



INVESTMENT DEALERS  
ASSOCIATION OF CANADA

# bulletin



ASSOCIATION CANADIENNE DES  
COURTIERS EN VALEURS MOBILIÈRES

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**BULLETIN #3269**

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## **By-Laws and Regulations**

### **Amendments to Policy 2 Regarding Supervision of Managed Accounts**

The Board of Directors has approved amendments to Policy 2, Part VII.E, effective immediately. A blacklined version of the amended section is attached.

The revisions change the Policy 2 requirements for supervision of managed accounts to make them consistent with the amendments to Regulation 1300 published in Bulletin #3241 on January 26, 2004.

Kenneth A. Nason

*Association Secretary*

**INVESTMENT DEALERS ASSOCIATION OF CANADA**  
*AMENDMENTS TO POLICY 2, PART VII.E*

THE BOARD OF DIRECTORS of the Investment Dealers Association of Canada hereby amends the By-laws, Regulations, Forms and Policies of the Association by amending Policy 2.VII.E as follows:

**“E. Managed Accounts**

1. The Member must be approved by the Association to handle managed accounts and comply with all the requirements which are specifically detailed in the by-laws, regulations, rulings and policies of the Association. Only qualified portfolio managers may handle managed accounts.
2. The client must sign a managed account agreement.
3. Member must accept managed accounts in writing signed by a designated partner, director, officer or branch manager. The authorization must indicate the client's investment objectives.
4. In a managed account the Member cannot without the written consent of the client:
  - Invest in an issuer in which the responsible person is an officer or director. No such investment may be made unless such office or directorship has been disclosed to the client;
  - Invest in a security which is being bought or sold from a responsible person's account to a managed account;
  - Make a loan to a responsible person or to an associate.
5. The Member must receive and acknowledge in writing cancellation by the client. The Member may terminate the arrangement in writing provided that it is not earlier than 30 days from the time of mailing.”

PASSED AND ENACTED by the Board of Directors, this 28<sup>th</sup> day of January 2004, to be effective on a date to be determined by Association staff.