



Securities Transfer Association of Canada

Dematerialization in Canada

The Canadian Depository for Securities, Limited (CDS) is continuing their work toward the elimination of physical certificates in Canada. Effective September 1, 2017, CDS no longer accepts physical certificates for new security issues, unless the issuer has signed a Book Entry Only Securities Services Agreement (BEO SSA), and deposited a global note with CDS. In this scenario, CDS holds all issued and outstanding securities, and certificates are not available to registered holders.

CDS currently has two options for eligibility of new issues:

1. BEO (Book Entry Only) Global Certificate held by CDS, and
2. Uncertificated, also referred to as Non-Certificate Inventory (NCI).

More details about each type of eligibility can be found on the CDS website [here](#). Although CDS is accepting global certificates for BEO issues, they are strongly encouraging issuers to move toward the NCI option.

There are still existing issues, where CDS is holding physical certificates. In these instances, CDS representatives are contacting the affected issuers directly in order to continue their work toward dematerialization. More information is available from CDS [here](#).

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This document is for information purposes only and should not be considered advice. CDS should be contacted directly for additional information