

# Ownership types & registered holders information



## When do I file insider reports?

In most jurisdictions, the deadline is 5 days from the date of the trade or 10 days from the date of becoming an insider. See your legal counsel or refer to [National Instrument 55-104](#).

## As an insider, do I need to report shares my spouse owns?

You need to report transactions and holdings in shares that your spouse (or any other person related to you) owns when you have control or direction over these shares.

## When am I the beneficial owner of securities?

You are the beneficial owner of securities if you have an equitable right to them, whether or not they are registered in your name. Equitable or beneficial ownership is in contrast to legal ownership. A legal owner has title to the securities, although legal title may carry no rights to the property. Equitable or beneficial ownership means that while you may not have title to the securities, you have rights to the securities which are the normal incidents of owning the securities. Many insiders hold securities which are registered in the name of an investment firm, depository, trustee or bank, but the individual remains the beneficial owner.

You may also be deemed to be the beneficial owner of securities that are beneficially owned by:

- ✚ an issuer that you control or
- ✚ by an affiliate of any issuer that you control.

## What is indirect ownership?

A person is an indirect beneficial owner when the person's securities are held through an issuer, an affiliated issuer, a family trust, a third person or other legal entity. Securities beneficially owned but held through a nominee such as a broker or book-based depository are considered direct holdings.

*Example:* The insider is the indirect beneficial owner of securities that are held by a holding company that an insider or its subsidiaries controls. Whenever an insider is deemed to be the beneficial owner, the insider will be an indirect beneficial owner.

## What is control or direction?

An insider has control or direction over securities if the insider, directly or indirectly, through any contract, arrangement, understanding or relationship or otherwise has or shares:

- ✚ voting power, which includes the power to vote, or direct the voting of, the securities; or
- ✚ investment power, which includes the power to buy or sell, or to direct the purchase or sale of, the securities.

An insider may not be the beneficial owner, but the insider may have control or direction over the securities through a power of attorney, grant of limited trading authority, or management agreement.

*Example:* An insider may have been granted authority to vote or to trade securities owned by family members, friends or associates. If so, the insider would have to report those securities' holdings and transactions on insider reports as being under the insider's control or direction.

## What is a control person?

Where applicable, a control person is a person, or an issuer or member of a combination of persons or companies holding a sufficient number of securities of an issuer to affect materially the control of that issuer, but any holding of any person, issuer or combination of persons or companies holding more than 20 per cent of the outstanding voting securities shall, in the absence of evidence to the contrary, be deemed to affect materially the control of the issuer.

## **What are the obligations of a control person to report trades in securities?**

In some jurisdictions, control persons are subject to resale restrictions and reporting obligations beyond those that apply to insiders.

In most cases, a control person must provide advance notice to the market of any intended sale of securities, through the filing of a prescribed form on SEDAR, and such control person must file an insider report on SEDI within three days of each sale of securities.

This notice may have to be renewed and refiled on SEDAR at the end of 60 days (and thereafter at the end of each 28 day period) so long as any of the securities remain unsold or until a notice has been filed that the securities are no longer for sale.

## **When do I need to add registered holders?**

An insider can own securities directly, indirectly or can exercise control or direction over them. If the securities are not owned directly, they could be registered in the name of a depository, a financial intermediary, a holding company or a family member. The name of the registered holder has to be specified and each type of ownership must be reported separately.

However, securities beneficially owned but held through a nominee such as a broker or book-based depository are considered direct holdings. In such cases, the registered holder should not be reported.

**Example 1:** If you hold your securities directly. You can hold the securities in an account with your broker, but the account is in your name.

**Example 2:** If you hold your securities indirectly. You beneficially own common shares in X Co. but the registered owner is another entity such as a holding company, an RRSP, or a family trust.


**Example 3:** If you have control or direction over the securities. You set up a trust for your children in which Co. X securities are held. Because of your relationship with your children, you need to report your children's holdings, because you could direct your children to purchase or sell those securities. This may also be the case if your spouse owns the securities, but you have control or direction over those securities.


## **Do I need to add the name of the broker or depository as the registered holder of the securities if I own the securities directly?**

No. For insider reporting, the term "registered holder" means the entity through which you beneficially own securities such as an RRSP, holding company, family trust, or the person or company that owns the securities over which you have control or direction. Securities beneficially owned directly but held through a nominee such as a broker or book-based depository are considered direct holdings (For more details, see Form 55-102F1, item 14, and Form 55-102F2, item 6 that are posted under "Additional Information" on the SEDI Help page).

## **How do I report holdings of securities under an RRSP?**

You report acquisitions or dispositions of securities within your own RRSP in the same manner as other indirect securities transactions.


 Ownership: Indirect ownership

 Registered holder: Indicate that the securities are held in an RRSP.

## **How do I report holdings of securities under Spousal RRSP?**

If you hold securities for your spouse in an RRSP, over which you have control or direction, you report holdings and transactions for the spousal RRSP in the same manner as other securities transactions, except:

 Ownership: Control and direction

 Registered holder: Indicate that the securities are held in a spousal RRSP.