

Note: [04 Feb 2021] – Proposed amendments to NI 31-103 arising from NI 33-109. Refer to Annex E of CSA Notice announcing proposed amendments to NI 31-103 dated 04 Feb 2021.

**PROPOSED AMENDMENT 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. *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 functions 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 other individuals.
- (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 permit a registered individual of the firm who is in a position of influence to purchase or sell securities or derivatives for, or recommend 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, brother, sister, grandparent or child of an individual described 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 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, brother, sister, grandparent or child of an individual described in paragraph (a).

3. This Instrument comes into force on •.