

**Nova Scotia Securities Commission**

**Rule 31-103 (Amendment)**

***Registration Requirements, Exemptions and Ongoing Registrant Obligations***

**- and -**

**Amendments to National Instrument 31-103**

***Registration Requirements, Exemptions and Ongoing Registrant Obligations***

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. Amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the Rule), a copy of which is attached hereto, have been made a rule by one or more of the Canadian securities regulatory authorities; and
3. The Commission is of the opinion that the attainment of the purpose of the Act is advanced by this Instrument.

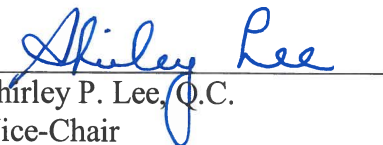
NOW THEREFORE the Commission hereby:

- (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; and
- (b) declares that the rule approved and made pursuant to clause (a) shall take effect on **June 12, 2019**, 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 shall not become effective until the rule is approved by the Minister.

IN WITNESS WHEREOF this Instrument has been signed by the Chair and the 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 27<sup>th</sup> day of March, 2019.



Paul Radford, Q.C.  
Chair



Shirley P. Lee, Q.C.  
Vice-Chair

Attachments

**AMENDMENTS TO NATIONAL INSTRUMENT 31-103 *REGISTRATION  
REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS***

1. ***National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations is amended by this Instrument.***
2. ***Subsections 14.6.1(1) and (2) are replaced with the following:***
  - (1) In this section

“cleared specified derivative”, “clearing corporation option”, “futures exchange”, “option on futures”, “specified derivative” and “standardized future” have the same meaning as in section 1.1 of National Instrument 81-102 *Investment Funds*;

“regulated clearing agency” has the same meaning as in subsection 1(1) of National Instrument 94-101 *Mandatory Central Counterparty Clearing of Derivatives*.
  - (2) Subsection 14.5.2(2) does not apply to a registered firm in respect of cash or securities of a client or investment fund deposited with a member of a regulated clearing agency or a dealer as margin for transactions outside of Canada involving clearing corporation options, options on futures, standardized futures or cleared specified derivatives if
    - (a) the member or dealer is a member of a regulated clearing agency, futures exchange or stock exchange, and, as a result in any case, is subject to a regulatory audit,
    - (b) the member or dealer has a net worth, determined from its most recent audited financial statements, in excess of \$50 million, and
    - (c) a reasonable person would conclude that using the member or dealer is more beneficial to the client or investment fund than using a Canadian custodian..
3.
  - (1) This Instrument comes into force on June 12, 2019.
  - (2) In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after June 12, 2019, this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.