

Nova Scotia Securities Commission

Rule 11-101 (Amendment)

-and-

Amendments to Multilateral Instrument 11-101 *Principal Regulator System*

-and-

Amendments to Companion Policy 11-101CP *Principal Regulator System*

WHEREAS:

1. Pursuant to section 150 of the *Securities Act*, R.S.N.S. 1989, chapter 418, as amended (the "Act"), the Nova Scotia Securities Commission (the "Commission") has power to make rules subject to compliance with the requirements of the Act;
2. Pursuant to section 19 of the Act, the Commission has power to issue and publish policy statements;
3. Amendments to Multilateral Instrument 11-101 *Principal Regulator System* (hereinafter called the "Rule"), a copy of which is attached hereto, has been made a rule by one or more of the Canadian securities regulatory authorities;
4. Amendments to Companion Policy 11-101CP *Principal Regulator System* (the "Policy"), a copy of which is attached hereto, has been issued by one or more of the Canadian securities regulatory authorities; and
5. The Commission is of the opinion that the attainment of the purpose of the Act is advanced by this Instrument.

NOW THEREFORE the Commission hereby:

(a) pursuant to the authority contained in section 150 of the Act and subject to compliance with the requirements of section 150A of the Act, approves the Rule and makes the same a rule of the Commission;

(b) pursuant to the authority contained in section 19 of the Act and subject to publication in the *Royal Gazette* or the Commission's website, issues the Policy as a policy statement of the Commission; and

(c) declares that the rule approved and made pursuant to clause (a) and the policy statement issued pursuant to clause (b) shall both take effect, with the approval and specification of the Minister under subsection 150A(4) of the Act, on **March 17, 2008**, unless the Minister disapproves the rule or returns it to the Commission in accordance with subsection 150A(3) of the Act in which event the rule and the policy statement shall not be effective until the rule is approved by the Minister.

IN WITNESS WHEREOF this Instrument has been signed by the Chair and Vice-Chair of the Commission, being the members of the Commission prescribed by the Chair pursuant to subsection 15(3) of the Act to attend the hearing of this matter and the quorum with respect to this matter, on the **1st** day of **February, 2008**.


H. Leslie O'Brien, Q.C.


R. Daren Baxter

Attachments

**Amendments
to
Multilateral Instrument 11-101 *Principal Regulator System***

1 ***This Instrument amends Multilateral Instrument 11-101 Principal Regulator System.***

2 *Section 1.1 is amended by repealing the following definitions:*

“audit committee rule”,

“BCI 52-509”,

“CD requirement”,

“commodity pool”,

“investment fund”,

“investment fund manager”,

“local prospectus-related requirements”,

“long form rule”,

“MI 52-110”,

“mutual fund restricted individual”,

“national prospectus rules”,

“NI 33-105”,

“NI 52-107”,

“NI 58-101”,

“NI 81-101”,

“NI 81-102”,

“NI 81-104”,

“NI 81-106”,

“participating dealer”,
“preliminary prospectus”,
“principal distributor”,
“prospectus”, and
“seed capital requirements”.

3 *Sections 2.1, 2.2, 2.3 and 2.4 are repealed.*

4 *Section 2.8 is amended by striking out “sections 2.1, 2.4 and 2.5” and substituting “section 2.5”.*

5 *Parts 3 and 4 are repealed.*

6 *Section 5.8 is repealed.*

7 *Section 5.9 is amended by striking out “section 5.3, 5.4, 5.5, 5.6 or 5.8” and substituting “section 5.3, 5.4, 5.5 or 5.6”.*

8 *Appendices A, B, C and D are repealed.*

9 *Form 11-101F1 Notice of Principal Regulator under Multilateral Instrument 11-101 is amended*

(a) in Item 2 by striking out “SEDAR profile number (if applicable):”,

(b) by repealing the Instructions after Item 2, and

(c) by repealing Item 5.

10 *This Instrument comes into force on March 17, 2008.*

**Amendments
to
Companion Policy 11-101CP *Principal Regulator System***

1 *Companion Policy 11-101CP Principal Regulator System is amended by*

(a) *repealing section 1.1(1) and substituting;*

The Instrument provides an exemption from the registration requirement for a firm or individual to continue dealing with a client that moves to a different jurisdiction, and with family members of that client. As long as the registrant is registered in its principal jurisdiction and has a minimal number of clients and minimal amount of assets under management in the other jurisdiction, the registrant will not have to become registered in the other jurisdiction. Because Ontario has not adopted the Instrument, the exemption is not available to a registrant in another jurisdiction whose clients move to Ontario. Under the Instrument, the exemption is not available to a firm with a head office in Ontario or to an individual with a working office in Ontario.

(b) *repealing sections 1.1(2), 1.1(3), 1.2, 1.3, 1.4, 2.1, 2.2(1), 2.3(1), and 2.3(3);*

(c) *striking out in section 2.3(5) “and section 3.5 of NP 43-201”;*

(d) *repealing Parts 3 and 4;*

(e) *repealing section 5.3; and*

(f) *repealing Appendix A.*

2 *These amendments come into effect on March 17, 2008.*