



LAUNCHPAD

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Overview

- Fintech business models that may require registration
- New firms – applying for registration
- Existing firms – change in business model
- How OSC LaunchPad can help

Fintech business models that may require registration

- Online advisers (sometimes referred to as “robo-advisers”)
- Online lenders (e.g., peer-to-peer lenders)
- Crowdfunding portals
- Online platforms that connect investors with companies looking to raise capital
- Other businesses that use technology to trade or advise in securities

New firms – applying for registration

- NI 33-109 *Registration Information*
 - Form 33-109F6: Firm application
 - Form 33-109F4: Individual submissions (e.g., Ultimate Designated Person, Chief Compliance Officer, registered representatives and significant shareholders)
- Create profile in National Registration Database
- Passport system; apply to principal regulator

New firms – applying for registration (cont'd)

- Some key elements of registration application:
 - Well developed business plan
 - Policies and procedures
 - Conflicts of interest addressed
 - Standard documents, such as KYC forms

- Pre-registration review
 - Identification of key issues
 - Dialogue with staff
 - Meeting(s) with key personnel
 - Demonstration of platform

Existing firms – change in business model

- Form 33-109F5: Change of registration information

- Required for changes in business activities and products and services provided
 - For example, existing exempt market dealer establishes online platform

How OSC LaunchPad can help

- Visit www.osclaunchpad.ca for information on how securities regulation may apply to your business

- Apply to receive dedicated support:
 - Meeting with OSC LaunchPad team
 - Informal guidance
 - Possible time-limited registration or exemptive relief
 - Other flexible approaches, if appropriate

- Start-ups or incumbents that raise new and/or complex securities issues

Resources

- CSA staff notice re online advisers:
http://www.osc.gov.on.ca/en/SecuritiesLaw_csa_20150924_31-342_portfolio-managers-online-advice.htm
- OSC news release re online lenders:
http://www.osc.gov.on.ca/en/NewsEvents_nr_20150619_peer-to-peer-lending.htm
- Companion policy to MI 45-108 crowdfunding rule:
http://www.osc.gov.on.ca/en/SecuritiesLaw_cp_20160114_45-108_crowdfunding.htm
- CSA staff notice re conflicts of interest:
http://www.osc.gov.on.ca/documents/en/Securities-Category3/csa_20151119_31-343_sn-conflicts-of-interest.pdf
- OSC Registrant Outreach page:
http://www.osc.gov.on.ca/en/Dealers_registrant-outreach_index.htm#rr