

**AMENDMENTS TO NATIONAL POLICY 31-201
NATIONAL REGISTRATION SYSTEM**

PART 1 AMENDMENTS

1.1 National Policy 31-201 is amended by deleting sections 3.2, 3.3 and 3.4 and substituting the following:

3.2. Designation of Principal Regulator

(1) The firm filer must select as its principal regulator the securities regulatory authority or regulator of the jurisdiction in which the firm filer's head office is located.

(2) The principal regulator for an individual filer is the securities regulatory authority or the regulator of the jurisdiction in which the individual filer's working office is located.

3.3. Change of principal regulator applied for by filer

(1) A filer may apply for a change of principal regulator if it believes that its principal regulator is not the appropriate principal regulator. However, a change of a firm filer's principal regulator based on factors other than the head office criterion set out in section 3.2 (1) will generally not be permitted unless exceptional circumstances justify the change. The factors that may be considered in assessing an application for a change of a filer's principal regulator are:

- (a) location of management,
- (b) operational headquarters,
- (c) business office,
- (d) workforce, and
- (e) clientele.

(2) If a filer applies for a change of its principal regulator, the application should be submitted in paper form to the principal regulator and the requested regulator at least thirty days in advance of any filing of materials under NRS to permit adequate time for staff of the relevant securities regulatory authorities to consider and resolve the application. If the application is not resolved before the date of any filing of materials, the principal regulator will continue to act as principal regulator for that filing, and the change requested, if granted, will relate to materials filed after the issuance of the final MRRS decision document.

3.4. Change of Principal Regulator - by the Regulators

(1) The securities regulatory authorities and regulators may change the principal regulator designated by the filer where the securities regulatory authorities and regulators determine that changing the principal regulator of a filer would result in greater administrative and regulatory efficiencies in connection with the filer's registration or approval.

(2) If the securities regulatory authorities and regulators propose to change a filer's principal regulator, the principal regulator will notify the filer in writing of the proposed change and will identify the reasons for the proposed change .

3.5. Effect of Change of Principal Regulator

Unless otherwise consented to by the principal regulator and the redesignated principal regulator, a change of principal regulator pursuant to sections 3.3 and 3.4 will take effect immediately. Requirements applicable to the filer will change accordingly, subject to the temporary exemption contained in section 3.2 of NI 31-101 for the benefit of registered filers.

PART 2 EFFECTIVE DATE

2.1. These amendments come into force on June 1, 2006.