

The Securities Commission (Local Instruments) Regulations

being

Chapter S-42.2 Reg 5 (effective April 26, 1999) as amended by Saskatchewan Regulations [1/2000](#), [74/2000](#), [13/2001](#), [1/2002](#), [37/2003](#), [51/2003](#), [126/2004](#), [85/2005*](#), [102/2005](#), [150/2005](#), [80/2009](#) and [92/2010](#).

***NOTE:** SR 85/2005 came into force January 1, 2006 and was subsequently repealed by SR 150/2005 effective January 1, 2006.

NOTE:

This consolidation is not official. Amendments have been incorporated for convenience of reference and the original statutes and regulations should be consulted for all purposes of interpretation and application of the law. In order to preserve the integrity of the original statutes and regulations, errors that may have appeared are reproduced in this consolidation.

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CHAPTER S-42.2 REG 5

The Securities Commission (Regulation Procedures) Regulations

and

The Securities Act, 1988

Title

1 These regulations may be cited as *The Securities Commission (Local Instruments) Regulations*.

Local Instruments

2 The Commission makes the following Local Instruments:

- (a) Local Instrument 14-501, entitled Definitions, as set out in Part II of the Appendix;
- (b) **Repealed.** 2 Oct 2009 SR 80/2009 s3.
- (c) **Repealed.** 20 Aug 2010 SR 92/2010 s3.
- (d) **Repealed.** 20 Aug 2010 SR 92/2010 s3.
- (e) **Repealed.** 2 Oct 2009 SR 80/2009 s3.
- (f) **Repealed.** 2 Oct 2009 SR 80/2009 s3.
- (g) **Repealed.** 20 Aug 2010 SR 92/2010 s3.
- (h) **Repealed.** 2 Oct 2009 SR 80/2009 s3.
- (i) Local Instrument 11-501, entitled Conflicts of Interest, as set out in Part X of the Appendix;
- (j) **Repealed.** 20 Aug 2010 SR 92/2010 s3.
- (k) Local Instrument 32-501, entitled Deposit Agents, as set out in Part XII of the Appendix.

28 Jan 2000 SR 1/2000 s3; 29 Sep 2000 SR 74/2000 s3; 6 Apr 2001 SR 13/2001 s3; 18 Jan 2002 SR 1/2002 s3; 16 May 2003 SR 37/2003 s3; 23 Sep 2005 SR 102/2005 s3; 13 Jan 2006 SR 150/2005 s3; 2 Oct 2009 SR 80/2009 s3; 20 Aug 2010 SR 92/2010 s3.

Compliance required

3 No person or company shall fail to comply with any Local Instrument mentioned in section 2.

28 Jan 2000 SR 1/2000 s3.

Appendix

PART II **[Clause 2(a)]**

**SASKATCHEWAN LOCAL INSTRUMENT 14-501
DEFINITIONS****Interpretation**

1 In this Local Instrument:

- (a) **“Act”** means *The Securities Act, 1988*;
- (b) **“Commission regulation”** means a regulation made by the Commission pursuant to subsection 154(2) of the Act;
- (c) **“the regulations”** means *The Securities Regulations*.

Use of certain terms

2 Every term used in a Commission regulation that is:

- (a) defined or interpreted in the Act has the meaning ascribed to it in the Act;
- (b) defined in the regulations has the meaning ascribed to it in the regulations unless it is otherwise defined or interpreted in a Commission regulation or the context otherwise requires; and
- (c) defined in National Instrument 14-101 Definitions has the meaning ascribed to it in the national instrument unless it is otherwise defined or interpreted in a Commission regulation or the context otherwise requires.

**PART III
[Clause 2(b)]****SASKATCHEWAN LOCAL INSTRUMENT 33-502
REQUIREMENTS FOR SALE OF CERTAIN SECURITIES**

Repealed. 2 Oct 2009 SR 80/2009 s4.

PART IV
[*Clause 2(c)*]

SASKATCHEWAN SECURITIES LOCAL INSTRUMENT 46-501

DISCLOSURE OF CASH CALLS

Repealed. 20 Aug 2010 SR 92/2010 s4.

PART V
[*Clause 2(d)*]

**SASKATCHEWAN LOCAL INSTRUMENT 47-501
MARKETING COMMUNICATIONS**

Repealed. 20 Aug 2010 SR 92/2010 s5.

PART VI
[*Clause 2(e)*]

**SASKATCHEWAN LOCAL INSTRUMENT 31-501
SELF-REGULATORY ORGANIZATION MEMBERSHIP
FOR SECURITIES DEALERS AND BROKERS**

Repealed. 2 Oct 2009 SR 80/2009 s5.

PART VII
[*Clause 2(f)*]

**SASKATCHEWAN LOCAL INSTRUMENT 31-502
SELF-REGULATORY ORGANIZATION MEMBERSHIP FOR
MUTUAL FUND DEALERS**

Repealed. 2 Oct 2009 SR 80/2009 s6.

PART VIII
[*Clause 2(g)*]

**SASKATCHEWAN LOCAL INSTRUMENT 51-501
ANNUAL INFORMATION FORM AND MANAGEMENT'S
DISCUSSION AND ANALYSIS**

Repealed. 31 Dec 2004 SR 126/2004 s4.

PART IX
[*clause 2(h)*]SASKATCHEWAN LOCAL INSTRUMENT 33-503
PERMANENT REGISTRATION SYSTEM

Repealed. 2 Oct 2009 SR 80/2009 s7.

PART X
[*Clause 2(i)*]SASKATCHEWAN LOCAL INSTRUMENT 11-501
CONFLICTS OF INTEREST**Interpretation**

1 In this local instrument:

- (a) **“Act”** means *The Securities Act, 1988*;
- (b) **“Chairperson”** means the Chairperson of the Commission;
- (c) **“Commission”** means the Saskatchewan Financial Services Commission;
- (d) **“confidential information”** means information that is not available to the public;
- (e) **“Director”** means the Director of the Securities Division of the Commission;
- (f) **“employee”** means a staff member of the Commission to whom the responsibility for the administration of *The Securities Act, 1988* is assigned and includes:
 - (i) a probationary or temporary staff member; and
 - (ii) a person who is employed on a fixed term contract or who is seconded to the Commission;
- (g) **“member”** means a member of the Commission appointed by the Lieutenant Governor in Council pursuant to the Act.

16 May 2003 SR 37/2003 s4.

Scope

2 This local instrument applies to members and employees.

16 May 2003 SR 37/2003 s4.

To whom a report must be made, an approval must be sought, etc.

3(1) A member or employee shall comply with subsection (2) if the member or employee:

- (a) delivers an initial undertaking pursuant to subsection 6(1);
- (b) delivers an annual Certificate of Compliance pursuant to subsection 6(2);
- (c) reports breaches of this local instrument pursuant to section 7;
- (d) reports an interest pursuant to section 8; or
- (e) seeks an exemption pursuant to subsection 13(1).

(2) In the circumstances mentioned in subsection (1), the member or employee shall report to, deliver to or seek an exemption from:

- (a) in the case of an employee, the Director;
- (b) in the case of the Director or a member other than the Chairperson, the Chairperson; and
- (c) in the case of the Chairperson, the minister.

16 May 2003 SR 37/2003 s4.

Avoidance of conflict and disclosure

4 Every member and every employee shall avoid actual or apparent conflicts of interest.

16 May 2003 SR 37/2003 s4.

Conflicts

5(1) Subject to subsection (2), no member or employee shall:

- (a) engage, directly or indirectly, in any transaction or arrangement for personal profit or benefit that:
 - (i) accrues from or is based on the member's or employee's official position or authority; or
 - (ii) is based on confidential information that the member or employee gained by reason of his or her position or authority;
- (b) accept the services of a registrant on terms that the member or employee knows are more favourable than those generally available from the registrant;
- (c) disclose or release confidential information unless authorized pursuant to the Act;

- (d) act in the course of the member's or employee's duties with respect to any matter in which the member or employee has a personal interest and that is incompatible with an unbiased exercise of official judgment;
 - (e) hold office in or be a director of any registrant or any reporting issuer;
 - (f) have a beneficial interest in any registrant or any of its affiliates, other than an interest in securities that are traded on an exchange; or
 - (g) engage in any outside work or business undertaking that interferes with the performance of the member's or employee's duties to the Commission.
- (2) Clause (1)(e) does not apply to a member other than the Chairperson who has given written notice to the Chairperson that the member is an officer or director of a registrant or reporting issuer.

16 May 2003 SR 37/2003 s4.

Reports

- 6(1) At the time of taking office or employment or being seconded to the Commission, a member or employee shall deliver an initial undertaking substantially in Form 11-501F1.
- (2) On or before January 31 of each year after delivery of an initial report in subsection (1), the member or employee shall deliver an annual Certificate of Compliance as at December 31 of the prior year substantially in Form 11-501F2.
- (3) If a member or employee is required to attach a portfolio statement to an initial undertaking or annual Certificate of Compliance that the member or employee delivers pursuant to this section, the portfolio statement must be substantially in Form 11-501F3.

16 May 2003 SR 37/2003 s4.

Reports of breaches

- 7 A member or employee shall immediately report any breach of this local instrument of which he or she becomes aware.

16 May 2003 SR 37/2003 s4.

Reports of interests

- 8 A member or employee shall immediately report in writing:
- (a) any actual or apparent conflict of interest;
 - (b) when he or she has an interest in an issuer or registrant that may reasonably be considered to prejudice or affect his or her work on a matter involving the issuer or registrant; or
 - (c) when his or her prior employment or relationship may reasonably be considered to prejudice or affect his or her work on an assignment.

16 May 2003 SR 37/2003 s4.

Confidentiality of information received

9 A person who receives information from a member or employee pursuant to the reporting provisions of this local instrument shall not disclose that information except:

- (a) as required by applicable law or in connection with any administrative, disciplinary or court proceeding involving the member or employee and concerning the breach of this local instrument;
- (b) with the agreement of the applicable member or employee; or
- (c) as required by subsection 13(3).

16 May 2003 SR 37/2003 s4.

Confidentiality – former members and employees

10 No former member or employee shall disclose any confidential information that he or she has obtained in the course of his or her service with the Commission.

16 May 2003 SR 37/2003 s4.

When member must not participate in hearing

11 No member shall participate in a hearing if:

- (a) with respect to that hearing, he or she has a personal interest that is, or could reasonably be perceived to be, incompatible with an unbiased exercise of his or her judgment;
- (b) for any other reason, he or she is of the opinion that he or she would be unable to render an impartial decision; or
- (c) his or her continuing or prior associations would reasonably be perceived as affecting his or her ability to render an impartial decision with respect to that hearing.

16 May 2003 SR 37/2003 s4.

Procedure for reporting conflicts, etc., by members before hearings

12(1) If a member has any continuing and prior interests, participation and relationships that could potentially give rise to a conflict of interest in connection with any hearing in which the member is to participate, the member shall disclose the interest, participation or relationship to the Chairperson.

(2) The Chairperson shall determine whether or not the member should participate in the hearing or whether another member should participate in the hearing taking into account the matters described in section 11.

(3) If the Chairperson has any continuing and prior interests, participation and relationships that could potentially give rise to a conflict of interest in connection with any hearing in which the Chairperson is to participate, the Chairperson shall disclose the interest, participation or relationship to the minister.

(4) The minister shall determine whether or not the Chairperson should participate in the hearing or whether another member should participate in the hearing taking into account the matters described in section 11.

(5) Any determination pursuant to subsection (2) or (4) is final and binding for all purposes of this local instrument.

16 May 2003 SR 37/2003 s4.

Exemptions

13(1) Members and employees may apply in writing for an exemption from the provisions of this local instrument.

(2) The minister, Chairperson or Director, as the case may be, may grant the exemption if the minister, Chairperson or Director, as the case may be, is of the opinion that it is not appropriate that the applicable provision of this local instrument apply to the member or employee who requests the exemption.

(3) The minister, Chairperson or Director, as the case may be, who grants an exemption pursuant to subsection (2) shall give written notice of the exemption and the reasons for it to the Commission and to the member or employee who requested the exemption.

16 May 2003 SR 37/2003 s4.

**SASKATCHEWAN LOCAL INSTRUMENT 11-501
CONFLICTS OF INTEREST**

**FORM 11-501F1
INITIAL UNDERTAKING**

To: Chairperson/Director
Saskatchewan Financial Services Commission

I understand the provisions of Saskatchewan Local Instrument 11-501 Conflicts of Interest and undertake to observe them. I undertake that I will not depart from the requirements of its provisions without an exemption granted pursuant to section 13 of the local instrument.

Check applicable box(es):

- I do not beneficially own, directly or indirectly, or exercise control or have direction over any securities.
- I have attached a portfolio statement containing a complete list of all securities that I beneficially own, directly or indirectly, or over which I exercise control or have direction.

If my spouse is a registrant or employed by a registrant pursuant to *The Securities Act, 1988*, I have disclosed below the names of my spouse and the registrant. If I am employed by a registrant pursuant to *The Securities Act, 1988*, I have disclosed below the name of the registrant.

Name of spouse: _____

Name of Registrant/Employer: _____

Dated: _____ Signed: _____

Print name: _____

**SASKATCHEWAN LOCAL INSTRUMENT 11-501
CONFLICTS OF INTEREST**

**FORM 11-501F2
ANNUAL CERTIFICATE OF COMPLIANCE**

To: Chairperson/Director
Saskatchewan Financial Services Commission

I understand the provisions of Saskatchewan Local Instrument 11-501 Conflicts of Interest and confirm that I have observed them.

Check applicable box(es):

- I do not beneficially own, directly or indirectly, or exercise control or have direction over any securities.
- I have attached a portfolio statement containing a complete list of all securities that I beneficially own, directly or indirectly, or over which I exercise control or have direction.

If my spouse is a registrant or employed by a registrant pursuant to *The Securities Act, 1988*, I have disclosed below the names of my spouse and the registrant. If I am employed by a registrant pursuant to *The Securities Act, 1988*, I have disclosed below the name of the registrant.

Name of spouse: _____

Name of Registrant/Employer: _____

Dated: _____ Signed: _____

Print name: _____

PART XI
[Clause 2(j)]SASKATCHEWAN LOCAL INSTRUMENT 11-502
REMOVAL OF CERTAIN EXEMPTIONS

Repealed. 20 Aug 2010 SR 92/2010 s6.

PART XII
[Clause 2(k)]SASKATCHEWAN LOCAL INSTRUMENT 32-501
DEPOSIT AGENTS

PART 1 INTERPRETATION

Interpretation

1 In this Local Instrument:

- (a) “**Act**” means *The Securities Act, 1988*;
- (b) “**Commission**” means the Saskatchewan Financial Services Commission;
- (c) “**deposit agent**” means a person who or company that trades in guaranteed investment certificates, including accepting, receiving or soliciting money from investors for transmission to a financial institution for investment in a guaranteed investment certificate;
- (d) “**Director**” means the Director of the Securities Division of the Commission;
- (e) “**financial institution**” means:
 - (i) a bank;
 - (ii) a credit union;
 - (iii) an insurance company licensed pursuant to *The Saskatchewan Insurance Act*;
 - (iv) a trust corporation or a loan corporation licensed pursuant to *The Trust and Loan Corporations Act, 1997*;
 - (v) an association to which the *Cooperative Credit Associations Act* (Canada) applies; and
 - (vi) an authorized foreign bank as defined in the *Bank Act* (Canada) that is set out in Schedule III of that Act;

- (f) **“GIC exemption”** means an exemption in Saskatchewan securities laws from the requirement to be registered pursuant to section 27 of the Act to trade in GICs, including:
- (i) the exemption in paragraph 2.34(2)(d) of National Instrument 45-106, *Prospectus and Registration Exemptions*; and
 - (ii) an exemption granted by the Commission or the Director pursuant to the Act;
- (g) **“guaranteed investment certificate”** or **“GIC”** means:
- (i) evidence of indebtedness of or guaranteed by a financial institution; or
 - (ii) a certificate or receipt issued by a financial institution for money received for guaranteed investment;
- (h) **“official”** means an individual who is a partner, director or officer of a deposit agent and who trades in GICs on behalf of the deposit agent;
- (i) **“registered”** means registered pursuant to the Act;
- (j) **“registered deposit agent”** means a deposit agent who or that is registered and whose registration is not suspended or cancelled;
- (k) **“salesperson”** means an individual, other than an official, that is employed or engaged by a deposit agent to trade in GICs on behalf of the deposit agent.

13 Jan 2006 SR 150/2005 s4.

PART 2 REGISTRATION

Exemption removed

2 The GIC exemptions are not available to a deposit agent, an official or a salesperson.

13 Jan 2006 SR 150/2005 s4.

Registration required

- 3(1) Subject to section 4, no person or company shall act as a deposit agent unless that person or company is registered as a dealer in the category of deposit agent.
- (2) No individual shall act as a deposit agent.
- (3) Subject to section 4, no person or company shall act as an official unless that person or company is registered as an official of a registered deposit agent.
- (4) Subject to section 4, no person or company shall act as a salesperson unless that person or company is registered as a salesperson of a registered deposit agent.
- (5) Subsections (3) and (4) do not apply to who are persons engaged in administrative, clerical or accounting duties in the employ of the registered deposit agent and who are not engaged in trading in GICs.

13 Jan 2006 SR 150/2005 s4.

Exemptions from registration

4 This Local Instrument does not apply to:

- (a) a trade by a financial institution or any of its employees in a GIC of the financial institution;
- (b) a trade in a GIC of a financial institution by another financial institution or any employee of the other financial institution if a principal and agent relationship exists between the financial institution and the other financial institution;
- (c) a trade in a GIC by a registered instrument dealer or an official or salesperson of the registered investment dealer for the account and through the facilities of the registered investment dealer;
- (d) a trade in a GIC by a registered mutual fund dealer that is a member of The Mutual Fund Dealers Association of Canada or an official or salesperson of that registered mutual fund dealer for the account and through the facilities of the registered mutual fund dealer only if the registered mutual fund dealer:
 - (i) files a report with the Commission in accordance with Form 32-501F1 before the exemption in this clause is used for the first time;
 - (ii) files a report in accordance with Form 32-501F1 with the Commission by December 31 of each year; and
 - (iii) advises the Commission within 10 days of any changes to the information on the most recent Form 32-501F1 that it has filed;
- (e) a trade in a GIC by a person who or company that is recognized at law as a fiduciary on behalf of others for whom they act if the fiduciary does not receive a commission; or
- (f) a trade in a GIC by a person who or company that receives funds from another person or company for transmittal to a financial institution if:
 - (i) the person or company does not ask for or receive a commission or remuneration;
 - (ii) the transaction is not made in the course of continued and successive transmissions of the same character; and
 - (iii) the trade is not made by a person or company whose usual business is trading in GICs.

13 Jan 2006 SR 150/2005 s4.

Officials to act for one deposit agent only

5 No official shall carry on business or act as a deposit agent:

- (a) on his or her own account; or
- (b) on behalf of any deposit agent other than the deposit agent with whom he or she is registered.

13 Jan 2006 SR 150/2005 s4.

Salespersons to act for employer only

6 No salesperson shall carry on business or act as a deposit agent:

- (a) on his or her own behalf; or
- (b) on behalf of any deposit agent other than the deposit agent with whom he or she is registered.

13 Jan 2006 SR 150/2005 s4.

Engaging unregistered officials and salespersons prohibited

7 Unless a person or company is registered as an official or salesperson on behalf of the deposit agent, no deposit agent shall:

- (a) employ or engage that person or company as an official or salesperson; or
- (b) directly or indirectly, pay to any person or company a commission, salary or other remuneration in connection with that person's activities as an official or salesperson.

13 Jan 2006 SR 150/2005 s4.

Non-liability agreement prohibited

8 No deposit agent shall enter into an agreement with an official or salesperson in which the parties agree to limit the liability of the deposit agent for the actions of the salesperson or official.

13 Jan 2006 SR 150/2005 s4.

Initial application for registration

9 A person who or company that wishes to be registered shall apply for initial registration as:

- (a) a deposit agent by completing and filing Form 32-501F2; and
- (b) as an official or salesperson by completing and filing Form 32-501F3.

13 Jan 2006 SR 150/2005 s4.

PART 3 ONGOING REGISTRATION REQUIREMENTS

Exemption from registration requirements

10 A deposit agent is exempt from the requirements in Part IV Registration of *The Securities Regulations* other than section 15.

13 Jan 2006 SR 150/2005 s4.

Insurance

11(1) In this section, "**Standard Form of Financial Institution Bond**" means the standard form of financial institution bond that is approved by the Investment Dealers Association of Canada.

(2) Every deposit agent shall maintain insurance in the Standard Form of a Financial Institution Bond issued by an insurer licensed pursuant to *The Saskatchewan Insurance Act* that covers:

- (a) any loss resulting from dishonest or fraudulent acts of officials, salespersons and employees, committed anywhere and whether committed alone or in collusion with others, including loss of property through any act of any of the officials, salespersons and employees;

- (b) any loss of cash and securities or other property through robbery, burglary, theft, hold-up or other fraudulent means, mysterious disappearance, damage or destruction while within any of the deposit agent's offices, the offices of any financial institution or clearing house or within any recognized place of safe-deposit, as more fully defined in the Standard Form of Financial Institution Bond;
 - (c) any loss of cash and securities or other property through robbery, burglary, theft, hold-up, misplacement, mysterious disappearance, damage or destruction, while in transit or in the mail, as more fully defined in the Standard Form of Financial Institution Bond; and
 - (d) any loss resulting from forgery or alterations of any cheques, drafts, promissory notes or other written orders or directions to pay sums in cash, excluding securities, as more fully defined in the Standard Form of Financial Institution Bond.
- (3) The minimum amount of insurance that must be maintained for each clause in subsection (2) is \$200,000.
- (4) The maximum deductible for the insurance that must be maintained pursuant to subsection (2) is \$10,000.
- (5) Every financial institution bond required pursuant to subsection (2) shall be endorsed by the insurer stating that the insurer will give:
- (a) 15 days notice to the Director of any intended change in or intended cancellation of the financial institution bond; and
 - (b) prompt notice of any claim made under the financial institution bond.
- (6) Every deposit agent shall file with the Director a certified copy of the financial institution bond required pursuant to subsection (2):
- (a) with its initial application for registration; and
 - (b) concurrently with the filing of its report pursuant to section 14.
- (7) Every deposit agent that is a company shall file with the Director a certified copy of a resolution of its directors, and every deposit agent that is a person shall file with the Director a statutory declaration, stating that:
- (a) full consideration has been given to the amount of insurance necessary to cover the insurable risks in the business of the deposit agent; and
 - (b) either:
 - (i) the minimum amount of coverage required in subsection (3) is sufficient; or
 - (ii) the minimum amount of coverage required in subsection (3) is not sufficient and stating an amount of coverage that in the person's or company's opinion, would be sufficient.
- (8) Every deposit agent that is a company shall file the directors' resolution required pursuant to subsection (7):
- (a) with the deposit agent's application for registration; and
 - (b) concurrently with the filing of its report pursuant to section 14.

(9) Every deposit agent that is a person shall file the statutory declaration required pursuant to subsection (7):

- (a) with the deposit agent's application for registration; and
- (b) concurrently with the filing of its report pursuant to section 14.

(10) Every deposit agent shall notify the Director in writing of any claim that it makes under a financial institution bond promptly after making that claim.

(11) Notwithstanding any other provision of this section, if the Director is satisfied that a deposit agent has insurance coverage that is equivalent to the insurance required by this section, the Director may accept that equivalent insurance as being in compliance with the requirements of this section.

13 Jan 2006 SR 150/2005 s4.

Change of control

12(1) In this section, "**change of control**" means a change in ownership of voting securities which results in direct or indirect ownership by a security holder or an affiliated group of security holders of 10% or more of securities.

(2) If there is a change of control of a deposit agent, the deposit agent must give notice of details of the change to the Director within 10 days of the change.

(3) The notice required in subsection (2) must include proof:

- (a) that notice of change of control has been given pursuant to the financial institution bond required pursuant to section 11; and
- (b) that the financial institution bond provides coverage of the deposit agent after the change of control.

13 Jan 2006 SR 150/2005 s4.

Compliance systems

13 A deposit agent shall maintain effective systems to ensure that its officials and salespersons are:

- (a) in compliance with the requirements of this Local Instrument; and
- (b) dealing honestly, fairly and in good faith with the deposit agent's clients.

13 Jan 2006 SR 150/2005 s4.

Annual reporting requirement

14 A deposit agent shall file a report with the Director in accordance with Form 32-501F4 on or before December 15 of each year.

13 Jan 2006 SR 150/2005 s4.

Holding out

15 Every official and salesperson carrying on the business of a deposit agent shall hold themselves out as an official or salesperson only under the name of the deposit agent with whom the official or salesperson is registered.

13 Jan 2006 SR 150/2005 s4.

Trust compliance report

16 A deposit agent that operates a trust account must file annually within three months after the deposit agent's financial year end the report of an auditor acceptable to the Commission in accordance with Form 32-501F5.

13 Jan 2006 SR 150/2005 s4.

Business records

17 Every deposit agent must maintain books and records necessary to properly record the deposit agent's business transactions including the following:

- (a) a file for each client that must contain the following:
 - (i) a copy of the application for each GIC in which the client invests;
 - (ii) a copy of the client's or financial institution cheque for each transaction;
 - (iii) a copy of the receipt for cash received from the client;
 - (iv) a copy of the financial institution deposit slip for each investment;
 - (v) a copy of the investment confirmation received from the financial institution;
 - (vi) written documentation of oral instructions from the clients if permitted under section 20, including the name of the client, details of oral instructions and the date and time they were received;
- (b) a copy of commission statements from financial institutions.

13 Jan 2006 SR 150/2005 s4.

Business office

18 Every deposit agent that does not have a place of business in Saskatchewan shall comply with all of the following conditions:

- (a) the deposit agent must have a place of business in Canada;
- (b) the deposit agent must have at least one official resident in Canada and registered in Saskatchewan as an official of the deposit agent;
- (c) the deposit agent must not have any officials or salespersons who reside in Saskatchewan;
- (d) the deposit agent must file an executed submission to jurisdiction and appointment of agent for service of process substantially in the form set out in Appendix A to this Local Instrument;
- (e) the deposit agent must file with the Director a written undertaking substantially in the form set out in Appendix B to this Local Instrument;
- (f) the deposit agent must maintain in its home jurisdiction in Canada those books and records necessary to properly record its business transactions in Saskatchewan; and
- (g) the deposit agent must provide a disclosure statement to each new client substantially in the form set out in Appendix C to this Local Instrument.

13 Jan 2006 SR 150/2005 s4.

PART 4 WRITTEN AGREEMENTS

Application forms

19(1) If an official or salesperson receives money from an investor for investment in a GIC, the deposit agent must complete an application form containing the following information:

- (a) the name of the investor and a third party, if any, designated by the investor as the beneficial owner of the GIC;
 - (b) the name of the financial institution with whom the investor wishes to invest;
 - (c) the amount of the money invested;
 - (d) the interest rate of the investment and how interest is to be calculated and paid;
 - (e) the term of the investment;
 - (f) whether or not the investment can be redeemed or transferred prior to maturity and any costs or charges applicable;
 - (g) the date of the application;
 - (h) the address or account where the investor wishes to receive interest and maturity cheques;
 - (i) the address where the investor wishes to receive communications from the financial institution;
 - (j) a statement in bold print and in a minimum 10 point size substantially in the following words:

“The financial institution will send a confirmation of this investment directly to you within 15 days after receiving your money. If you do not receive this confirmation, you should contact the financial institution.”;
 - (k) a declaration by the deposit agent that all money or certificates are held by the deposit agent in trust for the investor.
- (2) The application form mentioned in subsection (1) must be approved by the financial institution with which the money is to be invested before the application form is used.
- (3) No official or salesperson shall designate a third party beneficiary in the application form who or that is directly or indirectly associated with the deposit agent, its officials or salespersons.
- (4) No official or salesperson shall designate the deposit agent’s, the official’s or the salesperson’s own address as the address for the purposes of clause (1)(h) or (i).
- (5) The official or salesperson and the investor must sign the application form immediately after it is completed.
- (6) Immediately after the application form is signed, the official or salesperson shall give to the investor:
- (a) a copy of the completed application; and
 - (b) a clear explanation of the investment process in writing.

Deposit agent signing application

20(1) An official or salesperson may sign an application on behalf of an investor only if:

- (a) the purpose is to enable the reinvestment on behalf of the investor of a maturing GIC with a financial institution;
 - (b) there is no change of beneficial ownership;
 - (c) the investor gives oral or written instructions to the deposit agent; and
 - (d) either:
 - (i) the investor is away from the investor's principal residence for an extended period of time; or
 - (ii) it is significantly inconvenient for the investor to attend at the deposit agent's office.
- (2) The oral or written instructions mentioned in clause (1)(c) must include:
- (a) the source of the money for reinvestment;
 - (b) the terms on which the money is to be reinvested;
 - (c) the address where interest and maturity cheques should be sent or deposited;
 - (d) the address where the financial institution should send the confirmation notice for the reinvestment required in section 30; and
 - (e) the time period in which the deposit agent is authorized to sign the application on behalf of the investor.
- (3) If an official or salesperson signs an application form for an investor in accordance with subsection (1), the deposit agent must send a copy of the completed application form within 24 hours to:
- (a) the investor's then current address if it is different from the investor's principal residence as provided by the investor to the registrant; and
 - (b) the investor's principal residence.

13 Jan 2006 SR 150/2005 s4.

PART 5 HANDLING OF MONEY**Manner of payment**

21(1) No official or salesperson shall accept money from investors for investment in GICs unless the investment is by:

- (a) a cheque payable to the financial institution with whom the investor wishes to invest;
- (b) cheques or other negotiable instruments endorsed to the credit of the payee for deposit to the financial institution with whom the investor wishes to invest;
- (c) cash; or
- (d) a third party cheque payable to the investor if the investor wants to invest the money in GICs of several financial institutions.

(2) If an official or salesperson receives from an investor either cash or a third party cheque payable to the investor, the official or salesperson shall immediately:

- (a) provide a written receipt for the money to the investor; and
- (b) deposit the cash or cheque into a trust account.

13 Jan 2006 SR 150/2005 s4.

Requirement to turn over money to deposit agent

22 Every salesperson and official of a deposit agent shall, on receipt, pay over to the deposit agent all money received in connection with the business of the deposit agent.

13 Jan 2006 SR 150/2005 s4.

Pooled money prohibited

23 No deposit agent, official or salesperson shall pool money received from more than one investor, and invest that pooled money in a GIC on behalf of those investors.

13 Jan 2006 SR 150/2005 s4.

Deposit agent holds deposits as trustee

24 All funds received by a deposit agent, official and salesperson in connection with the purchase of a GIC are deemed to be trust funds.

13 Jan 2006 SR 150/2005 s4.

Trust accounts

25(1) Any trust account that a deposit agent operates must be established under a written trust agreement between the deposit agent and the financial institution.

(2) The trust agreement established pursuant to subsection (1) must contain the following terms:

- (a) an acknowledgment by the deposit agent that the deposit agent holds the money in trust;
- (b) an acknowledgment by the deposit agent that the deposit agent will not overdraw the trust account;
- (c) a direction by the deposit agent to the financial institution to make records relating to the trust account available to the Director on the Director's request;
- (d) an acknowledgment by the financial institution that it will pay the money in the trust account to another financial institution or an investor, but not to the deposit agent;
- (e) an acknowledgment by the financial institution that it will credit any interest, or other consideration or set off as a result of the operation of the trust account to the investor.

- (3) A deposit agent may deposit only the following into the trust account:
 - (a) cash; or
 - (b) a third party cheque payable to the investor if the investor wants to invest the money in GICs of several financial institutions.
- (4) A deposit agent shall operate a trust account established under subsection (1) in accordance with the following provisions:
 - (a) the deposit agent must not deposit into the trust account the deposit agent's own money or money from any other business the deposit agent may operate;
 - (b) the deposit agent must credit to the investor any interest, other consideration, or set off as a result of the operation of the trust account;
 - (c) the deposit agent must not make any payments from the trust account to anyone other than a financial institution or an investor;
 - (d) the deposit agent must not overdraw the trust account;
 - (e) the deposit agent must clear the trust account to a zero balance at the end of each day by forwarding money to the financial institutions.

13 Jan 2006 SR 150/2005 s4.

Remitting money to financial institution

- 26(1)** A deposit agent shall send money received from an investor together with the completed application form in accordance with section 19 to the financial institution either:
- (a) on the day that the deposit agent receives the money; or
 - (b) on the next business day if the deposit agent receives the money after the financial institution has closed for the day.
- (2) A deposit agent shall send all of the money received from an investor to a financial institution, and the deposit agent shall not make any deductions for commission or for any other reason.
- (3) Subject to subsection (4), a deposit agent shall send the money to the financial institution in any of the following ways:
- (a) by depositing the money into an account in the name of the financial institution;
 - (b) by courier; or
 - (c) by mail.
- (4) A deposit agent shall send the money to the financial institution pursuant to subsection (3) in the most expeditious way.

13 Jan 2006 SR 150/2005 s4.

PART 6 FINANCIAL INSTITUTIONS

Dealing with registered entities

27 No financial institution shall accept, receive or solicit money for the purchase of a GIC:

- (a) from a deposit agent unless the deposit agent is a registered deposit agent; or
- (b) from an official or a salesperson unless the official or salesperson is acting on behalf of a registered deposit agent.

13 Jan 2006 SR 150/2005 s4.

Contract with deposit agent required

28(1) No financial institution shall accept, receive or solicit money from a deposit agent unless the financial institution has a written agreement with that deposit agent.

(2) The written agreement between a financial institution and a deposit agent mentioned in subsection (1) must include the following:

- (a) an acknowledgment that the deposit agent may accept, receive or solicit money from investors for investment in a GIC with the financial institution;
- (b) a provision that the deposit agent must remit money to the financial institution only in accordance with this local instrument;
- (c) a provision that the deposit agent must accept, receive or solicit money from investors only in accordance with this local instrument;
- (d) a provision that the deposit agent must use an application form approved by the financial institution and prepared in accordance with this Local Instrument;
- (e) a provision that the deposit agent shall send the completed application form to the financial institution, in the most expeditious and reasonable way considering the amount invested, no later than the next business day after the money has been received and are deposited;
- (f) an acknowledgment that all money accepted, received or solicited by the deposit agent shall be held in trust for the investor;
- (g) an acknowledgment that the deposit agent shall operate trust accounts, if any, in accordance with this Local Instrument.

13 Jan 2006 SR 150/2005 s4.

Payments to investors

29 A financial institution shall:

- (a) make all payments due under a GIC payable to the beneficiary designated in the application form relating to that GIC; and
- (b) send all payments due under a GIC to the address or account designated by the investor:
 - (i) on the application form; or
 - (ii) in any other written direction signed by the investor that the financial institution has subsequently received.

13 Jan 2006 SR 150/2005 s4.

Confirmation notice

30(1) A financial institution shall promptly, but in any event no later than 15 days after receiving or reinvesting an investor's money for a GIC, send a written notice to the investor stating:

- (a) that the financial institution has received the money;
 - (b) the amount of money received;
 - (c) the interest rate at which the money has been invested, and how interest will be calculated and paid;
 - (d) the term of the investment including the start and maturity date;
 - (e) whether or not the investment can be redeemed prior to maturity and any costs or charges applicable; and
 - (f) the name of the investor or person designated as owner of the GIC.
- (2) The financial institution shall send the notice mentioned in subsection (1) to the address specified by the investor on the application.
- (3) The financial institution shall send a copy of the confirmation notice to the deposit agent who transmitted the money.

13 Jan 2006 SR 150/2005 s4.

Reporting to the Commission

31 A financial institution shall, within 10 days of the event, advise the Commission of:

- (a) the name and address of any deposit agent with which it has entered an initial agreement pursuant to section 28 for the first time;
- (b) when it terminates a contract with a deposit agent, and the reasons for the termination; and
- (c) when it ceases to accept, receive or solicit money for the purchase of GIC from deposit agents.

13 Jan 2006 SR 150/2005 s4.

Annual reporting

32 A financial institution shall file a report with the Commission on or before December 31 of each year in accordance with Form 32-501F6.

13 Jan 2006 SR 150/2005 s4.

PART 7 EXEMPTION APPLICATIONS**Exemption**

33 The Commission or the Director may grant an exemption to this Local Instrument, in whole or in part, subject to any conditions or restrictions that may be imposed in the exemption.

13 Jan 2006 SR 150/2005 s4.

APPENDIX A
[Clause 18(d)]

**DEPOSIT AGENT'S SUBMISSION TO JURISDICTION AND APPOINTMENT
OF AGENT FOR SERVICE OF PROCESS**

1. Name of applicant or deposit agent (the "Deposit Agent"): _____
2. Jurisdiction of incorporation of Deposit Agent: _____
3. Name of agent for service of process (the "Agent"): _____
4. Address for service of process of Agent in Saskatchewan: _____
5. The Deposit Agent designates and appoints the Agent at the address of the Agent stated above as its agent on whom may be served any notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal or other proceeding (the "Proceeding") arising out of or relating to or concerning its registration under *The Securities Act, 1988* (Saskatchewan) (the "Act") or its activities in Saskatchewan as a Deposit Agent, and irrevocably waives any right to raise as a defence in any Proceeding any alleged lack of jurisdiction to bring that Proceeding.
6. The Deposit Agent irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of Saskatchewan and any administrative proceeding in Saskatchewan, in any Proceeding arising out of or related to or concerning its registration under the Act or its activities in Saskatchewan as a Deposit Agent.
7. Until six years after the termination of its registration pursuant to the Act, the Deposit Agent shall file:
 - a. a new Submission to Jurisdiction and Appointment of Agent for Service of Process in this form at least 30 days prior to termination of this Submission to Jurisdiction and Appointment of Agent for Service of Process for any reason whatsoever; and
 - b. an amended Submission to Jurisdiction and Appointment of Agent for Service of Process at least 30 days prior to any change in the name or above address of the Agent.
8. This Submission to Jurisdiction and Appointment of Agent for Service of Process shall be governed by and construed in accordance with the laws of Saskatchewan.

Dated: _____

(Signature of Deposit Agent's authorized signatory)

(Name and title of authorized signatory)

Acceptance

The undersigned accepts the appointment as agent for service of process of _____

(Name of Deposit Agent)

pursuant to the terms and conditions of the foregoing Submission to Jurisdiction and Appointment of Agent for Service of Process.

Dated: _____

(Signature of Agent or authorized signatory)

(Name and title of authorized signatory)

13 Jan 2006 SR 150/2005 s4.

APPENDIX B

[Clause 18(e)]

UNDERTAKING TO PROVIDE INFORMATION

1. Name of applicant or deposit agent (the "Deposit Agent"): _____
2. Jurisdiction of incorporation of Deposit Agent: _____
3. The Deposit Agent hereby undertakes:
 - (a) to inform the Director of the Securities Division as soon as it becomes aware that:
 - (i) its registration or the registration of any of its salespersons or officials in any other jurisdiction in Canada is revoked by the securities regulatory authority in that jurisdiction or is suspended for cause other than lapse, transfer or resignation; or
 - (ii) an investigation order or notice hearing has been issued by any Canadian securities regulatory authority with respect to it or any of its salespersons or officials;
 - (b) that it will, on the request of the Commission, a person appointed by the Commission to make an investigation under the Act relating to the Deposit Agent's activities in Saskatchewan, or the Director:
 - (i) immediately produce to the person making the request at the Deposit Agent's expense all books, papers, documents, records and correspondence, relating to the Deposit Agent's activities in Saskatchewan that are in the possession control or power of the Deposit Agent, subject to the laws of the jurisdiction that are otherwise applicable to the production of those books, papers, documents, records and correspondence, and if the laws of the other jurisdiction prohibit production of the books, papers, documents, records or correspondence without the relevant client's consent, the Deposit Agent shall use its best efforts to obtain the client's consent; and

- (ii) immediately produce in Saskatchewan at the Deposit Agent's expense appropriate persons in its employ as witnesses to give evidence on oath or otherwise. If the appropriate persons are not in its employ, it will use its best efforts to immediately produce in Saskatchewan at the Deposit Agent's expense those persons to give evidence on oath or otherwise, subject to the laws of the jurisdiction that are otherwise applicable to the giving of such evidence. If the laws of the other jurisdiction prohibit the giving of the evidence without the relevant client's consent, the Deposit Agent shall use its best efforts to obtain the client's consent;
- (c) to permit the Commission, the staff of the Commission or an agent of the Commission to inspect and examine, from time to time, the Deposit Agent's books and records in its home jurisdiction;
- (d) to reimburse the Commission for all costs and expenses incurred in conducting the inspection and examination mentioned in clause (c) above which the Commission would not have incurred had the books and records been maintained in Regina, Saskatchewan; and
- (e) not to object to any hearing before the Commission on the basis that it was not present or represented if it has received a notice to appear from the Commission.

Dated: _____

*(Signature of Deposit Agent or authorized signatory)*_____
(Name and title of authorized signatory)

13 Jan 2006 SR 150/2005 s4.

APPENDIX C
[Clause 18(g)]

DISCLOSURE STATEMENT TO NEW CLIENTS

[on the letterhead of the Deposit Agent]

To all new clients:

You have recently opened an account with our firm. We agree that the laws of the province of Saskatchewan apply to any matter that may arise between us. We also agree to submit to the jurisdiction of the courts of the Province of Saskatchewan with respect to that matter.

Our address for service of legal proceedings is: _____

*(Name and address of agent
for service of process)*

You should be aware that, because we do not have a place of business in Saskatchewan, you may have difficulty in enforcing any legal rights you have against us.

*(Signature of Deposit Agent's authorized signatory)*_____
(Name and title of authorized signatory)

FORM 32-501F1

REPORT BY MUTUAL FUND DEALER PURSUANT TO CLAUSE 4(d) OF
LOCAL INSTRUMENT 32-501 DEPOSIT AGENTS

[Subclause 4(d)(i)]

Instruction:

Use this form if you are claiming the exemption in clause 4(d) of Local Instrument 32-501 Deposit Agents. Clause 4(d) exempts officials and salespersons of registered mutual fund dealers that are members of the MFDA from the registration requirement in Local Instrument 32-501 on certain conditions.

1.(a) Name of registered mutual fund dealer _____

(b) Head Office Business Address:

Telephone: _____ Postal Code: _____

Fax: _____ E-mail Address: _____

2. Attach a list with the following information about each official of your firm who trades in guaranteed investment certificates for your firm's account and through your firm's facilities:

name
position with your firm
business address
telephone number
fax number

Instruction: An "official" is a partner, director or officer of your firm.

3. Attach a list with the following information about each salesperson with your firm who trades in guaranteed investment certificates ("GICs") for your firm's account and through your firm's facilities:

name
position with your firm
business address
telephone number
fax number

4. Attach a list with the following information about each financial institution that your firm places GIC business through:

name of the financial institution
name of contact person at the financial institution
business address of the branch you deal with
mailing address with postal code
telephone number
fax number

SECURITIES COMMISSION
(LOCAL INSTRUMENTS)

S-42.2 REG 5

Dated at _____, this ____ day of _____, 20 __.

(Name of Mutual Fund Dealer)

By: _____
(Signature of authorized officer)

(Type or print name)

(Official capacity)

AFFIDAVIT

PROVINCE OF SASKATCHEWAN

I, _____
(name in full)

of the _____
(municipality)

in the _____
(jurisdiction)

MAKE OATH AND SAY:

1. I am the authorized officer for the Mutual Fund Dealer herein and I signed the Reporting Form.
2. The statements of fact made in the Reporting Form are true.

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 __

(A Commissioner for Oaths in and for the
Province of Saskatchewan, or _____)

My commission expires _____.

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 __

A Notary Public in and for the Province
of _____, or _____

My commission expires _____

If swearing an affidavit outside Saskatchewan, you must be a Notary Public.

It is an offence under Saskatchewan securities laws to file an application that contains a statement that, at the time and in the light of the circumstances in which it is made, is false or misleading, or fails to state a material fact.

7. Has the applicant, and has any affiliate of the applicant:
- (a) been registered in any capacity under *The Securities Act, 1988* or any previous *Securities Act*?
yes no
- (b) applied for registration, in any capacity, under *The Securities Act, 1988* or any previous *Securities Act*?
yes no
8. Is the applicant or is any affiliate of the applicant, now, or has it been:
- (a) registered or licensed in any capacity in any other province, state or country that requires registration or licensing to deal or trade in securities?
yes no
- (b) registered or licensed in any other capacity in Saskatchewan or any other province, state or country under any legislation that requires registration or licensing to deal with the public in any capacity? (e.g. as an insurance agent, real estate agent, used car dealer, mortgage broker, etc.)
yes no
- (c) refused registration or a licence mentioned in clause (a) or (b) above or has any registration or licence been suspended or cancelled in any category mentioned in clause (a) or (b) above?
yes no
- (d) denied the benefit of any exemption from registration provided by *The Securities Act, 1988* or any previous *Securities Act*?, or any similar exemption provided by securities legislation or regulations of any other province, state or country?
yes no
9. Has any securities regulatory authority or similar authority in any province, state or country:
- (a) found the applicant or an affiliate to have made a false statement or omission?
yes no
- (b) found the applicant or an affiliate to have been involved in a violation of its regulations or statutes?
yes no
- (c) found the applicant or an affiliate to have been the cause of an investment-related business having its authorization to do business denied, suspended, revoked or restricted?
yes no
- (d) entered an order denying, suspending or revoking the applicant's or an affiliate's registration or otherwise disciplined it by restricting its activities?
yes no

SECURITIES COMMISSION
(LOCAL INSTRUMENTS)

S-42.2 REG 5

- (e) found the applicant or an affiliate to have been dishonest, unfair or unethical?
yes no
- (f) ever found the applicant or an affiliate to have been involved in a violation of investment regulations or statutes?
yes no
- (g) in the past 10 years entered an order against the applicant or an affiliate in connection with investment related activity?
yes no
10. Is the applicant, or is any affiliate of the applicant, now, or has it been:
- (a) a member of any stock exchange, association of investment dealers, investment bankers, brokers, broker-dealers, or similar organization, in any province, state or country?
yes no
- (b) refused membership in any stock exchange, association of investment dealers, investment bankers, brokers, broker-dealers, or similar organization, in any province, state or country?
yes no
- (c) suspended as a member of any stock exchange, association of investment dealers, investment bankers, brokers, broker-dealers, or similar organization, in any province, state or country?
yes no
11. Has any self-regulatory organization or commodities exchange ever:
- (a) found the applicant or an affiliate to have made a false statement or omission?
yes no
- (b) found the applicant or an affiliate to have been involved in a violation of its rules?
yes no
- (c) found the applicant or an affiliate to have been the cause of an investment related business having its authorization to do business denied, suspended, revoked or restricted?
yes no
- (d) disciplined the applicant or an affiliate by expelling or suspending it from membership, by barring or suspending its association with other members, or by otherwise restricting its activities?
yes no

12. Is the applicant or an affiliate now the subject of any proceeding that could result in a "yes" answer to questions 9 to 11?
yes no
13. Has the applicant, or to the best of the applicant's information and belief has any affiliate of the applicant, operated under, or carried on business under, any name other than the name shown in this application?
yes no
14. Has the applicant, or to the best of the applicant's information and belief, has any affiliate of the applicant:
- (a) ever been convicted under the law of any province, state or country, excepting minor traffic violations?
yes no
- Is there currently an outstanding charge or indictment against the applicant or affiliate?
yes no
- Instruction: Question (a) refers to all laws, e.g. criminal, immigration, customs, liquor, etc., of any province, state or country in any part of the world.*
- (b) ever been the defendant or respondent in any proceedings in any civil court in any jurisdiction in any part of the world wherein fraud was alleged?
yes no
- (c) at any time declared bankruptcy, or made a voluntary assignment in bankruptcy?
yes no
15. Has an insurance or bonding company denied, paid out on or revoked a financial institution bond or fidelity or surety bond for the applicant?
yes no
16. Does the applicant have any unsatisfied judgments or liens against it?
yes no
17. Does the applicant control, or is the applicant controlled by, any partnership, corporation or other organization engaged in securities or investment advisory business?
yes no
18. Set out on Schedule C the name of and position held by each official of the applicant seeking or holding registration.
19. Does the applicant engage in any other non-securities business?
If answer is "yes", give particulars on Schedule A. yes no

SECURITIES COMMISSION
(LOCAL INSTRUMENTS)

S-42.2 REG 5

Dated at _____, this ____ day of _____, 20 __.

(Name of applicant)

By: _____
(Signature of official on behalf of applicant)

(Official capacity)

**Schedule A to Form 32-501F2
Application for Registration as a Deposit Agent**

Applicant's Name:

Date:

Instructions:

Use this Schedule to report details of affirmative answers to questions on Form 32-501F2:

- (a) *mark it as an exhibit;*
- (b) *cross-reference each statement on this Schedule to the item on this form to which it pertains; and*
- (c) *have both the applicant and the Commissioner taking the affidavit initial it.*

Item of Form

Answer

Schedule C to Form 32-501F2
Application for Registration as a Deposit Agent

Applicant's Name: _____

Date: _____

Information in response to Item 18 of Form 32-501F2

Set out in the space provided the name, address and position held by each officer or partner of the applicant seeking registration.

Full name of person who will act	Office held	Business address
----------------------------------	-------------	------------------

1. _____

2. _____

3. _____

4. _____

5. _____

6. _____

7. _____

8. _____

9. _____

10. _____

AFFIDAVIT

PROVINCE OF SASKATCHEWAN

I, _____
(name in full)
of the _____
(municipality)
in the _____
(jurisdiction)

MAKE OATH AND SAY:

1. I am the applicant (or a partner or officer of the applicant herein) for registration and I signed the application.
2. The statements of fact made in the application are true.

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 ____

(A Commissioner for Oaths in and for the Province of Saskatchewan, or _____)

My commission expires _____ .

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 ____

A Notary Public in and for the Province of _____ , or _____

My commission expires _____

If swearing an affidavit outside Saskatchewan, you must be a Notary Public.

It is an offence under Saskatchewan securities laws to file an application that contains a statement that, at the time and in the light of the circumstances in which it is made, is false or misleading, or fails to state a material fact.

FORM 32-501F3
[Clause 9(b)]

**SALESPERSONS AND OFFICIALS
APPLICATION FOR REGISTRATION**

Instructions:

1. Use this form to apply for registration as an official or salesperson of a deposit agent.
2. Answer all of the questions. If you do not, there will be delays in processing your application.
3. Give details of your answers on Schedule A to this Form.

1. Applicant

Last Name:	First, Second and Third Names:
Residential address including postal code:	Telephone: () -
Address for service in Saskatchewan:	Social insurance number:
Present position with the Deposit Agent:	Commenced employment on: dd/mm/yy

2. Deposit Agent

Name	Telephone: () -
E-mail address:	
Address where applicant will be working (street, city, province, postal code)	

3A. Personal Information about Applicant

Date of birth: dd/mm/yy	Gender:
Place of birth:	
City	Province
Country	
Citizenship:	If not a Canadian citizen, answer question 3B below.

3B. Residency

Are you a permanent resident?	Number of years of continuous residence in Canada?		
PASSPORT			
Country	Place of issue	Date of issue	Number

4. Education

Instruction: State the last school attended at each level

	Degree or Diploma	Date Obtained
High School or Secondary Level		
Post-secondary, College or University		
Professional Education		
Other		

What other courses relating to financial services have you completed?
State the date on which the course was completed.

5. Employment History

Disclose your business activities for the 10 years just before the date of this application. Include periods of self-employment and unemployment. Exclude summer employment while a full-time student. Include all financial services employment during and prior to the ten-year period.

Name and address of employer	Name and title of immediate supervisor	Name of employment and duties of applicant	Reasons for leaving	From		To	
				mo.	yr.	mo.	yr.
Present:							
Past:							

Have you **ever** been discharged by an employer for cause?
If yes, give particulars on Schedule A.

yes no

Instruction:

Answer "Yes" or "No" to questions 6 to 14 inclusive. If you answer "Yes" to any of the questions, give complete details on Schedule A.

6. Change of Name

Have you **ever** been known under any name other than the name mentioned in Question 1 of this form?
yes no

Have you ever used or operated under any name?
yes no

If yes, list name changes. Include those resulting from marriage, divorce, court order or other processes, and include dates.

7. Prior Registration or Licensing

A. Are you now or have you ever been registered or applied for registration in any capacity under any legislation regulating trading in securities of any province, territory, state or country?
yes no

If yes, list all authorities with whom you were registered and the dates of registration. State whether the registration is currently in effect.

B. Are you now or have you **ever** been a partner, shareholder, director or officer of a company or partnership which has been registered, or is now registered under any legislation regulating trading in securities?
yes no

C. Are you now or have you **ever** been registered or licensed, or applied for registration, under any legislation that requires registration to deal with the public in any capacity in any province, territory, state or country?
yes no

8. Refusal, Suspension, Cancellation or Disciplinary Measure

A. Have you **ever** been refused registration, or has your registration been suspended or canceled under any legislation which regulates trading in securities of any province, territory, state or country?
yes no

B. Are you now or have you **ever** been a partner, shareholder, director, or officer of a company or of a partnership which has, during the time of your association with it, been refused registration or whose registration has been suspended or canceled under any legislation which regulates trading in securities of any province, territory, state or country?
yes no

- C. Have you ever been refused registration, or has your registration been suspended or canceled, under any legislation which requires registration or licensing to deal with the public in any capacity **other than trading in securities** in any province, territory, state or country?
yes no
- D. Have you been denied the benefit of any exemption from registration provided by any legislation regulating trading in securities of any province, territory, state or country?
yes no
- E. Has any prior or current registration to trade in securities held by you or any partnership or company of which you were at the time of such event a partner, officer or director or holder of voting securities carrying more than 5% of the votes carried by all outstanding voting securities **ever** been the subject of disciplinary action undertaken by any securities regulatory authority?
yes no

9. Offences Under the Law

***Instruction:** Offences under federal statutes like the Income Tax Act (Canada) and the Immigration Act (Canada) constitute criminal offences, and must be disclosed when answering this question. Pleas or findings of guilt for impaired driving are Criminal Code matters and must be disclosed. Where you have pleaded guilty or been found guilty of an offence, you must report that offence even though you were granted an absolute or conditional discharge.*

- A. Past Offences Involving Securities
Have you **ever** pleaded guilty or been found guilty under any law of any province, territory, state or country of any offence relating to trading in securities, or with any related offence, or been a party to any proceedings taken on account of fraud or theft arising out of any trade in or advice in respect thereof?
yes no
- B. Past Offences Involving Other Criminal Offences or Contraventions
Have you **ever** pleaded guilty or been found guilty under law of any province, territory, state or country for contraventions or other criminal offences not noted in A. above?
yes no
- C. Current Charges or Indictments
Are you **currently the subject of a charge or indictment**, under any law of any province, territory, state or country for contraventions, criminal offences or other conduct of the type described in this part?
yes no

D. Partnership or Company Offences or Current Charges or Indictments

Has any partnership or company of which you are or were at the time of such event a partner, officer, director or a holder of voting securities carrying more than 5% of the votes carried by all outstanding voting securities, **ever** pleaded guilty or been found guilty, or is any such partnership or company currently the subject of a **charge of indictment**, under any law of any province, territory, state or country for contraventions, criminal offences or other conduct of the type described in this part?

yes no

10. Civil Proceedings

Has any claim been made successfully or is any claim pending in any civil proceedings before a court or other tribunal in any province, territory, state or country which is or was based in whole or in part on fraud, theft, deceit, misrepresentation or similar conduct:

A. against you?

yes no

B. against any partnership or company of which you are or were at the time of such event, or at the time such proceedings were commenced, a partner, director officer or holder of voting securities carrying more than 5% of the votes carried by all outstanding voting securities?

yes no

11. Bankruptcy

A. Under the law of any province, territory, state or country have you **ever**:

(a) been declared bankrupt or made a voluntary assignment in bankruptcy?

yes no

(b) made a proposal under any legislation relating to bankruptcy or insolvency?

yes no

(c) been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver and/or manager appointed to hold your assets?

yes no

(d) been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver and/or manger appointed to hold its assets?

yes no

If yes, and if applicable, attach copy of any discharge, release or document with similar effect.

12. Judgment or Garnishment

Has any judgment or garnishment **ever** been rendered against you or is any judgment or garnishment outstanding against you, in any civil court in any province, territory, state or country for damages or other relief in respect of a fraud or for any reason whatsoever?

yes no

13. Surety bond or Fidelity Bond

A. Have you **ever** applied for a surety bond or fidelity bond and been refused?

yes no

If yes, attach name and address of bonding company, and when and why the bond was refused.

B. Are you presently bonded?

yes no

14. Business Activities

A. Will you be actively engaged in the business of the firm with which you are now applying and devote the major portion of your time thereto?

yes no

B. Are you engaged in any other business or do you have any other employment for gain except your occupation with the firm with which you are now applying?

yes no

C. Are you a partner, director, officer, shareholder or other contributor of capital of a partnership or of a company having as its principal business that of a dealer or adviser in securities other than the firm with which you are now applying? If yes, **attach full details.**

yes no

Certificate

I hereby certify that the foregoing statements are true and correct to the best of my knowledge, information and belief.

By submitting this application I consent to the collection by the Saskatchewan Financial Services Commission ("SFSC") of the personal information contained in the application, police records, records from other government or non-governmental regulatory authorities or self-regulatory organizations, credit records and employment records about me as may be necessary for the SFSC to complete its review of my application or continued fitness for registration in accordance with the legal authority of the SFSC for the duration of the period for which I remain registered. The sources the SFSC may contact include government and private bodies or agencies, individuals, corporations and other organizations.

Dated this _____ day of _____, 20 _____.

(Signature of applicant)

AFFIDAVIT

PROVINCE OF SASKATCHEWAN

I, _____
(name in full)
of the _____
(municipality)
in the _____
(jurisdiction)

MAKE OATH AND SAY:

1. I, the undersigned applicant, do depose and say that I have read and understand the questions in this application form as well as my answers to those questions.
2. The statements of fact that I made in the application and in the attachments, if any, are true.

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 ____

*(A Commissioner for Oaths in and for the
Province of Saskatchewan, or _____)*

My commission expires _____ .

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 ____

*A Notary Public in and for the Province
of _____ , or _____*

My commission expires _____ .

If swearing an affidavit outside Saskatchewan, you must be a Notary Public.

It is an offence under Saskatchewan securities laws to file an application that contains a statement that, at the time and in the light of the circumstances in which it is made, is false or misleading, or fails to state a material fact.

Schedule A to Form 32-501F3
Application for Registration as an Official or Salesperson

Applicant's Name: _____

Date: _____

Instructions:

Use this Schedule to report details of answers to questions on Form 32-501F3:

- (a) mark it as an exhibit;*
- (b) cross-reference each statement on this Schedule to the item on this form to which it pertains; and*
- (c) have both the applicant and the Commissioner taking the affidavit initial it.*

<u>Item of Form</u>	<u>Answer</u>
---------------------	---------------

FORM 32-501F4

DEPOSIT AGENT ANNUAL REPORT
[Section 14]

Deposit Agent

1.(a) Legal Name of Deposit Agent _____

(b) Name under which business is conducted, if different

(c) Head office business address

Postal Code _____ Telephone _____

(d) Address for service in Saskatchewan

Postal Code _____ Telephone _____

(e) E-mail address _____

Bank Accounts

2. We have bank accounts at the following financial institutions and branches:

Trust Accounts

2A. Do you have a trust account?
yes no

If yes, state the name and branch of the financial institution.

Also attach a completed Form 32-501F5 - *Trust Account Annual Report*.

Branch Offices

3. Do you have any branch offices?
yes no

If yes, attach a list of branch offices with the following information for each office:

- business address
- mailing address
- postal code
- telephone number
- fax number
- name of manager

Financial Institutions

4. Attach a list with the following information about each financial institution that you place your GIC business through:

name of financial institution
 name of contact person at the financial institution
 business address of the branch you deal with
 mailing address with postal code
 telephone number
 fax number

Officials

5. Attach a list with the following information about each official with your firm who is registered:

“Official” means a partner, director or officer of your firm.

name
 position with your firm
 business address
 telephone number
 fax number

Salespersons

6. Attach a list with the following information about each salesperson that your firm employs or engages:

name
 business address
 telephone number
 fax number

Financial institution bond

7. Attach a copy of a current financial institution bond that your firm is required to maintain pursuant to section 11 of Local Instrument 32-501 - *Deposit Agents*.

Changes to initial application for registration

8. Attach as an exhibit full particulars of all changes in the information given in your firm’s application for registration. (Form 32-501F2 - *Application for Registration as a Deposit Agent*)

The person signing this form and the Commissioner taking his or her affidavit should both initial all exhibits and attachments to this form. If there are many changes, complete and file a new Form 32-501F2.

Dated at _____, this ____ day of _____, 20 ____

 (Name of Deposit Agent)

By: _____
 (Signature of applicant, partner or officer)

 (Type or print name)

 (Official capacity)

AFFIDAVIT

PROVINCE OF SASKATCHEWAN

I, _____
(name in full)
of the _____
(municipality)
in the _____
(jurisdiction)

MAKE OATH AND SAY:

1. I, the undersigned applicant, do depose and say that I have read and understand the questions in this application form as well as my answers to those questions.
2. The statements of fact that I made in the application and in the attachments, if any, are true.

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 ____

*(A Commissioner for Oaths in and for the
Province of Saskatchewan, or _____)*

My commission expires _____ .

SWORN before me at _____
in the _____
of _____
this ____ day of _____ 20 ____

*A Notary Public in and for the Province
of _____ , or _____*

My commission expires _____ .

If swearing an affidavit outside Saskatchewan, you must be a Notary Public.

It is an offence under Saskatchewan securities laws to file an application that contains a statement that, at the time and in the light of the circumstances in which it is made, is false or misleading, or fails to state a material fact.

FORM 32-501F5
AUDITOR'S REPORT ON COMPLIANCE WITH SASKATCHEWAN
LOCAL INSTRUMENT 32-501 - DEPOSIT AGENTS

[Section 31]

You are qualified to complete an Auditor's Report if you are:

1. *a chartered accountant registered as a member in good standing of the Institute of Chartered Accountants of Saskatchewan and in public practice;*
2. *a Certified General Accountant registered as a member in good standing of the Association of Certified General Accountants of Saskatchewan and in public practice; or*
3. *a Certified Management Accountant registered as a member in good standing of the Association of Certified Management Accountants of Saskatchewan and in public practice.*

To the Saskatchewan Financial Services Commission:

I have audited _____ for compliance in the year
(name of deposit agent)
 ending _____ with the criteria established
(date of financial year end)

in Saskatchewan Local Instrument 32-501 - *Deposit Agents* for the operation of trust accounts (the "trust account criteria"). Compliance with the trust account criteria is the responsibility of the management of _____ .
(name of deposit agent)

My responsibility is to express an opinion on this compliance based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether _____
(name of deposit agent)

complied with the trust account criteria. Such an audit includes examining, on a test basis, evidence supporting compliance, and evaluating the overall compliance with the trust account criteria.

In my opinion, _____ has operated its trust account in
(name of deposit agent)

compliance with the trust account criteria, in all material respects, in the year ending _____ .
(date of financial year end)

(Name of Auditor)

(Signature)

(Professional Designation)

(Address)

(Date)

FORM 32-501F6

FINANCIAL INSTITUTION ANNUAL REPORT
[Section 31]

We confirm that we accept funds from Deposit Agents in Saskatchewan.

Our name: _____

Head office address: _____

Mailing address: _____

Postal code: _____ Phone number: _____ Fax number: _____

Name of contact person: _____

E-mail address of contact person: _____

Branch offices

Do you have branch offices in Saskatchewan that accept funds from Deposit Agents?

yes no

If yes, complete the following for each branch office in Saskatchewan:

Business address: _____

Mailing address: _____

Postal code: _____ Phone number: _____ Fax number: _____

Name of contact person: _____

Business address: _____

Mailing address: _____

Postal code: _____ Phone number: _____ Fax number: _____

Name of contact person: _____

Business address: _____

Mailing address: _____

Postal code: _____ Phone number: _____ Fax number: _____

Name of contact person: _____

(If you have more than 3 branch offices, list them on another sheet.)

Deposit Agents

Attach a list with the following information about each Deposit Agent you currently deal with:

- name of Deposit Agent
- name of contact person
- business address
- mailing address with postal code
- telephone number
- fax number

Dated at _____, this ____ day of _____, 20 __.

Name of Financial Institution

By: _____
Signature of authorized officer

Type or print name

Official capacity

