

IIROC NOTICE

Rules Notice Technical

Dealer Member Rules

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Contact:

Angie F. Foggia
Policy Counsel, Member Regulation Policy
416.646.7203
afoggia@iiroc.ca

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Personal Financial Dealings with Clients – Extension of deadline date for the unwinding of existing trustee, executorship and power of attorney arrangements prescribed by Dealer Member Rule 43.2(5)(i)

On June 13, 2013, through the issuance of IIROC Notice 13-0162, IIROC announced the implementation of new Dealer Member Rule 43 and amendments to Dealer Member Rule 18.14 (the “Rules”), relating to personal financial dealings with clients and outside business activities. With the exception of Dealer Member Rule 43.2(5)(i), the Rules came into effect in December 2013. In the case of existing arrangements referred to in Dealer Member Rule



43.2(5)(i), such arrangements must be unwound or compliant with Dealer Member Rule 43 by June 13, 2015.

On April 24, 2014, through the issuance of IIROC Notice 14-0103, IIROC published for comment proposed amendments to the Rules to:

- (a) narrow the scope of the prohibition relating to the assumption of control or authority positions, such that it only applies to registered representatives (“RRs”) and investment representatives (“IRs”), and
- (b) provide an exemption that would allow RR’s and IR’s to act as a non-Related Person’s (as defined by the *Income Tax Act*) trustee or executor, subject to certain conditions.

To allow for the proper consideration of the proposed amendments, the June 13, 2015 deadline has been extended to December 13, 2015. This extension is necessary in order to ensure that existing control and authority arrangements are not unnecessarily unwound in the event the proposed amendments are adopted.