

# IIROC NOTICE

## **Rules Notice Technical**

Dealer Member Rules

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**15-0256**

**November 17, 2015**

## **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. The Rules came into effect in December 2013, except in the case of Dealer Member Rule 43.2(5)(i), which prohibits personal financial dealings involving control or authority, such as those in which employees or Approved Persons act as a Power of Attorney, trustee, executor or otherwise have full or partial control or authority over the financial affairs of a client.

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 RRs and IRs to act as a non-Related Person’s (as defined by the *Income Tax Act*) trustee or executor, subject to certain conditions.

In the case of existing arrangements referred to in Dealer Member Rule 43.2(5)(i), such arrangements were originally required to be unwound or compliant with Dealer Member Rule 43 by June 13, 2015, in accordance with IIROC [Notice 15-0096](#).

On April 29, 2015, through the issuance of IIROC Notice 15-0096, IIROC extended the deadline to December 13, 2015. Notwithstanding the original extension, we continue to review comments received in response to IIROC Notice 14-0103 and are further extending the deadline to September 13, 2016.