

**ANNEX I
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. *Section 12.7 is repealed and replaced with the following:*

Notifying the regulator or the securities regulatory authority of a change, claim or cancellation

- 12.7 (1) A registered firm must, as soon as possible, notify the regulator or, in Québec, the securities regulatory authority in writing of any change in, claim made under, or cancellation of any bonding or insurance required under this Division.
- (2) Subsection (1) does not apply with respect to a renewal of bonding or insurance if the term of the renewal is for a period of at least one year and the insurance policy had not lapsed at the time of renewal.

3. *The Instrument is amended by adding the following section:*

13.4.3 Restrictions on a registered individual who is in a position of influence

- (1) In this section, “position of influence” means a position, other than a position with a sponsoring firm, if, due to the nature of the position or the training or specialized knowledge required for the position, an individual in that position would be considered by a reasonable person to have influence over another individual.
- (2) For greater certainty, a position of influence under subsection (1) includes the following:
 - (a) a leader in a religious or similar organization;
 - (b) a medical doctor;
 - (c) a nurse;
 - (d) a professor, instructor or teacher at a degree or diploma granting institution;
 - (e) a lawyer;
 - (f) a notary.
- (3) A registered firm must not knowingly permit a registered individual of the firm who is in a position of influence to purchase or sell securities or derivatives for, or recommend the purchase, sale or holding of securities or

derivatives to,

- (a) an individual who
 - (i) has a relationship with the registered individual arising from the position of influence, and
 - (ii) to a reasonable person, would be considered to be susceptible to the registered individual's influence, or
- (b) a spouse, parent, sibling, grandparent or child of an individual referred to in paragraph (a).

- (4) A registered individual who is in a position of influence must not purchase or sell securities or derivatives for, or recommend the purchase, sale or holding of securities or derivatives to
 - (a) an individual who
 - (i) has a relationship with the registered individual arising from the position of influence, and
 - (ii) to a reasonable person, would be considered to be susceptible to the registered individual's influence, or
 - (b) an individual that the registered individual knows is a spouse, parent, sibling, grandparent or child of an individual referred to in paragraph (a).

- 4. (1) This Instrument comes into force on June 6, 2022.
- (2) In Saskatchewan, despite subsection (1), if this Instrument is filed with the Registrar of Regulations after June 6, 2022, this Instrument comes into force on the day on which it is filed with the Registrar of Regulations.