

ANNEX C
FREQUENTLY ASKED QUESTIONS
ON UPDATING REGISTRATION INFORMATION ON NRD

Frequently asked questions (FAQ) on updating NRD

National Instrument 33-109 *Registration Information* (**NI 33-109**) sets out the registration information registered individuals and permitted individuals (collectively, **Individual Registrants**) are required to provide to regulators and when Individual Registrants are required to report updates to the information previously provided. This registration information is reported in the National Registration Database (**NRD**).

On June 6, 2022, amendments come into force (the **Amendments**) which include changes to the registration information required in Form 33-109F4 *Registration of Individuals and Review of Permitted Individuals* (the **Individual Registration Form**) and in Form 33-109F7 *Reinstatement of Registered Individuals and Permitted Individuals* (the **Reinstatement Form**).

To assist Individual Registrants and their sponsoring firms, this FAQ is intended to address questions from the Amendments relating to registration information in NRD. The list is not exhaustive.

We have divided the FAQs into the following categories:

- A. Updating registration information
- B. Changes to how responses are recorded on NRD
- C. Updating responses that read “there is no response to this question”
- D. Accessing records on NRD
- E. Late fees in the applicable jurisdictions

A. Updating registration information

1. When and how do I update my registration information?

You are required to report changes to your registration information within 15 or 30 days of a change (as set out in section 4.1 of NI 33-109).

Generally, you update your registration information by filing a Form 33-109F5 *Change of Registration Information* (the **Change Form**) on NRD. For example, if you move to a new residential address, you are required to report this change within 30 days using a Change Form.

If multiple changes are being reported, you will need to submit a Change Form for each change.

However, in other cases, a Form 33-109F2 *Change or Surrender of Individual Categories* (the **Add/Surrender Form**) is used to report changes in registration information. For example, the Add/Surrender Form is used by an Individual Registrant to seek registration in an additional jurisdiction.

2. *What happens if I do not update my registration information within the required timeframe?*

If you report a change to your registration information after the required timeframe to notify the regulator:

- your submission will be considered late,
- your registration information will be considered out-of-date, and
- you may be subject to late fees in the applicable jurisdictions (late fees are discussed in Section E of this FAQ).¹

B. Changes to how responses are recorded on NRD

3. *What happens to my responses in NRD when the questions are changed in the Individual Registration Form?*

Your responses in NRD will continue to appear even though the related questions have changed because of the Amendments.

We take two approaches when a question is changed. First, if the change to the question is to clarify and draw out specific details, but the question otherwise remains consistent with the previous question, we will replace the question and keep the previous response. Second, if the change to the question is significant such that the previous response does not make sense in relation to the revised question, we will replace the question and will replace the response with “there is no response to this question”.²

As the intent of the Amendments is to clarify the questions and reduce errors, for existing questions, we replaced the questions but kept the previous responses.

4. *What happens when a new question is added to the Individual Registration Form?*

The response in NRD will read “there is no response to this question” for the new questions added to the Individual Registration Form. The Amendments add two new questions to the Individual Registration Form. The first new question requires the reporting of titles for reportable activities (item 3(e) of Schedule G for item 10). The second new question requires the reporting of non-securities licence numbers (item 13.3(a) of Schedule J for item 13).

For example, in Schedule G, item 3(e) is a new question which states “provide all business title(s) and professional designation(s) you use for the activity.” On June 6, 2022, the response in NRD will read “there is no response to this question”.

¹ Depending on the information disclosed, the regulator or securities regulatory authority may take other action unrelated to the timing of the submission (e.g., terms and conditions imposed on firms or individuals for certain types of disclosures).

² Previous amendments to registration information requirements were made in 2009 and in 2015 and at that time, responses in NRD to certain questions were replaced with “there is no response to this question”. Individual Registrants may already have this statement in their NRD responses due to these prior changes.

5. *Is my registration information considered out-of-date when there are responses in NRD that read “there is no response to this question”?*

Your registration information will be considered out-of-date if you have not responded to those questions in NRD that read “there is no response to this question” by the required timeframe.

We have provided a transition period to provide responses to those questions in NRD that read “there is no response to this question.” Specifically, in section 4.3 of NI 33-109, you are required to update responses that read “there is no response to this question” by the earlier of:

- the date you are next required to notify the regulator of a change to your registration information after June 6, 2022, and
- June 6, 2023.

C. Updating responses that read “there is no response to this question”

6. *When do I have to answer questions that read “there is no response to this question” on NRD?*

You are required to update responses that read “there is no response to this question” by the earlier of:

- the date you are next required to notify the regulator of a change to your registration information after June 6, 2022, and
- June 6, 2023.

Please see section 4.3 of NI 33-109.

7. *What do I do if an outside activity previously reported no longer needs to be reported?*

After reviewing your registration information, you may determine that an outside activity you previously reported is no longer required to be reported. For these activities, you are required to update your information by providing an end date on NRD (i.e., the date you make the filing) and the reason for the end date (i.e., the activity is no longer required to be reported). Activities that have been recorded as ended will no longer appear as current reportable activities under item 10 of the Individual Registration Form, but rather will be recorded on NRD as previous reportable activities under item 11 of the Individual Registration Form.³

If you submit a change in registration information after June 6, 2022 and do not indicate an end date to an outside activity already reported and recorded on NRD, it will be our understanding that you have assessed the activity and have determined that the activity is reportable.

³ Your current employment will appear in item 10 (Reportable activities). Your previous employment will appear in item 11 (Previous employment and other activities).

Scenario 1

Omari has previously reported two outside activities: (1) acting as a volunteer coach of his son's soccer team and (2) being a board member of a company affiliated with his sponsoring firm. After reviewing the changes to NI 33-109, he understands that he does not need to report the volunteer coaching position. On June 30, 2022, he files a Change Form reporting June 30, 2022 as the end date for the volunteer coaching position and stating, for the reason, that it is no longer required to be reported. He also reports the title of his board position.

8. *Do new questions have to be updated in the same manner?*

All new questions will have a response that reads "there is no response to this question". You are required to update all responses that read "there is no response to this question" by the earlier of:

- the date you are next required to notify the regulator of a change to your registration information after June 6, 2022, and
- June 6, 2023.

Scenario 2

Natalia is a registered mutual fund dealing representative with MFD Securities Inc. She also is a bookkeeper for a restaurant and has reported this outside activity. She was named in a lawsuit on September 3, 2022. This is the first change to her registration information since June 6, 2022. In NRD, the new question in Schedule G, item 3(e) of the Individual Registration Form, which requires her to disclose business title(s) and professional designation(s), reads "there is no response to this question". Natalia is required to

- report the lawsuit,
- report her business title(s) and professional designation(s) used in her position with her sponsoring firm MFD Securities Inc.,
- report her business title(s) and professional designation(s) used in her position as bookkeeper for the restaurant, and
- answer all other questions where the response is "there is no response to this question".

9. *How often should I review my registration information to make sure the responses on NRD remain accurate?*

You should review your information regularly because you are required to keep your registration information current on an ongoing basis. Changes are made by filing the Change Form and Add/Surrender Form within the required timeframe (either 15 days or 30 days of the change, as set out in NI 33-109).

We have provided a transition period to respond to any questions that read "there is no response to this question". You are required to answer any questions that contain "there is no response to this question" by the earlier of:

- the date you are next required to notify the regulator of a change to your registration information after June 6, 2022, and
- June 6, 2023.

Please see section 4.3 of NI 33-109.

We understand that many registered firms require their Individual Registrants to review all registration information at least annually to verify if their information on NRD is accurate. This practice provides an opportunity for Individual Registrants to update their information on NRD, including any questions that have “there is no response to this question” as responses, if they have not already done so as part of reporting on other changes. We note, however, that the annual review may identify changes to registration information that should have been reported at an earlier date. This may result in late fees in the applicable jurisdictions.

Scenario 3

Ephram is a registered representative for Pro Active Capital Inc. He is also a licensed mortgage broker, which he previously reported. Annually in September, Pro Active Capital Inc. provides its registered representatives with a copy of their registration information in NRD to review and inform Pro Active Capital Inc. if there have been any changes. It is now September 2022 and time for the annual review. Ephram receives a copy of his responses in NRD and sees that there are questions that state “there is no response to this question”, including the question requiring the reporting of his mortgage broker licence number. Ephram will report his responses and will also answer all questions where the response is “there is no response to this question”.

Scenario 4

Molly has had no changes to her registration information since June 6, 2022. It is now May 1, 2023. Molly requests a copy of her registration information in NRD from her sponsoring firm. She reviews the registration information that she previously reported and files a Change Form responding to any questions where the response in NRD is “there is no response to this question” before June 6, 2023.

10. *If my NRD information contains questions that have “there is no response to this question” as responses, will my registration information be considered out-of-date, such that I will not be able to use the Reinstatement Form?*

If, on or after June 6, 2023, your registration information on NRD contains questions that have “there is no response to this question” as responses, your information will be considered out-of-date and you will not be eligible to use the Reinstatement Form. Please see clause 2.3(2)(b.2) of NI 33-109 and item 9, question 2 in the Reinstatement Form.

D. Accessing records on NRD

11. *Can I see what my previous response was if it was replaced with “there is no response to this question”?*

Yes. If you are registered with a firm, your firm can view your previous responses for different periods (e.g., prior to “2009/09/28”). The previous responses are accessed using the “View History” button in NRD.

A firm can also generate a report called “Generate Permanent Record Report for an Individual Registrant”. This report provides the current and past responses for each item in the Individual Registration Form.

We would expect firms to provide this report to their Individual Registrants periodically or when requested by the Individual Registrant. This will allow the Individual Registrant to have the last information they provided to their firm and the regulator. The Individual Registrant will be able to identify what information is out-of-date and should be updated.

Scenario 5

Clive has been registered as an advising representative since 2008. As a result of changes made to certain questions in 2009 and 2015, his responses to these questions in NRD were replaced with “there is no response to this question.” Clive has not needed to make any updates to his registration information since his registration in 2008 and has never responded to those questions. After reviewing the Amendments, he understands that he needs to (a) report the title he uses with his sponsoring firm as required by a new question (item 3(e) of Schedule G for item 10 of the Individual Registration Form) and (b) update his responses to those certain questions where, as a result of previous amendments, the responses state “there is no response to this question”. He requests from his firm and reviews a “Generate Permanent Record Report for an Individual Registrant” and submits a Change Form providing his registration information for each of the items that state “there is no response to this question.”

E. Late fees in the applicable jurisdictions

12. *If I do not update questions that have “there is no response to this question” as responses within the transition timeframe, will I be charged a late fee?*

This disclosure would be subject to a late fee under applicable local regulator rules⁴.

Individual Registrants are required by section 4.3 of NI 33-109 to update any questions that have “there is no response to this question” as a response by the earlier of:

- the date you are next required to notify the regulator of a change to your registration information after June 6, 2022, and
- June 6, 2023.

If you make an update after you are required to, you could be subject to a late fee under applicable local regulator rules.

13. *My registration information has changed and there is another question on NRD where the response reads “there is no response to this question”. If I report the change in my registration information, but I do not update the response to the other question, will I be charged a late fee?*

If you do not update responses that say “there is no response to this question” when you report other registration information changes, we will consider you to be late in providing this information. You could be subject to a late fee under applicable local regulator rules. Additionally, your registration information would be considered out-of-date and you would not be eligible to use the Reinstatement Form. Please see clause 2.3(2)(b.1) of NI 33-109.

⁴ Ontario Securities Commission Rule 13-502 *Fees* and Ontario Securities Commission Rule 13-503 (*Commodity Futures Act*) *Fees*

14. *My registration information changed before June 6, 2022 and I did not report it. Will I be subject to a late fee if I report it now?*

NI 33-109 requires Individual Registrants to report changes to their registration information within 15 days or 30 days of a change. If you did not report information that was required to be disclosed under the previous question and that information continues to be required under the new question, you could be subject to a late fee.

Scenario 6

Kwan is a dealing representative for Capital Finance Partners LLC and an insurance broker. Being an insurance broker was a reportable outside activity before the Amendments to NI 33-109, but Kwan did not report this outside activity. After reading about the Amendments to NI 33-109, Kwan understands that he is required to report being an insurance broker, including the title(s) he uses and his insurance broker licence number. When Kwan reports being an insurance broker, Kwan will be subject to a late fee in the applicable jurisdictions because this activity was required to be disclosed previously and continues to be required to be disclosed under the new question.