



REQUEST FOR COMMENTS

Notice and Request for Comment - Publication of the proposal to repeal existing Local Rule 11-501 *Fees* and replace it with a new proposed Local Rule 11-501 *Fees* (the “**Proposed Rule**”) as set out in Appendix “A”.

Substance and Purpose

The purpose of the Proposed Rule is to set out the fees payable by market participants, including companies that issue securities, registered investment firms and registered investment advisors. The Proposed Rule aims to simplify and streamline the fee structure, bring it up to date with changes to securities legislation.

Summary of Changes:

- **New fee table format:** The Proposed Rule presents the fees in a table format that is easier to navigate.
- **Fee for filing fund facts documents and exchange traded funds (“ETF”) facts documents:** With the proposed amendments to increase the lapse date for certain prospectus from 12 to 24 months, the fee trigger will change from the filing of the specified prospectus to the filing of a fund facts or ETF facts document.
- **Registration fees:** The Proposed Rule raises the fee for registered firms and introduces a new fee for international dealers and advisors, consistent with a similar fee charged in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.
- **New fees for applications:** The fees for various applications have been standardized. Some new fees have been added including fees charged to international dealers and advisors. A new fee for the recognition of certain entities like an exchange, clearing agency, trade repository or derivatives trading facility where FCNB is the principal regulator.
- **Other changes:** Upon adoption of the Proposed Rule, Local Rule 11-507 *Exemption from Certain Investment Fund Fee Requirements* in Local Rule 11-501 *Fees* will be repealed.

How to Provide your Comments

Comments are to be provided, in writing, by no later than 12 September 2022 to:

Secretary
Financial and Consumer Services Commission
85 Charlotte Street, Suite 300
Saint John, N.B. E2L 2J2
Toll Free: 866-933-2222
Fax: 506-658-3059
E-mail: secretary@fcnb.ca

FINANCIAL AND
CONSUMER SERVICES
COMMISSION

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AUX CONSOMMATEURS

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We cannot keep submissions confidential. A summary of the written comments received during the comment period may be published.

Questions

If you have any questions, please refer them to:

To-Linh Huynh
Executive Director of Securities
Financial and Consumer Services Commission (NB)
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Appendix

Appendix A – Proposed Local Rule 11-501 *Fees*



APPENDIX A

FINANCIAL AND CONSUMER SERVICES COMMISSION

PROPOSED LOCAL RULE 11-501 FEES

Definitions

1. In this rule

“Act” means the *Securities Act*;

“Commission” means the Financial and Consumer Services Commission existing under the *Financial and Consumer Services Commission Act*;

“Day” means one calendar day and shall be calculated exclusively of the first day and inclusively of the last day. Where the time limit for meeting a requirement falls on a weekend or holiday, the time limit will be extended to the next business day. For greater clarity, weekends and holidays will be included in the calculation of fees pursuant to this rule;

“Rules” means the securities rules made pursuant to subsection 200(1) of the *Act*.

Interpretation

2. Terms defined in the *Act* and Rules have the respective meanings ascribed to those terms in those instruments.

Fees

3. All fees payable pursuant to this Rule are payable to the Commission.
4. Unless otherwise prescribed, for a matter described in Column 1, the Commission shall be paid the fee prescribed in Column 2:

Item	Column 1	Column 2
	Registration – individuals	
1	(1) For an application for registration in one or more of the following individual categories for a calendar year:	
	(a) Dealing representative;	\$300
	(b) Advising representative;	\$300
	(c) Associate advising representative;	\$300
	(d) Ultimate designated person;	\$300

	(e) Chief compliance officer;	\$300
	(2) An individual applying for registration or reinstatement of registration as a registered individual in one or more categories;	\$300
	(3) Despite Item 1(2), an individual filing Form 33-109F7 <i>Reinstatement of Registered Individuals and Permitted Individuals</i> where the subject individual did not leave the former sponsoring firm between October 31 and December 31 of a given year and applied for reinstatement after that December 31.	\$100
	(4) The annual fee to maintaining individual categories of registration are payable on December 31 of each year.	\$300
	Registration – firms and business locations	
2	The fees for registration of a firm and a business location are:	
	(1) The fees for an application for registration or reinstatement of registration as a registered firm in one or more categories;	\$750
	(2) On December 31 of each year, a registered firm must pay the annual fee to maintain registration;	\$750
	(3) For each new business location in New Brunswick opened by a registered firm;	\$100
	(4) On December 31 of each year, a registered firm must pay the prescribed fee for each business location in New Brunswick.	\$100
	Registration – international dealers and advisers	
3	The fees for international dealers and advisers relying on exemptions under section 8.18 and 8.26 of National Instrument 31-103 <i>Registrant Requirements, Exemptions and Ongoing Registrant Obligations</i> are:	
	(1) Submitting Form 31-103F2 <i>Submission to Jurisdiction and Appointment of Agent for Service</i> under section 8.18 (3)(e) or 8.26 (4)(f) of National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i> or under both of those sections if submitted at the same time;	\$750
	(2) Providing a notification under section 8.18 (5) or 8.26 (5) of National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i> or under both of those sections if the notifications are provided at the same time.	\$750
	Prospectus	
4	The fees, per issuer, for filing a prospectus are:	
	(a) A preliminary prospectus or <i>pro forma</i> prospectus in Form 41-101 F1 <i>Information Required in a Prospectus</i> , including if PREP procedures are used;	\$1,200
	(b) A preliminary short form prospectus in Form 44-101F1 <i>Short Form Prospectus</i> , including if shelf or PREP procedures are used;	

	(c) A preliminary base shelf prospectus under National Instrument 44-102 <i>Shelf Distributions</i> or National Instrument 71-101 <i>The Multijurisdictional Disclosure System</i> ; (d) A preliminary prospectus or <i>pro forma</i> prospectus in Form 41-101F2 <i>Information Required in an Investment Fund Prospectus</i> or scholarship plan prospectus in Form 41-101F3 <i>Information Required in a Scholarship Plan Prospectus</i> ; (e) Each shelf prospectus supplement filed pursuant to National Instrument 44-102 <i>Shelf Distributions</i> or National Instrument 71-101 <i>The Multijurisdictional Disclosure System</i> ;	
	(f) A preliminary prospectus or <i>pro forma</i> simplified prospectus in Form 81-101F1 <i>Contents of Simplified Prospectus</i> and annual information form in Form 81-101F2 <i>Contents of Annual Information Form</i> ; (See fees for Fund Facts and ETF Facts Documents for applicable fees)	\$0
	(g) A preliminary prospectus or a <i>pro forma</i> prospectus that includes more than one class of securities or more than one type of unit offering if no fund facts or ETF facts document is filed;	\$300 for each additional class of securities or each type of unit offering.
	(h) For each prospecting syndicate agreement that is filed.	\$150
	Funds Facts or ETF Facts Documents	
5	The fees, per issuer, for filing a fund facts or ETF facts document are:	
	(1) A fund facts document for a mutual fund in Form 81-101F3 <i>Contents of Fund Facts Document</i> or an ETF Facts in Form 41-101F4 <i>Information Required in an ETF Facts Document</i> ;	\$1,200
	(2) If a fund facts document is consolidated to form a multiple fund facts document, the fee applies to each fund facts document;	
	(3) A fund facts or ETF facts document that includes more than one class or series of securities or more than one type of unit offering.	\$300 for each additional class or series of securities or each type of unit offering
	Amendments	
6	(1) For each issuer filing an amendment to any prospectus if there is no amendment to a fund facts or ETF facts document;	\$100 per document amended
	(2) For each issuer filing an amendment to a fund facts or ETF facts document;	\$100 per document amended
	(3) For each additional class of security or each type of unit offering not previously included in the filing of any prospectus when there is no amendment to a fund facts or ETF facts document;	\$300 for each additional class or series of securities or each type of unit offering

	(4) In addition to the fees set out in Item 6(1),(2) and (3), an amendment to any prospectus that is accompanied by a report on a property or an amended financial statement.	\$150 per report on a property and per amended financial statements
	Technical or engineering reports	
7	For filing a technical or engineering report with a preliminary prospectus, <i>pro forma</i> prospectus or an amendment to a preliminary prospectus or prospectus.	\$150 per property
	Annual information forms and annual disclosure statement	
8	(1) For an annual information form or annual disclosure statement filed by each issuer that is not eligible or seeking to be eligible to file a short form prospectus;	\$100
	(2) For an annual information form or annual disclosure statement filed by each issuer that is eligible or seeking to be eligible to file a short form prospectus.	\$1,200
	Take-over and issuer bids	
9	(1) For each take-over or issuer bid circular filed;	\$350
	(2) For each directors' circular, individual director's or officer's circular filed;	\$100
	(3) For filing of each notice of change or variation of a take-over bid, circular or issuer bid circular.	\$100
	Exempt market distributions	
10	(1) For filing a notice (45-106F14 <i>Rights Offering Notice for Reporting Issuers</i>) by an issuer of its intention to offer securities under section 2.1 of National Instrument 45-106 <i>Prospectus and Registration Exemptions</i> , if the notice includes a rights offering memorandum or circular;	\$350
	(2) For delivery of an offering document (Form 45-509F1) pursuant to Local Rule 45-509 <i>Community Economic Development Corporations and Cooperatives</i> ;	\$350
	(3) For filing an offering document required to be filed under National Instrument 45-106 <i>Prospectus and Registration Exemptions</i> .	\$350
	Pre-filing of documents	
11	(1) For pre-filing on a voluntary basis, any of the following documents:	
	(a) an offering memorandum pursuant to Local Staff Notice 45-701 <i>Voluntary Pre-Filing of Draft Offering Memoranda Under National Instrument 46-106 Prospectus Registration Exemptions</i> ;	\$350

	(b) an offering document (Form 45-509F1) pursuant to Local Rule 45-509 <i>Community Economic Development Corporations and Cooperatives</i> ;	\$350
	(c) a long form prospectus under National Instrument 41-101 <i>General Prospectus Requirements</i> pursuant to CSA Staff Notice 43-310, where the Commission is the principal regulator;	\$350
	(d) a short form prospectus under National Instrument 44-101 <i>Short Form Prospectus Distributions</i> pursuant to CSA Staff Notice 43-310 <i>Confidential Pre-File Review of Prospectuses (for non-investment fund issuers)</i> ;	\$350
	(e) a base shelf prospectus under National Instrument 44-102 <i>Shelf Distributions</i> pursuant to CSA Staff Notice 43-310 <i>Confidential Pre-File Review of Prospectuses (for non-investment fund issuers)</i> .	\$350
	(2) The fee for pre-filing under this Item will be credited against the applicable fee payable if and when the corresponding formal filing is actually processed; the pre-file fee is nonrefundable.	
	Applications	
12	(1) For each application made pursuant under any of the following provisions of the Act:	
	(a) Under subsection 35(1), a recognition order to be recognized as: (i) an exchange, (ii) a self-regulatory organization, (iii) a quotation and trade reporting system, (iv) a clearing agency (v) an auditor oversight body, (vi) a trade repository, or (vii) a derivatives trading facility;	\$10,000 where the Commission is the principal regulator \$2,000 where the Commission is not the principal regulator
	(b) Under subsection 37(1), a designation order that the person is not an exchange, a quotation and trade reporting system or otherwise facilitating securities or derivatives;	\$2,000
	(c) A recognition order under subsection 35(1) or a designation made under subsection 37(1) for a crypto trading platform, where the Commission is the principal regulator;	\$5,000
	(d) An order that a person is exempt from the requirements of subsections 35(1) or 37(1);	\$2,000
	(e) Under subsection 55(1), an order that any trade, intended trade, security, derivative or person or any class of trades, intended trades, securities, derivatives or persons is not subject to the registration requirement in section 45 of the Act;	\$450

	(f) Under subsection 80(1), an order that that any trade, intended trade, security, derivative or person or any class of trades, intended trades, securities, derivatives or persons is not subject to the prospectus filing requirements in section 71 of the <i>Act</i> ;	\$450
	(g) Under subsection 92(1), an order exempting, in whole or in part, a person or class of persons from a requirement of continuous disclosure in Part 7 of the <i>Act</i> or continuous disclosure requirements set out in the Rules;	\$450
	(h) Under subsection 105(1), an order exempting, in whole or in part, a person or class of persons from a requirement of proxies and proxy solicitation in Part 8 of the <i>Act</i> or proxies or proxy solicitation requirements set out in the Rules;	\$450
	(i) Under subsection 148(1), an order exempting, in whole or in part, a person or class of persons from an insider trading and self-dealing requirement in Part 10 of the <i>Act</i> or insider trading and self-dealing requirement set out in the Rules;	\$450
	(j) Under section 208, an order exempting, in whole or in part, a person or class of persons any requirement of New Brunswick securities law.	\$450
	(2) For each application made pursuant to any Rule, regulation or a policy.	\$450 for each rule, regulation or policy
	(3) To review an application on an expedited basis (in addition to the fee for an application).	\$350
	(4) For each application for which a fee is not otherwise provided.	\$450
	(5) For each request to the Commission for a hearing and review pursuant to subsection 193(1) of the <i>Act</i> .	\$300
	Annual financial statements	
13	The fees for annual financial statements are as follows:	
	(1) For filing annual financial statements, or annual disclosure statements, filed by each issuer:	
	(a) Within the prescribed period for each issuer listed on a Canadian exchange;	\$250
	(b) Within the prescribed period for each issuer not listed on a Canadian exchange;	\$150
	(c) In addition to (a) and (b), if filed outside of the prescribed period.	\$250
	Report of exempt distribution	
14	(1) For filing a report of exempt distribution by a non-investment fund;	No fee
	(2) For filing a report of exempt distribution by in investment fund;	\$100

	(3) For filing a report of exempt distribution outside the prescribed period.	\$25 per day to a maximum of \$1,000 in any one year beginning on April 1 and ending on March 31
	Insider reporting	
15	For each filing by an insider of Form 55-102F2 <i>Insider Report</i> , if the report is filed:	
	(1) Within the prescribed period;	No Fee
	(2) Outside the prescribed period where the Commission is the principal regulator of the issuer.	\$50 per day to a maximum of \$1,000 in any one year beginning on April 1 and ending on March 31
	Certificates	
16	The fee for a Certificate pursuant to subsection 196(1) of the <i>Act</i> is:	
	(1) For the certificate;	\$50
	(2) For each page photocopied.	\$1
	Certified documents	
17	(1) The fee for certified copy of decision, document, record or matter certified by the Commission, Executive Director, Secretary or other authorized official;	\$50
	(2) Per page photocopied.	\$1
	Searches	
18	The following fees apply to searches:	
	(1) Each on-site record search	\$20
	(2) Off-site record search is:	
	(a) Daily search fee;	\$100
	(b) The total amount of disbursements incurred by the Commission.	
	Copies or scanning of documents	
19	(1) Photocopy or scanning services.	\$1 per page
	(2) For an electronic copy of an existing document.	\$25

Compliance and continuous disclosure review costs

5. Pursuant to sections 163, 167, 168 and 169 of the *Act*, the following fees and expenses are recoverable by the Commission:

- (a) \$50 per hour for each employee of the Commission involved in a compliance review;
- (b) disbursements properly incurred by the Commission for a compliance review;
- (c) fees paid or payable to an expert;
- (d) disbursements properly incurred by an expert;
- (e) fees paid or payable for legal services;
- (f) disbursements properly incurred in connection with the provision of legal services.

Refunds

- 6. (1) Upon the application of the person who made the application or the filing, the Executive Director may grant a refund of the fee paid as the Executive Director considers fair and reasonable, if any of the following apply:
 - (a) an application for registration is abandoned,
 - (b) an application is incomplete or filed in error,
 - (c) a filing is incomplete or filed in error, or
 - (d) a preliminary prospectus or prospectus is withdrawn.
- (2) 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.

Discretionary fee reduction

- 7. The Executive Director may order that any fee or expense which the Executive Director is required to charge:
 - (a) be varied by reducing the fees and expenses payable, or
 - (b) does not apply.

Repeal

- 8. Local Rule 11-501 *Fees* is repealed.

Effective date

- 9. This Rule comes into force on •.