



INVESTMENT DEALERS  
ASSOCIATION OF CANADA

# bulletin



ASSOCIATION CANADIENNE DES  
COURTIERS EN VALEURS MOBILIÈRES

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*For distribution to relevant parties within your firm*

**BULLETIN #3259**

March 12, 2004

## **By-laws and Regulations**

### **Amendment to Regulation 200.1(h): Confirmations of Managed Account Transactions**

The Board of Directors has approved amendments to Regulation 200.1(h) regarding confirmations of managed account transactions, effective immediately.

Regulation 200.1(h) previously contained an exemption from the requirement to send confirmations to managed account clients where the account is externally managed, the client waives the requirement and a confirmation is sent to the account manager.

The revisions remove the requirement to send confirmations to internally managed account holders where:

- 1) the account is not charged commissions or fees based on the volume or value of transactions in the account;
- 2) the client waives the requirement in writing and may terminate the waiver by written notice to the Member;
- 3) the Member sends to the client a monthly statement in compliance with Regulation 200.1(c) containing all of the information required to be contained in a confirmation with exceptions detailed in the revisions, maintains the additional information and discloses to the client on the monthly statement that such information will be provided to the client on request;
- 4) the provision of a confirmation is not required under any applicable securities law, regulation or policy of the jurisdiction in which the client resides or the Member has obtained an exemption from such law, regulation or policy. Members seeking to obtain an exemption from applicable Canadian securities legislation or regulations can apply to more than one jurisdiction though the Mutual Reliance Review System for Exemptive Relief Applications.

Attached is a blacklined copy of the affected section of Regulation 200.1(h) showing the revisions.

Kenneth A. Nason

*Association Secretary*

Notwithstanding the provisions of this Regulation 200.1(h), a Member shall not be required to provide a confirmation to a client in respect of a trade in a managed account, provided that:

~~(i) A person other than the Member manages the account;~~

~~(ii) Prior to the trade, the client has consented in writing to waive the trade confirmation requirement;~~

~~(iii) A trade confirmation has been sent to the manager of the account; and~~

~~(iv) The Member has complied with the requirements of Regulation 200.1(c).~~

~~The client may terminate a waiver by notice in writing. The termination notice shall be effective upon receipt of the written notice by the Member, for trades following the date of receipt.~~

(i) Prior to the trade, the client has consented in writing to waive the trade confirmation requirement;

(ii) The client may terminate a waiver by notice in writing. The termination notice shall be effective upon receipt of the written notice by the Member, for trades following the date of receipt;

(iii) The provision of a confirmation is not required under any applicable securities law, regulation or policy of the jurisdiction in which the client resides or the Member has obtained an exemption from any such law, regulation or policy by the responsible securities regulatory authority; and

(iv) (a) where a person other than the Member manages the account

(A) a trade confirmation has been sent to the manager of the account, and

(B) the Member complies with the requirements of Regulation 200.1(c); or

(b) where the Member manages the account:

(A) the account is not charged any commissions or fees based on the volume or value of transactions in the account;

(B) the Member sends to the client a monthly statement that is in compliance with Regulation 200.1(c) and contains all of the information required to be contained in a confirmation under this Regulation 200.1(h) except:

(1) the day and the stock exchange or commodity futures exchange upon which the trade took place;

(2) the fee or other charge, if any, levied by any securities regulatory authority in connection with the trade;

(3) the name of the salesman, if any, in the transaction;

(4) the name of the dealer, if any, used by the Member as its agent to effect the trade; and,

(5) if acting as agent in a trade upon a stock exchange the name of the person or company from or to or through whom the security was bought or sold,

(C) the Member maintains the information not required to be in the monthly statement pursuant to paragraph (B) and discloses to the client on the monthly statement that such information will be provided to the client on request.