



INVESTMENT DEALERS  
ASSOCIATION OF CANADA

# bulletin



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COURTIERS EN VALEURS MOBILIÈRES

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*For distribution to relevant parties within your firm*

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## By-Laws and Regulations

### Amendments to Regulation 100.20 and Schedule 9 of Form 1 to Clarify the Threshold Amount Calculation Relating to Securities Concentration Charge

The Board of Directors of the Association has approved amendments to Regulation 100.20 and Notes and Instructions to Schedule 9 of Form 1 to clarify the calculation of the threshold amount for securities concentration charge purposes. The amendments are effective immediately, a copy of which is enclosed as Attachment #1.

The amendments are housekeeping in nature as they aim to clarify and eliminate the likelihood of different interpretations in calculating the threshold amount for securities concentration charge. Prior to these amendments, in determining whether a securities concentration charge applied, the threshold calculation was worded as a fraction “of the Member’s risk adjusted capital, before securities concentration charge plus minimum capital.” Depending on how a Member interpreted this wording, there could be two different numerical results: (1) a fraction of the risk adjusted capital before securities concentration charge + minimum capital; or (2) a fraction of the sum of (risk adjusted capital before securities concentration charge + minimum capital). The latter numerical result was the intent.

Furthermore, the amendments correct a minor inconsistency in the reporting requirement between Regulation 100.20 and Notes and Instructions to Schedule 9 of Form 1 by replacing the words “Vice-President, Financial Compliance” in Regulation 100.20 with “appropriate Joint Regulatory Bodies.”

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**INVESTMENT DEALERS ASSOCIATION OF CANADA  
HOUSEKEEPING CHANGES TO REGULATION 100.20 AND SCHEDULE 9**

THE BOARD OF DIRECTORS of the Investment Dealers Association of Canada hereby makes the following amendments to the By-laws, Regulations, Forms and Policies of the Association:

1. Adding the words “the sum of” in the front of “the Member’s risk adjusted capital, before securities concentration charge” and replacing the word “plus” with the word “and” in front of “minimum capital” in the following lines of sections within Regulation 100.20:
  - lines 3, 4 and 6 and 7 of Regulation 100.20(c)(i);
  - lines 13 and 14 of Regulation 100.20(c)(ii); and
  - lines 2 and 3 of Regulation 100.20(d).
2. Adding the words “the sum of” in the front of “the Member’s risk adjusted capital” and the words “before securities concentration charge and minimum capital” immediately thereafter in lines 6 and 7 of sections within Regulation 100.20(d).
3. Replacing the words “Vice-President, Financial Compliance” with “appropriate Joint Regulatory Bodies” in Regulation 100.20(f).
4. Adding the words “the sum of” or “the sum of the firm’s” in the front of “the firm’s Risk Adjusted Capital, before securities concentration charge” or “Risk Adjusted Capital, before securities concentration charge”, as appropriate, and replacing the word “plus” with the word “and” in front of “minimum capital” in the following lines of notes within the Notes and Instructions to Schedule 9 of Form 1:
  - lines 3 and 4 of Note 9(c);
  - lines 10, 11, 13 and 14 of Note 10(a);
  - lines 4, 5, 7 and 8 of Note 10(b);
  - lines 3, 4, 7 and 8 of Note 10(c);
  - lines 3 and 4 of Note 10(d)(ii);
  - lines 3 and 4 of Note 10(d)(iii); and
  - lines 4 and 5 of Note 10(d)(iv).

PASSED AND ENACTED BY THE Board of Directors this 19<sup>th</sup> day of January 2005, to be effective on a date to be determined by Association staff.