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## **Loan and Trust Companies Act**

Province of New Brunswick

### **SUMMARY SHEET**

The following summarizes various obligations a licensed extra-provincial loan or trust company has under the *Act*. It is provided as a convenience only and may be updated from time to time.

#### **NOTE:**

**Act** – *Loan and Trust Companies Act* (New Brunswick)

**Minister** – Minister of Justice, Province of New Brunswick

**Superintendent** – Superintendent of Loan and Trust Companies

## SUMMARY SHEET

### 1)- GENERAL APPLICATION:

A licensed extra-provincial company is subject to provisions of Part I, XI, XII and XVII of the *Loan and Trust Companies Act*. **Section 191 of the Act.**

### 2)- AGENT IN NEW BRUNSWICK:

- I) If the company's agent dies, resigns or appointment is revoked, the company shall file immediately with the Superintendent, the appointment of another agent and new power of attorney with Form #10. **Subsection 193(2) of the Act.**
- II) If an agent intends to resign, it shall give not less than sixty (60) days notice to the company, and file immediately a copy of the notice with the Superintendent. **Subsection 193(3) of the Act.**
- III) An agent shall file immediately with the Superintendent a notice of any change of the agent's address with Form #11. **Subsection 193(4) of the Act.**

### 3)- OPENING A BRANCH IN NEW BRUNSWICK:

No licensed extra-provincial company shall open a branch in New Brunswick unless it has given to the Superintendent at least thirty (30) days notice before it opens the branch. **Section 194 of the Act.**

### 4)- MUTUAL FUNDS:

No extra-provincial company or its subsidiary shall promote or operate a mutual fund in New Brunswick without the approval of the Superintendent. **Subsection 196(5) of the Act.**

### 5)- REGISTRATION AS A BROKER, SALESMAN OR SUBAGENT:

No extra-provincial company or its subsidiary shall be registered as a broker, salesman or subagent under the *Securities Act* or the regulation under the *Act* unless the company or its subsidiary has received the approval of the Superintendent. **Subsection 196(6) of the Act.**

**6)- OTHERS:**

- I) The Superintendent shall receive copies of any change in the company's instrument of incorporation, licence or registration within seven (7) days after the effective date of the change. **Subsection 198(a) of the Act.**
- II) The Superintendent shall be notified within seven (7) days of any change in either of the address of its principal office in New Brunswick and/or its registered office. Form #12 shall be completed and filed with the Superintendent. **Subsection 198(c) of the Act.**
- III) The Superintendent shall be notified within seven (7) days of any change in the names and address of the members of its board of directors, board of management or other governing body. Form #12 shall be completed and filed with the Superintendent. **Subsection 198(d) of the Act.**
- IV) Where any term, condition or restriction of the company's licence or registration in its designated jurisdiction is changed or is imposed, or the licence or registration is revoked, the company must inform the Minister within twenty-four hours. Notice may be given through the Superintendent's Office. **Subsection 203(1) of the Act.**

**7)- FINANCIAL INFORMATION:**

The extra-provincial company is required to file financial and other information as may be required by the Superintendent from time to time. The Superintendent also requires the filing of a financial return by the company in its designated jurisdiction.

**8)- FINANCIAL STATEMENTS TO SHAREHOLDERS:**

The extra-provincial company shall file with the Superintendent a copy of every statement of a financial nature furnished to its shareholders within seven (7) days after the distribution of the statement. (This should include interim financial statements.) **Section 199 of the Act.**

**9)- ANNUAL RETURN:**

The extra-provincial company shall file with the Superintendent a copy of the annual return required by its designated jurisdiction within seven (7) days after filing. **Section 200 of the Act.**

**10)- VOLUNTARY COMPLIANCE AGREEMENT:**

Where an extra-provincial company enters into a voluntary compliance program or any other agreement similar in nature with the appropriate official in the designated jurisdiction, the company shall notify the Minister within twenty-four hours after entering into such program or agreement. Notice can be given through the Superintendent's Office. **Subsection 204(1) of the Act.**

### 11)- DEPOSIT BROKER:

- I) The extra-provincial company shall immediately notify the Superintendent of the name, address and telephone number of every deposit broker, agent, representative or other person who has authority to receive or accept in New Brunswick and on behalf of the company, money as deposits or intended as deposits with the company. **Section 206 of the Act.**
- II) The extra-provincial company shall file with the Superintendent any changes to its schedule or remuneration rates for such deposit agents in New Brunswick at least ten (10) days before coming into effect. **Subsection 78(3) of the general regulation under the Act.**
- III) In addition to the Annual Return, (see item #9 of this summary sheet) the extra-provincial company shall submit:
  - a list of names and addresses of all deposit agents in New Brunswick for receiving or accepting money or any other funds in New Brunswick on its behalf during the financial years to which the annual return relates and;
  - a schedule of remuneration rates for such deposit agents in New Brunswick, expressing the rate in dollars or as a percentage of deposits,

whichever is applicable, for all deposit agents and indicating the number of deposit agents to whichever schedule applies. **Subsections 78(a) and (b) of the general regulation under the Act.**

### 12)- AMALGAMATION:

- I) Where one or more licensed extra-provincial companies amalgamated with an extra-provincial company that is not licensed under this Act , the company shall apply immediately for a first licence. **Subsections 208(1), (2) and (3) of the Act,**
- II) Where a licensed extra-provincial company amalgamates with one or more other licensed extra-provincial companies under this Act, it shall file with the Superintendent a statement relating to the amalgamation in the form prescribed by regulation, the appropriate consent of the amalgamation from the company's designated jurisdiction and such other documents that the Superintendent may require. **Subsections 207(1), (2) and (3) of the Act.**

### 13)- LIQUIDATION:

When the liquidation proceedings are commenced, an extra-provincial company or the liquidator shall submit to the Superintendent:

- I) A notice showing that the proceedings have commenced and the addresses of the liquidator, if one is appointed. **Paragraph 209(1)(a) of the Act.**
- II) A return relating to the liquidation immediately after the completion of those proceedings.

**14)- CHANGE IN THE NAME OF COMPANY:**

Where the extra-provincial company name has been changed, the Superintendent should be informed immediately. The company should apply on Form #15 to amend the licence to effect a change in the name of the company on its licence. **Subsection 211(4) of the Act.**

**15)- COMMON TRUST FUNDS:**

- I) No trust company shall invest moneys received in New Brunswick and held in trust by the company in one or more common trust funds of the company without a written plan of operation for each fund being approved by the Superintendent. **Subsection 42(1) of the general regulation under the Act.**
- II) Once the common trust funds have been approved by the Superintendent, the following filing obligations exist:
  - Amendments to the plan of operation of such funds shall be filed with the Superintendent forthwith. **Subsection 42(7) of the general regulation under the Act.**
  - A copy of the financial statement and of the audit report of each fund shall be filed with the Superintendent within one hundred and forty (140) days after the year-end of each fund. **Subsection 53(3) of the general regulation under the Act.**