



NOTICE OF AMENDMENTS

LOCAL RULE 11-501 FEES

Introduction

The Minister of Finance and the Financial and Consumer Services Commission (Commission) recently approved the making of amendments to Local Rule 11-501 *Fees* (Local Rule 11-501).

Pursuant to section 9 of New Brunswick Regulation 2010-127 under the *Securities Act* (O.C. 2010-440), a rule comes into force on the day the rule is published electronically by the Commission as required under paragraph 201(1)(a) of the *Securities Act*, S.N.B. 2004, c. S.5-5, or on such later date as is specified in the rule. Accordingly, the coming into force of the amendments to Local Rule 11-501 is 2 January 2020.

Background

A primary purpose of the amendments to Local Rule 11-501 is to charge late fees to securities market participants for filings made outside of prescribed time periods which are consistent with late fees charged by other Canadian Securities Administrators jurisdictions. Second, the amendments remove Part 3 of Local Rule 11-501 because it is redundant and adds confusion for market participants. Third, the amendments add a 2-year limitation period to applications for a refund. Finally, the amendments include administrative changes to outdated references.

The amendments to LR 11-501 were published for a 60-day comment period on 4 July 2019. The Commission received one comment letter from an industry participant, which was supportive of the amendments.

Questions

If you have any questions, please refer them to:

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Schedule "A"

**AMENDMENT INSTRUMENT TO
LOCAL RULE 11-501 FEES**

1. Local Rule 11-501 Fees is amended by this Instrument.

2. Section 2.6 is amended

(a) in subsection (1) by deleting "New Brunswick Securities Commission" before "Local Staff Notice", and

(b) by replacing "National Instrument 45-106 Prospectus and Registration Exemptions" with "National Instrument 45-106 Prospectus Exemptions" whenever the expression occurs.

3. Section 2.19 is replaced with the following:

2.19(1) The fee for late filing of Form 55-102F2 *Insider Report* is \$50 per calendar day per insider per issuer to a maximum of \$1000 within any one year beginning on 1 April and ending on 31 March. The late fee does not apply unless the Commission is the principal regulator of the issuer under Multilateral Instrument 11-102 *Passport System*.

2.19(2) The fee for late filing of an annual financial statement by a reporting issuer, as required under NI 51-102 or National Instrument 81-106 *Investment Fund Continuous Disclosure*, is \$200 per annual financial statement.

2.19(3) The fee for late filing of a report of exempt distribution is \$25 per calendar day for each report required to be filed, subject to a maximum fee of \$1000 per report.

4. Section 3.1 is repealed.

5. Section 5.1 is amended by adding the following sentence at the end of the section:

The Executive Director will not grant a refund of the fee paid if the application for the refund is made more than 2 years after the fee was paid.

6. Part 6.2 is amended by

(a) deleting "3.1(b), (g), (h), (i), (j), (k), (l) and (m)" after "The definition of NI 31-103, paragraphs 2.2(c), (d), and (f),", and

(b) replacing "21" with "28" before "September 2009".

7. This Instrument comes into force on 2 January 2020.