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**BULLETIN NO. 2507, SEPTEMBER 1, 1998**

## **Approval of Members' Corporate Changes**

The Association and the Alberta, Toronto and Vancouver Stock Exchanges and the Montreal Exchange (the "SROs") have agreed that most Members' corporate changes should be approved by the prime audit jurisdiction body on behalf of the other SROs. Any SRO may opt out of the system at any point to deal directly with the Member if concerns specific to the SRO need to be addressed or the SRO's by-law stipulates Board approval. Specific examples include the requirement for The Toronto Stock Exchange approval for the items marked below with an asterisk (\*). The Member or its legal representative or counsel will be required to file documentation with all SROs for Items 1 and 3 below. The prime audit jurisdiction body will, however, co-ordinate the correction of deficiencies and grant approval on behalf of all SROs.

1. Items to be filed with all SROs but approval to be granted by the prime audit jurisdiction SRO are:
  - Related companies
  - Changes in name or address
  - Issuance of shares to the Public
  - Issuance of shares to non-industry investors including individuals
  - \* Shareholdings over 10%, including industry investors
  - \* Establishment of Members' holding companies
2. Items to be filed only with prime audit jurisdiction SRO for approval are:
  - Share Purchase Plans
  - Approval of RRSPs and RRIFs
  - Approval of subordinated loan(s) and repayment of loan(s)
  - Notification of increase or approval of decrease in capital.
  - Introducing/Carrying Broker Agreements. (Where the introducing and carrying brokers are in different prime audit jurisdictions, these should be filed with both prime audit jurisdiction SROs.)
  - Changes in dealer's registration
3. Items that must be referred to all SROs for separate approval are:
  - Application for Membership
  - Resignations

- Amalgamations/Mergers/Takeovers/Reorganization
- Material Change in Grandfathered Firms
- Changes in control of member
- Change of member seatholder (exchanges only)

Members under (SRO) prime audit jurisdiction should address requests for approval of corporate changes to Lyn Gilchrist, Association Secretary, except those relating to:

Approval of subordinated loans and notification of increase or approval of decrease in capital which should continue to be addressed to Louis Piergeti Vice-President, Financial Compliance or Maysar Al-Samadi, Director, Financial Compliance;

Registrations of individuals should continue to be addressed to the Registration Department at the office covering the region in which registration is being sought.

Members should bear in mind that the agreed procedure between the SROs may not be a part of the delegated powers and that certain requests may still require Securities Commission's approval.

For further information, please contact Larry Boyce, Director, Sales Compliance & Registrations, at (416) 943-6903.

Lyn M. Gilchrist  
Association Secretary

**PLEASE DISTRIBUTE TO INTERESTED PARTIES IN YOUR FIRM**