information be submitted to regulators electronically through the National Registration Database (NRD) and that fees paid in respect of registration and the use of the NRD are paid through NRD.

Background

On December 14, 2001, the CSA published for comment earlier drafts of the proposed instrument and companion policy. During the comment period, we received 15 submissions. A summary of these comments, together with our responses, is contained in Appendix A to this notice. After reviewing the comments and further considering the instrument and companion policy, we are proposing a number of amendments to the 2001 drafts.

For additional background information on the proposed instrument and companion policy as well as a detailed summary of the contents of the 2001 drafts, please refer to the notice that was published with those drafts.

Summary of Changes

This section describes the substantive changes made to the proposed instrument and companion policy since the 2001 drafts were published for comment.

Subsection 6.1(2) of the proposed instrument has been added to require that during the application of the temporary hardship exemption a notice of a change to Form 33-109F4 information must be made in Form 33-109F5.

Under Part 8, the definition of “NRD launch date” has been removed. The launch of NRD is expected to occur on November 25, 2002 and the proposed instrument includes this date.

The definition of “data transfer date” has also been removed from Part 8. Sections 8.4, 8.5 and 8.9 have been amended so that this definition is no longer required.

In response to the request of commentators, sections 8.4, 8.6 and 8.9 have been amended to provide that certain submissions are due within 30 business days of the firm’s NRD access date instead of within 15 business days. These sections have also been amended to clarify that certain information of individuals is to be submitted to the database if it does not appear on NRD on a firm’s NRD access date.

In response to the concerns expressed by commentators, section 8.5 has been amended to delay until March 2004 the requirement on firms to input Forms 33-109F4 for their registered and non-registered individuals who appear on NRD on a firm’s NRD access date. This section has also been amended to reduce by half the number of Forms 33-109F4 required each month. In consideration of RRSP season, the section does not require any submissions in January and February 2005.

The proposed instrument is scheduled to come into force on November 20, 2002, instead of September 1, 2002 as was proposed in the 2001 draft. This delay is to accommodate a second comment period.

The proposed companion policy has been amended to provide that an AFR is acting as the NRD filer’s agent when making a submission on behalf of a firm or individual. This change is to clarify that it is the responsibility of firms and individuals to ensure that submissions made on their behalf are accurate.

Request for Comments

Interested parties are encouraged to make comments on the proposed instrument and companion policy. Please submit your comments in writing on or before August 15, 2002.

Address your submission to the CSA member commissions listed below:

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Securities Commission
The Manitoba Securities Commission
Ontario Securities Commission
Office of the Administrator, New Brunswick
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland
Registrar of Securities, Northwest Territories
Registrar of Securities, Nunavut
Registrar of Securities, Yukon Territory

Deliver your comments only to the following address:

c/o John Stevenson, Secretary
Ontario Securities Commission
20 Queen Street West
Suite 800, Box 55
Toronto, Ontario
M5H 3S8
jstevenson@osc.gov.on.ca

A diskette containing the submissions (in DOS or Windows format, preferably WordPerfect) should also be submitted. As securities legislation in certain provinces requires a summary of written comments received during the comment period be published, confidentiality of submissions cannot be maintained.

Questions

Please refer your questions to any of:

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The text of the proposed instrument and companion policy follow.

DATED: June 14, 2002