



**Saskatchewan
Securities
Commission**

Requirements for Initial Registration as a Securities Adviser

This is a summary of the initial requirements to register as a securities adviser under *The Securities Act, 1988* ("Act") and *The Securities Regulations* ("Regs"). It is a checklist only and the text of the Act and Regulations should be referred to.

A securities adviser advises others either directly or through publication or writings as to the buying or selling of specific securities and does not tailor his advice to specific clients. [Reg s.11(d)]

PART A - SECURITIES ADVISER

1. Completed Form 3 for the business entity making application. [Reg s.41(a)(i)]
2. Fees by way of cheque payable to the Minister of Finance in the amount of:
 - (a) \$750 for registration (includes one branch office)
 - (b) \$100 for each additional branch office in the province. [Reg Appendix A]

CAPITAL

3. Minimum free capital equal to the maximum deductible under any required bond or insurance policy plus either:
 - (a) \$5,000 working capital calculated or
 - (b) any greater amount that the Director considers necessary where the adviser exercises control over clients' funds or securities. [Reg s.19(2)]
4. Audited financial statements showing the required minimum free capital, certified by the applicant's officers and made up to a date not more than 90 days prior to the application. The financial statements must include an income statement, a statement of retained earnings, a statement of changes in financial position, and a balance sheet. [Reg s.41(a)(ii)]
5. Disclosure of the established fiscal year end of the applicant.
6. A signed copy of a letter of direction to the applicant's auditors authorizing them to act at the request of the Saskatchewan Securities Commission to conduct an audit of the applicant's books, the expenses of which will be paid by the applicant. [Reg s.56]

BONDING AND INSURANCE

7. A surety bond completed in accordance with Form 39 of not less than \$10,000 where the adviser does not receive securities, money or other property from or on behalf of a client. Where the adviser receives

securities, money or other property from or on behalf of a client, or exercises direct control over a client's money, securities or other property, a surety bond completed in accordance with Form 39 of not less than \$200,000 is required. [Reg s.20(6)]

8. A certified copy of a resolution of the directors of the applicant stating that full consideration has been given to the sufficiency of the amount of the applicant's bonding and/or insurance. [Reg s.20(7)]

OFFICES

9. The address of each of the applicant's branch offices in Saskatchewan. Where the business of the securities adviser is restricted to dealing with institutional clients exempt pursuant to clause 39(1)(c), (d), (e) or (t) of the Act, the person or company may be registered as a securities adviser and is not required to maintain a business office in Saskatchewan. [Reg s.18]

See General Ruling/Order 35-901 Non-Resident Registrants for a possible further exemption from the office requirement.

MANAGERS

10. The name and address of the partner or officer responsible for discharging the obligations of the applicant in the province (provincial manager). Refer to Part B for the necessary qualifications. [Reg s.38(1)]
11. The names and addresses of persons in charge of each of the Saskatchewan branch offices of the applicant.

SASKATCHEWAN BUSINESS CORPORATIONS ACT

11. Proof of compliance with the requirements of *The Saskatchewan Business Corporations Act*.

REGISTRATION IN HOME PROVINCE

12. Proof of registration with the securities regulatory authority in the province or territory in Canada where the firm has its principal place of business.

PART B – PARTNERS, OFFICERS AND EMPLOYEES

All partners, officers and employees of the applicant acting as advisers in the province must be registered. [Act s.27(1)(c)]

13. Completed Form 4 for each applicant.
14. Fees by way of cheque payable to the Minister of Finance in the amount of \$250. [Reg Appendix A]
15. Proof of successful completion of the:

- (a) Canadian Securities Course administered by the Canadian Securities Institute and
 - (b) Canadian Investment Manager Program administered by the Canadian Securities Institute. [Reg s.37(5)(a)]
16. A letter giving details of employment which confirms that the applicant has worked five years performing research and financial analysis of investments under the supervision of an adviser. [Reg s.37(5)(b)]
17. The provincial manager must also meet the requirements of items 13 to 16. [Reg s.38(1)]
18. Non-resident individuals must comply with Saskatchewan Policy Statement 35-601 Registration of Non-Resident Individuals.

PART C - GENERAL

19. Registration of each securities adviser and each of its registered individuals is permanent unless the registration is terminated, suspended or cancelled. [Saskatchewan Local Instrument 33-503 Permanent Registration System]