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## PART II/PARTIE II

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## PART II/PARTIE II

### REVISED REGULATIONS OF SASKATCHEWAN/ RÈGLEMENTS RÉVISÉS DE LA SASKATCHEWAN

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# Revised Regulations of Saskatchewan/ Règlements Révisés de la Saskatchewan 2005

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## REVISED REGULATIONS OF SASKATCHEWAN

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### SASKATCHEWAN REGULATIONS 84/2005

#### *The Securities Act, 1988*

[Section 154]

Commission Order, dated August 15, 2005

(Filed September 2, 2005)

**Title**

**1** These regulations may be cited as *The Securities Commission (Adoption of National Instruments) Amendment Regulations, 2005 (No. 6)*.

**R.R.S. c.S-42.2 Reg 3 amended**

**2** *The Securities Commission (Adoption of National Instruments) Regulations* are amended in the manner set forth in these regulations.

**Section 2 amended**

**3 The following clause is added after clause 2(oo):**

“(pp) Mulilateral Instrument 11-101, entitled Principal Regulator System, as set out in Part XLII of the Appendix”.

**Part IV of Appendix amended**

**4 Clause (a) of Part B, entitled “Continuous Disclosure”, of Part II, entitled “Other Issuers (Reporting/Non-reporting)”, of Appendix A, entitled “MANDATED ELECTRONIC FILINGS”, of Part IV of the Appendix is repealed and the following substituted:**

“(a) General Filings:

1. News Release
2. Material Change Report
3. Annual Financial Statements
4. Interim Financial Statements
5. Annual Report Que
6. Annual Information Form  
(Non-POP System)
7. Management’s Discussion & Analysis BC, Ont & Que
8. Annual Management Report of  
Fund Performance
9. Interim Management Report of  
Fund Performance
10. Notice of Securityholders’ Meeting  
and Record Date
11. Management Proxy Circular/Information  
Circular

- 12. Report of Finance Company Form 29 – British Columbia, Alberta and Ontario, Form 27 – Saskatchewan) BC, Alta, Sask & Ont
- 13. Change of Auditor Filings
- 14. Future Oriented Financial Information Filings
- 15. Changes in Year End Filings
- 16. Form 1 (Resale Rule)
- 17. Change in Corporate/Legal Structure Filings
- 18. Material Documents/Contracts
- 19. Oil and Gas Annual Disclosure (NI 51-101)".

**Part XXVI of Appendix amended**

**5 Section 8.6 of Part XXVI of the Appendix is repealed.**

**Part XXXI of Appendix amended**

**6(1)** Part XXXI of the Appendix is amended in the manner set forth in this section.

**(2) Paragraph 3 of section 2.1 is amended in the portion preceding clause (a) by striking out “except in British Columbia.”.**

**(3) Section 3.6 is repealed.**

**(4) FORM 51-101F3 REPORT OF MANAGEMENT AND DIRECTORS ON OIL AND GAS DISPOSITION is amended by striking out “This Form does not apply in British Columbia”.**

**(5) In British Columbia, add FORM 51-101F3.**

**New Part XLII of Appendix**

**7 The following Part is added after Part XLI of the Appendix:**

“PART XLII  
[*clause 2(pp)*]

**“MULTILATERAL INSTRUMENT 11-101 PRINCIPAL REGULATOR SYSTEM**

**“PART 1 DEFINITIONS**

**“1.1 Definitions – In this Instrument:**

**‘audit committee rule’ means:**

- (a) except in British Columbia, MI 52-110; and
- (b) in British Columbia, BCI 52-509;

**‘BCI 52-509’ means BC Instrument 52-509 *Audit Committees*;**

**‘CD requirement’ means a requirement in:**

- (a) National Instrument 43-101 *Standards of Disclosure for Mineral Projects* except as it relates to a prospectus;

- (b) National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* except as it relates to a prospectus;
- (c) National Instrument 51-102 *Continuous Disclosure Obligations*;
- (d) NI 52-107 as it applies to a document filed under National Instrument 51-102 *Continuous Disclosure Obligations*;
- (e) National Instrument 52-108 *Auditor Oversight*;
- (f) Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*;
- (g) National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*;
- (h) NI 58-101;
- (i) section 8.5 of MI 81-104;
- (j) NI 81-106;
- (k) an audit committee rule; or
- (l) Appendix A below name of jurisdiction;

**'commodity pool'** has the same meaning as in MI 81-104;

**'dealer'** means an investment dealer, or a mutual fund dealer, as defined in NI 31-101;

**'eligible client'** means a client of a person or company if the client:

- (a) was a client of the person or company immediately before the client became a resident of the local jurisdiction;
- (b) is a spouse, parent, grandparent, brother, sister or child of a person referred to in paragraph (a);
- (c) is a parent, grandparent, brother, sister or child of the spouse of a person referred to in paragraph (a);
- (d) is a person or company of which a majority of the voting securities are beneficially owned by persons or companies, or a majority of the directors are individuals, described in paragraph (a), (b) or (c); or
- (e) is a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are persons or companies described in paragraph (a), (b) or (c);

**'investment fund'** has the same meaning as in NI 81-106;

**'investment fund manager'** means a person or company that directs the business, operations and affairs of the investment fund;

**'local prospectus-related requirements'** mean the requirements listed in Appendix B below the name of the jurisdiction;

**'long form rule'** means:

- (a) if Québec is not the principal jurisdiction, Ontario Securities Commission Rule 41-501 *General Prospectus Requirements*, except sections 13.8, 13.9(2), 13.9(3), 13.9(4) and 14.1(2), as modified by Appendix C; or
- (b) if Québec is the principal jurisdiction, Québec Regulation Q-28 *General Prospectus Requirements*, except sections 13.7, 13.8(2), 13.8(3), 13.8(4) and 14.1(2);

**'MI 52-110'** means Multilateral Instrument 52-110 *Audit Committees*;

**'MI 81-104'** means Multilateral Instrument 81-104 *Commodity Pools*;

**'mutual fund restricted individual'** has the same meaning as in MI 81-104;

**'national prospectus rules'** means:

- (a) the requirement in section 2.1 of NI 33-105 to provide the information specified in Appendix C of NI 33-105;
- (b) National Instrument 41-101 *Prospectus Disclosure Requirements*;
- (c) National Instrument 43-101 *Standards of Disclosure for Mineral Projects* as it relates to a prospectus;
- (d) National Instrument 44-101 *Short Form Prospectus Distributions*, other than, in Québec, items 21.1 and 21.2 of Form 44-101F3;
- (e) National Instrument 44-102 *Shelf Distributions* other than, in Québec, sections 1.1(c), 1.2(b), 2.1(c) and 2.2(b) in Appendix A of that instrument and sections 1.1(c), 1.2(b), 2.1(c) and 2.2(b) in Appendix B of that instrument;
- (f) National Instrument 44-103 *Post Receipt Pricing*, other than in Quebec:
  - (i) items 7(c) and 8 of section 3.2(1); and
  - (ii) items 3(c) and 4 of section 4.5(2);
- (g) National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* as it relates to a prospectus;
- (h) the requirements in NI 52-107 as it applies to financial statements or financial information in a preliminary prospectus or prospectus;
- (i) NI 81-101;
- (j) the seed capital requirements;
- (k) sections 8.1, 8.2(1) and 8.2(2) of National Instrument 81-105 *Mutual Fund Sales Practices*; and
- (l) the requirements in Appendix D below the name of the jurisdiction;

**'NI 31-101'** means National Instrument 31-101 *National Registration System*;

**'NI 33-105'** means National Instrument 33-105 *Underwriting Conflicts*;

**'NI 52-107'** means National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*;

**'NI 58-101'** means National Instrument 58-101 *Disclosure of Corporate Governance Practices*;

**'NI 81-101'** means National Instrument 81-101 *Mutual Fund Prospectus Disclosure*;

**'NI 81-102'** means National Instrument 81-102 *Mutual Funds*;

**'NI 81-106'** means National Instrument 81-106 *Investment Fund Continuous Disclosure*;

**'non-principal jurisdiction'** means, for a person or company, the jurisdiction of a non-principal regulator;

**'non-principal regulator'** means, for a person or company, the securities regulatory authority or regulator of a jurisdiction other than the principal jurisdiction;

**'participating dealer'** has the same meaning as in NI 81-102;

**'preliminary prospectus'** includes any amendment to a preliminary prospectus;

**'principal distributor'** has the same meaning as in NI 81-102;

**'principal jurisdiction'** means, for a person or company, the jurisdiction of the principal regulator;

**'principal regulator'** means, for a person or company, the securities regulatory authority or regulator determined in accordance with Part 2;

**'prospectus'** includes any amendment to a prospectus;

**'seed capital requirements'** means:

- (a) in a jurisdiction other than British Columbia, Part 3 of MI 81-104; and
- (b) in British Columbia, sections 3.1 and 3.2 of NI 81-102;

**'unrestricted adviser'** has the same meaning as in NI 31-101; and

**'working office'** has the same meaning as in NI 31-101.

## **"1.2 Language of documents – Québec**

In Québec, nothing in this Instrument shall be construed as relieving a person or company from requirements relating to the language of documents.

## **"PART 2 PRINCIPAL REGULATOR**

### **"2.1 Principal regulator for continuous disclosure**

(1) In this section and section 2.3, 'participating principal jurisdiction' means British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick or Nova Scotia.

(2) For the purposes of Part 3, the principal regulator for a reporting issuer is the securities regulatory authority or regulator of the jurisdiction in which:

- (a) the issuer's head office is located, if the issuer is not an investment fund; or
- (b) the investment fund manager's head office is located, if the issuer is an investment fund.

(3) Despite subsection (2), if the issuer is not a reporting issuer in the jurisdiction referred to in paragraph (2)(a) or (b), or that jurisdiction is not a participating principal jurisdiction, the principal regulator for the reporting issuer is the securities regulatory authority or regulator in the participating principal jurisdiction with which the issuer has the most significant connection as of the date it first files a document under Part 3.

#### **“2.2 Notice of principal regulator for continuous disclosure**

A reporting issuer relying on Part 3 must file a completed Form 11-101F1 in electronic format no later than its first filing under Part 3.

#### **“2.3 Notice of change of principal regulator for continuous disclosure**

- (1) A reporting issuer relying on Part 3 must file a completed Form 11-101F1 if:
- (a) the issuer is not an investment fund and the location of the issuer’s head office changes to another participating principal jurisdiction; or
  - (b) the issuer is an investment fund and the location of the investment fund manager’s head office changes to another participating principal jurisdiction.
- (2) For the purposes of subsection (1), the issuer must file the completed Form 11-101F1 at the same time the issuer is first required to file a document under a CD requirement following the change.

#### **“2.4 Principal regulator for prospectuses**

- (1) In this section:

**‘determination date’** is the earlier of:

- (a) the date the issuer files a pre-filing application in any jurisdiction in connection with the prospectus filing; and
- (b) the date the issuer files the preliminary prospectus under Part 4 in a jurisdiction; and

**‘participating principal jurisdiction’** means:

- (a) British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick and Nova Scotia; and
- (b) Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut if the issuer files the preliminary prospectus and prospectus in Ontario and Ontario is the principal reviewer of the prospectus under a mutual reliance review system.

- (2) For the purposes of a prospectus filing under Part 4, an issuer’s principal regulator is the securities regulatory authority or regulator of the jurisdiction in which:

- (a) the issuer’s head office is located as of the determination date, if the issuer is not an investment fund; or
- (b) the investment fund manager’s head office is located as of the determination date, if the issuer is an investment fund.



(3) Despite subsection (2), if the jurisdiction referred to in paragraph (2)(a) or (b) is not a participating principal jurisdiction, the principal regulator for the issuer is the securities regulatory authority or regulator in the participating principal jurisdiction with which the issuer has the most significant connection as of the determination date.

#### **“2.5 Principal regulator for registration**

For the purposes of Part 5, the principal regulator:

- (a) for a person or company, other than an individual, is the securities regulatory authority or regulator of the jurisdiction in which the person or company's head office is located; and
- (b) for an individual is the securities regulatory authority or regulator of the jurisdiction in which the individual's working office is located.

#### **“2.6 Notice of principal regulator for registration**

- (1) As soon as practicable after relying on an exemption under Part 5, the person or company must file a completed Form 11-101F1.
- (2) Subsection (1) does not apply if the person or company is required to file a completed Form 31-101F1 or Form 31-101F2 under NI 31-101.

#### **“2.7 Notice of change of principal regulator for registration**

- (1) A person or company relying on Part 5 must file a completed Form 11-101F1, as soon as practicable; if:
  - (a) for a person or company other than an individual, the person or company changes its head office to another principal jurisdiction; or
  - (b) for an individual, the location of the individual's working office changes to another principal jurisdiction.
- (2) Subsection (1) does not apply if the person or company is required to file a completed Form 31-101F2 under NI 31-101.

#### **“2.8 Administrative change of principal regulator**

Despite sections 2.1, 2.4 and 2.5, if the person or company receives written notice from a securities regulatory authority or regulator that specifies a principal regulator for the person or company, the principal regulator specified in the notice is the principal regulator for the person or company as of the later of:

- (a) the date the person or company receives the notice; and
- (b) the effective date specified in the notice, if any.

**“PART 3 CONTINUOUS DISCLOSURE EXEMPTION****“3.1 Application**

- (1) This Part does not apply to an issuer that is a reporting issuer in Ontario if:
- (a) for an investment fund, the investment fund manager’s head office is located in Ontario; or
  - (b) for a reporting issuer that is not an investment fund, the reporting issuer’s head office is located in Ontario.
- (2) Despite section 3.2(1), an investment fund is not exempt from a requirement in Appendix A unless the fund is subject to NI 81-106 in its principal jurisdiction.

**“3.2 Continuous disclosure exemption**

- (1) If the local jurisdiction is a non-principal jurisdiction, a CD requirement does not apply to a reporting issuer if the issuer:
- (a) files with or delivers to the non-principal regulator, at the same time and in the same manner, any document filed or delivered to the principal regulator for the purpose of the CD requirement, if any, in the principal jurisdiction or under an exemption from the CD requirement in the principal jurisdiction;
  - (b) pays the fee that applies or would otherwise apply to the filing under the CD requirement unless no document is required to be filed in the principal jurisdiction;
  - (c) delivers to its securityholders in the local jurisdiction, at the same time and in the same manner, any document delivered to its securityholders in the principal jurisdiction for the purpose of the CD requirement in the principal jurisdiction or under an exemption from the CD requirement in the principal jurisdiction; and
  - (d) disseminates in the local jurisdiction, at the same time and in the same manner, any information disseminated in the principal jurisdiction for the purpose of the CD requirement in the principal jurisdiction or under an exemption from the CD requirement in the principal jurisdiction.
- (2) If an issuer’s principal jurisdiction is British Columbia and the issuer does not comply with MI 52-110 because it relies on the exemption under subsection (1), the issuer must disclose in the information it provides under BCI 52-509 that it is applying the audit committee rule that applies in British Columbia and that the rule differs from the audit committee rule in jurisdictions other than British Columbia.

**“3.3 Meaning of independence in NI 58-101**

If an issuer’s principal jurisdiction is British Columbia and the issuer applies the test for independence in section 1.2(2)(a) of NI 58-101, the issuer must disclose in the information it provides under NI 58-101 that it is applying the test of independence for directors that applies in British Columbia and that test differs from the test of independence for directors that applies in jurisdictions other than British Columbia.

**“PART 4 PROSPECTUS-RELATED EXEMPTIONS**

**“4.1 Application** – This Part does not apply to an issuer if:

- (a) for an investment fund, the investment fund manager’s head office is located in Ontario; or
- (b) for a reporting issuer that is not an investment fund, the reporting issuer’s head office is located in Ontario.

**“4.2 National prospectus rules exemption**

If the local jurisdiction is a non-principal jurisdiction, a requirement in the national prospectus rules does not apply to an issuer filing a preliminary prospectus and prospectus if:

- (a) the issuer files the preliminary prospectus and prospectus with the principal regulator;
- (b) the principal regulator issues a receipt for the preliminary prospectus and prospectus; and
- (c) the issuer files or delivers in the local jurisdiction any document filed or delivered in the principal jurisdiction under the requirement of the principal jurisdiction.

**“4.3 Local prospectus-related exemption**

(1) This section does not apply to a mutual fund unless its securities are listed on an exchange or quoted on an over-the-counter market.

(2) If the local jurisdiction is a non-principal jurisdiction, the local prospectus-related requirements do not apply to an issuer filing a preliminary prospectus and prospectus if:

- (a) the issuer files the preliminary prospectus and prospectus with the principal regulator under the long form rule;
- (b) the principal regulator issues a receipt for the preliminary prospectus and prospectus; and
- (c) the issuer files or delivers in the local jurisdiction any document filed or delivered in the principal jurisdiction under the long form rule.

**“PART 5 REGISTRATION-RELATED EXEMPTIONS**

**“5.1 Interpretation** – In this Part in Québec, **‘trade’** has the same meaning as in section 1.6 of National Instrument 45-106 *Prospectus and Registration Exemptions*.

**“5.2 Application** – This Part does not apply if:

- (a) for a person or company other than an individual, the person or company’s head office is located in Ontario; and
- (b) for an individual, the individual’s working office is located in Ontario.

**“5.3 Mobility trading exemption - dealer**

If the local jurisdiction is a non-principal jurisdiction, the registration requirement does not apply to a person or company if the person or company:

- (a) is registered as a dealer in its principal jurisdiction;
- (b) is trading with or for an eligible client;
- (c) has 10 or less eligible clients in the local jurisdiction;
- (d) has in aggregate \$10,000,000 or less in assets under management for clients referred to in paragraph (c); and
- (e) complies with section 5.7.

**“5.4 Mobility advising exemption – unrestricted adviser**

If the local jurisdiction is a non-principal jurisdiction, the registration requirement does not apply to a person or company if the person or company:

- (a) is registered as an unrestricted adviser in its principal jurisdiction;
- (b) is advising an eligible client;
- (c) has 10 or less eligible clients in the local jurisdiction;
- (d) has in aggregate \$10,000,000 or less in assets under management for clients referred to in paragraph (c); and
- (e) complies with section 5.7.

**“5.5 Mobility trading exemption – individual**

If the local jurisdiction is a non-principal jurisdiction, the registration requirement does not apply to an individual if:

- (a) the individual is registered in its principal jurisdiction to trade on behalf of a dealer;
- (b) the dealer is registered in its principal jurisdiction;
- (c) in the local jurisdiction, the individual is trading with or on behalf of five or fewer eligible clients of the dealer;
- (d) the dealer has in aggregate \$5,000,000 or less in assets under management for clients referred to in paragraph (c); and
- (e) the individual complies with section 5.7.

**“5.6 Mobility advising exemption – individual**

If the local jurisdiction is a non-principal jurisdiction, the registration requirement does not apply to an individual if:

- (a) the individual is registered in its principal jurisdiction to advise on behalf of an unrestricted adviser;
- (b) the unrestricted adviser is registered in its principal jurisdiction;
- (c) in the local jurisdiction, the individual is advising five or fewer eligible clients of the unrestricted adviser;

- (d) the unrestricted adviser has in aggregate \$5,000,000 or less in assets under management for clients referred to in paragraph (c); and
- (e) the individual complies with section 5.7.

#### **“5.7 Conditions for mobility exemptions**

For the purposes of paragraphs 5.3(e), 5.4(e), 5.5(e) and 5.6(e), the person or company must:

- (a) disclose to the eligible clients in the local jurisdiction, before it relies on an exemption in Part 5, that the person or company:
  - (i) is exempt from the registration requirement in the local jurisdiction; and
  - (ii) is not subject to requirements otherwise applicable under local securities legislation;
- (b) act fairly, honestly and in good faith in the course of its dealings with the eligible clients; and
- (c) not advertise for or solicit new clients in the local jurisdiction, except for advertising for or soliciting new clients for trades made in reliance on another registration exemption in the local jurisdiction.

#### **“5.8 MI 81-104 exemption**

Part 4 of MI 81-104 does not apply to a mutual fund restricted individual, a principal distributor or a participating dealer if:

- (a) the mutual fund restricted individual, principal distributor or participating dealer is registered in its principal jurisdiction; and
- (b) the local jurisdiction is a non-principal jurisdiction.

#### **“5.9 Notification**

A person or company must, before relying on section 5.3, 5.4, 5.5, 5.6 or 5.8, give written notice of the exemption that it intends to rely on to the securities regulatory authority in the local jurisdiction.

#### **“PART 6 EFFECTIVE DATE**

**“6.1 Effective date** – This Instrument takes effect on September 19, 2005.

**“Appendix A  
CD requirements  
(under section 3.2)**

**British Columbia:**

*Securities Act:*

sections 85 and 117

*Securities Rules:*

sections 144 (except as it relates to fees), 145 (except as it relates to fees), 152 and 153 sections 2, 3 and 189 as they relate to a filing under another CD requirement

**Alberta:**

*Securities Act:*

sections 146, 149 (except as it relates to fees), 150, 152 and 157.1

*Securities Commission*

*Rules (General):*

except as they relate to a prospectus, sections 143 – 169, 196 and 197

**Saskatchewan:**

*The Securities Act, 1988:*

sections 84, 86 – 88, 90, 94 and 95

*The Securities Regulations:*

section 117 – 138.1 and 175 as it relates to a filing under another CD requirement

**Manitoba:**

*Securities Act:*

sections 101(1), 102(1), 104, 106(3), 119, 120 (except as it relates to fees) and 121– 130

*Securities Regulation:*

sections 38 – 40 and 80 - 87

**Québec:**

*Securities Act:*

sections 73 excluding the filing requirement of a statement of material change, 75 excluding the filing requirement, 76, 77 excluding the filing requirement, 78, 80 – 82.1, 83.1, 87, 105 excluding the filing requirement, 106 and 107 excluding the filing requirement

*Securities Regulation:*

sections 115.1 - 119, 119.4, 120 – 138 and 141 - 161

*Regulations:*

No. 14, No. 48, Q-11, Q-17 (Title IV) and 62-102

A document filed with or delivered to the *Autorité des marchés financiers*, delivered to securityholders in Québec or disseminated in Québec under section 3.2 of the Instrument is deemed, for the purposes of securities legislation in Québec, to be a document filed, delivered or disseminated under Chapter II of Title III or section 84 of the *Securities Act* (Québec).

**New Brunswick:**

*Securities Act:* sections 89(1) – (4), 90, 91, 100 and 101

**Nova Scotia:**

*Securities Act:* sections 81, 83, 84 and 91

*General Securities Rules:*

section 9, 140(2), 140(3) and 141

**Newfoundland and Labrador:**

*Securities Act:* except as they relate to fees, sections 76, 78 - 80, 82, 86 and 87

*Securities Regulations:*

sections 4 – 14 and 71 - 80

**Yukon:**

*Securities Act:* section 22(5) except as it relates to filing a new or amended prospectus

**“Appendix B****Local prospectus-related requirements  
(under section 4.3)****British Columbia:**

*Securities Act:* sections 63(2), and 63(3)

*Securities Rules:*

sections 98, 107, 111 - 115, 118, and 119  
sections 2, 3 and 189 [*Execution and certification of documents*] as they relate to the filing of the preliminary prospectus and prospectus

The requirement in the following sections that a preliminary prospectus and prospectus be in the required form:

*Securities Act*, sections 61(2) and 62 and *Securities Rules*, sections 99, 122(b), 122(c), 123(b) and 123(c)

**Alberta:**

*Securities Act:* sections 111 and 113 (except 113(1)(a))

*Securities Commission  
Rules (General):*

sections 77(1)(a) - (d), 85(3), 85(4), 86, 87, 93, 94, 97, 98, 103, 105, 107 - 109, 111, 114, 118, and 119

**Saskatchewan:**

*The Securities Act, 1988:* sections 59(1), 61(1)(b), 61(2) and 69(1)

*The Securities Regulations:*

sections 66 - 72, 75(1), 78 - 92, and 175 as it relates to the filing of the preliminary prospectus and prospectus

**Manitoba:**

*Securities Act:* sections 39, 41(2), 41(3), 43 - 49, 64(9) and 65(8)

*Securities Regulation:*

sections 8 to 37

**Québec:**

*Securities Regulations:* sections 5, 9, 10, 13 (except the references to sections 33 – 33.2 and 37), 16, 17, 23, 27, 37.1, 40, 51 (paragraph 2), 53, 76 – 82 and 93

*Regulations:* No. 3, No. 14, No. 15, No. 29, No. 48, Q-2, Q-3, Q-11, Q-18, Q-28 (excluding requirements relating to Part 12 and item 33 of Schedule 1) and 46-201

**New Brunswick:**

*Securities Act:* sections 72(1), 74(1) other than as it relates to the full, true and plain disclosure requirement, 74(2) and 74(4)

The requirement in the following sections that a preliminary prospectus and prospectus be in the form prescribed by regulation:

*Securities Act*, sections 71(1)(a) and 71(2)

**Nova Scotia:**

*Securities Act:* sections 65(1)

*General Securities Rules:* sections 86, 87, 88, 89, 91, 92, 93, 94, 99, 101, 102, 103, 105, 107, 110, 111, 112 and 117

The requirement in the following sections that a preliminary prospectus and prospectus be in the required form:

*Securities Act*, sections 59 and 61 (other than as it relates to the full, true and plain disclosure requirement) and *General Securities Rules*, sections 95 and 116

**Prince Edward Island:**

*Securities Act:* sections 8(2), 8.1(1) other than as it relates to the full, true and plain disclosure requirement, 8.1(2) and 8.7

*Securities Act Regulations:* sections 2, 10 and 21

**Newfoundland and Labrador:**

*Securities Act:* sections 55(1), 57 other than as it relates to the full, true and plain disclosure requirement and 61

*Securities Regulations:* sections 22(4), 22(5), 28 – 30, 32, 34, 37 – 42, 45, 47, 48 and 52 - 54

**Yukon:**

*Securities Act:* sections 22(2), 22(3), 22(4) other than as it relates to the full, true and plain disclosure requirement, 22(5) as it relates to a prospectus, 24(4) and 25(5)

*Securities Regulations:* sections 14(1), 15(1) and 18(1)



**Northwest Territories:**

*Securities Act:* sections 27(2)(a)(i) other than as it relates to the filing requirement and any requirement to make full, true and plain disclosure, 29(4) and 30(5)

**Nunavut:**

*Securities Act:* sections 27(2)(a)(i) other than as it relates to the filing requirement and any requirement to make full, true and plain disclosure, 29(4) and 30(5)

**“Appendix C  
Modifications to OSC Rule 41-501**

For the purposes of the definition of ‘long form rule’, a reference in Ontario Securities Commission Rule 41-501 to

‘**Act**’ means the securities legislation in the local jurisdiction;

‘**Commission**’ means the securities regulatory authority in the local jurisdiction;

‘**Director**’ means,

- (a) except in Form 41-501F2, the regulator of the principal jurisdiction, and
- (b) in Form 41-501F2, the regulator in the local jurisdiction;

‘**Form 40 to the Regulation**’ means Form 51-102F6 *Statement of Executive Compensation*;

‘**Ontario**’ means the local jurisdiction;

‘**section 57(1) of the Act**’ means,

- (a) in British Columbia, section 67(1) of the *Securities Act*,
- (b) in Alberta, section 114(1) or 115(1) of the *Securities Act*, as the case may be,
- (c) in Saskatchewan, sections 62 and 63 of *The Securities Act, 1988*,
- (d) in Manitoba, sections 40(2) and 55 of the *Securities Act*,
- (e) in New Brunswick, sections 76(1), 76(3) and 77(1) of the *Securities Act*,
- (f) in Nova Scotia, section 62(1) of the *Securities Act*,
- (g) in Prince Edward Island, sections 8.3(1) and 8.4(1) of the *Securities Act*,
- (h) in Newfoundland and Labrador, section 58 of the *Securities Act*,
- (i) in Yukon, section 22(5) of the *Securities Act*,
- (j) in Northwest Territories, section 27(4) of the *Securities Act*, and
- (k) in Nunavut, section 27(4) of the *Securities Act*;

**'section 62 of the Act',**

- (a) means in British Columbia, section 71 of the *Securities Act*,
- (b) means in Alberta, section 121 of the *Securities Act*,
- (c) means in Saskatchewan, section 71 of the *Securities Act*,
- (d) means in Manitoba, section 56 of *The Securities Act*,
- (e) means in New Brunswick, section 78 of the *Securities Act*,
- (f) means in Nova Scotia, section 67 of the *Securities Act*,
- (g) means in Prince Edward Island, section 8.9 of the *Securities Act*,
- (h) means in Newfoundland and Labrador, section 63 of the *Securities Act*,
- (i) in Yukon, does not apply,
- (j) in Northwest Territories, does not apply, and
- (k) in Nunavut, does not apply;

**'section 67 of the Act',**

- (a) means in British Columbia, section 80 of the *Securities Act*,
- (b) means in Alberta, section 125 of the *Securities Act*,
- (c) means in Saskatchewan, section 75 of the *Securities Act*,
- (d) means in Manitoba, section 38(4) of *The Securities Act*,
- (e) means in New Brunswick, section 84 of the *Securities Act*,
- (f) means in Nova Scotia, section 72 of the *Securities Act*,
- (g) means in Prince Edward Island, section 8.11 of the *Securities Act*,
- (h) means in Newfoundland and Labrador, section 68 of the *Securities Act*,
- (i) in Yukon, does not apply,
- (j) in Northwest Territories, does not apply, and
- (k) in Nunavut, does not apply.

**“Appendix D  
National Prospectus Rules  
(under section 4.2)**

**British Columbia:**

*Securities Act:* sections 63(2), 63(3) and 68, and the form of certificate set out in section 69(1)

*Securities Rules:* sections 98, 98.2, 107, 111 - 115, 118, and 119 sections 2, 3 and 189 as they relate to the filing of the preliminary prospectus and prospectus

The requirement in the following sections that a preliminary prospectus and prospectus be in the required form:

*Securities Act*, sections 61(2) and 62 and *Securities Rules*, sections 99, 122(b), 122(c), 123(b) and 123(c)

**Alberta:**

*Securities Act:* sections 111, 113 (except 113(1)(a)), 116 and the form of certificate set out in sections 117(1) and 117(2)

*Securities Commission Rules (General):* sections 77(1)(a) - (d), 85(3), 85(4), 86, 87, 93, 94, 97, 98, 102, 103, 105, 107 - 109, 111, 114, 118, and 119

**Saskatchewan:**

*The Securities Act, 1988:* sections 59(1), 61(1)(b), 61(2), 66, the form of certificate set out in section 67 and 69(1)

*The Securities Regulations:* sections 66 - 72, 75(1), 78 - 92 and 175 as it relates to the filing of the preliminary prospectus and prospectus

**Manitoba:**

*Securities Act:* sections 39, 41(2), 41(3), 43 - 49, 52, 53, 64(9) and 65(8)

*Securities Regulation:* sections 8 to 37

**Québec:**

*Securities Act:* section 19 (paragraph 2)

*Securities Regulations:* sections 5, 9, 10, 13, 17, 23, 27, 33 - 33.2, 37, 37.1, 40, 51 (paragraph 2), 53, 60, 63, 76 - 79, 81, 82 and 93

*Regulations:* No. 3, No. 14, No. 29, No. 48, Q-2, Q-3, Q-11, Q-18, Q-28 and 46-201

**New Brunswick:**

*Securities Act:* sections 72(1), 74(1) other than as it relates to the full, true and plain disclosure requirement, 74(2) and 74(4)

*Implementing Instrument 41-802:* sections 2.3(a), 2.3(b) and 2.3(c)(i) as they relate to the form of certificate

The requirement in the following sections that a preliminary prospectus and prospectus be in the form prescribed by regulation:

*Securities Act*, sections 71(1)(a) and 71(2)

**Nova Scotia:**

*Securities Act:* sections 63, 64 and 65(1)

*General Securities Rules:* sections 86, 87, 88, 89, 91, 92, 93, 94, 99, 101, 102, 103, 105, 107, 110, 111, 112 and 117

The requirement in the following sections that a preliminary prospectus and prospectus be in the required form:

*Securities Act*, sections 59 and 61(2) and *General Securities Rules*, sections 95 and 116

**Prince Edward Island:**

*Securities Act:* sections 8(2), 8.1(1) other than as it relates to the full, true and plain disclosure requirement, 8.1(2), 8.5, 8.7 and the form of certificate set out in section 8.6

*Securities Act Regulations:* sections 2, 10 and 21

**Newfoundland and Labrador:**

*Securities Act:* sections 55(1), 57 other than as it relates to the full, true and plain disclosure requirement, 59 and 61

*Securities Regulations:* sections 22(4), 22(5), 28 – 30, 32, 34, 37 – 42, 45, 47, 48 and 52 - 54

**Yukon:**

*Securities Act:* sections 22(2), 22(3), 22(4) other than as it relates to the full, true and plain disclosure requirement, 22(5) as it relates to a prospectus, 24(4) and 25(5)

*Securities Regulations:* sections 14(1), 15(1) and 18(1)

**Northwest Territories:**

*Securities Act:* sections 27(2)(a)(i) other than as it relates to the filing requirement and any requirement to make full, true and plain disclosure, 29(4) and 30(5)

**Nunavut:**

*Securities Act:* sections 27(2)(a)(i) other than as it relates to the filing requirement and any requirement to make full, true and plain disclosure, 29(4) and 30(5)

**“FORM 11-101F1  
Notice of Principal Regulator under Multilateral Instrument 11-101**

**1. Date:** \_\_\_\_\_

**2. Information about person or company**

SEDAR profile number (if applicable); \_\_\_\_\_

NRD # (if applicable); \_\_\_\_\_

Name: \_\_\_\_\_

*Instructions:*

(i) *For a non-investment fund issuer, indicate the SEDAR profile number. For an investment fund issuer, indicate the SEDAR investment fund group profile number.*

(ii) *For a non-investment fund issuer, indicate the issuer's name. For an investment fund issuer, indicate the investment fund group name.*

**3. Previous notice filed**

If the person or company has previously filed a Form 11-101F1, indicate the principal regulator determined in the previous notice: \_\_\_\_\_

**4. Determination of principal regulator**

The person or company has determined the securities regulatory authority or regulator in the following jurisdiction is its principal regulator: \_\_\_\_\_

**5. Reasons for determination of principal regulator**

The person or company determined its principal regulator:

(a) based on the location of its head office (for a non-investment fund issuer, dealer or unrestricted adviser), investment fund manager's head office (for an investment fund), or working office (for an individual) (check box); or

(b) on the following basis [provide details]:

\_\_\_\_\_  
\_\_\_\_\_

**6. Change in determined principal regulator**

If this PR notice is being filed in connection with a change in the person or company's principal regulator, provide details of the basis for determining that the principal regulator should change.

\_\_\_\_\_  
\_\_\_\_\_”.

**Coming into force**

8(1) Subject to subsection (2), these regulations come into force on September 19, 2005.

(2) If these regulations are filed with the Registrar of Regulations after September 19, 2005, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

## SASKATCHEWAN REGULATIONS 85/2005

### *The Securities Act, 1988*

[Section 154]

Commission Order, dated August 11, 2005

(Filed September 2, 2005)

**Title**

**1** These regulations may be cited as *The Securities Commission (Local Instruments) Amendment Regulations, 2005 (No. 2)*.

**R.R.S. c.S-42.2 Reg 5 amended**

**2** *The Securities Commission (Local Instruments) Regulations* are amended in the manner set forth in these regulations.

**Section 2 amended**

**3** **The following clause is added after clause 2(i):**

“(j) Local Instrument 32-501, entitled Deposit Agents, as set out in Part XI of the Appendix”.

**Appendix amended**

**4** **The following Part is added after Part X of the Appendix:**

“PART XI  
[Clause 2(1)(j)]

“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.

## “PART 2 REGISTRATION

### “Exemption removed

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

### “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.

**“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 32501F1 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.



**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

#### **“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.

#### **“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.

#### **“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.

#### **“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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.



**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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.

**“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)*

**“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)

**“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

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.**

“FORM 32-501F2

“APPLICATION FOR REGISTRATION AS A DEPOSIT AGENT

[Clause 9(a)]

Instruction:

If you don't have room on this form for your answers, complete and attach Schedule A:

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

1.(a) Legal name of applicant \_\_\_\_\_

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

(c) Head Office Business Address:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone No: \_\_\_\_\_ Postal Code: \_\_\_\_\_

Fax No: \_\_\_\_\_ E-mail address: \_\_\_\_\_

(d) Address for service in Saskatchewan:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Telephone No: \_\_\_\_\_ Postal Code: \_\_\_\_\_

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

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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

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

\_\_\_\_\_

3. Do you have any branch offices?    
yes no

If yes, state addresses and names of branch managers responsible:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_



4. Applicant is:

a corporation

a partnership

other (specify)  \_\_\_\_\_

*Complete Schedule B showing owners and executive officers of the applicant.*

Date applicant was incorporated or formed:

Jurisdiction where applicant was incorporated or formed:

5. Does any person not named in Schedule B exercise or have the power to exercise control over the management or policies of the applicant?

yes no

*If yes, state the exact name of such person and describe the agreement or other basis through which such person has the power to exercise control on Schedule A.*

6. Name, address, telephone number and e-mail address of the official of the applicant who is responsible for discharging the obligations of the applicants under Local Instrument 32-501 – *Deposit Agents*:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

*Instruction: Answer “yes” or “no” to questions 9 to 19. If “yes”, give particulars on Schedule A.*

*Definitions:*

**“affiliate”** means an individual or firm that directly or indirectly controls the applicant, is under common control with the applicant, or is controlled by the applicant and includes any persons who exercise control over the applicant.

**“involved in”** means doing an act or aiding, abetting, counselling, commanding, inducing, conspiring with or failing to reasonably supervise another in doing an act.

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
- (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

Dated at \_\_\_\_\_, this \_\_\_\_\_ day of \_\_\_\_\_, 2 \_\_\_\_ .

\_\_\_\_\_  
*(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.**





**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.

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**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 every 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.*

Item of Form

Answer

---



**“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?    
 If yes, state the name and branch of the financial institution. *yes* *no*

\_\_\_\_\_

\_\_\_\_\_

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 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.**

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**“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 in Saskatchewan  
*(date of financial year end)*

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?



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

*yes*

*no*

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*

**“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”.**

**Coming into force**

5(1) Subject to subsection (2), these regulations come into force on the day on January 1, 2006.

(2) If these regulations are filed with the Registrar of Regulations after January 1, 2006, these regulations come into force on the day on which they are filed with the Registrar of Regulations.

