



NEWS RELEASE

For immediate release

New Memorandum of Understanding

IIROC and CDIC strengthen consumer protection

November 2, 2016 (Toronto, Ontario) – The Canada Deposit Insurance Corporation (CDIC) and the Investment Industry Regulatory Organization of Canada (IIROC) have signed a Memorandum of Understanding (MOU) that will allow them to better protect depositors and investors through enhanced cooperation when a CDIC member institution or a connected IIROC-regulated firm encounters serious financial difficulties.

Under the MOU, CDIC and IIROC have agreed to strengthen their consultation, cooperation and exchange of information in connection with the crisis management and resolution of a CDIC member institution or connected investment firm.

“Investors across Canada will benefit from the early warning, co-operation and co-ordinated efforts of two organizations working together to plan and oversee the orderly resolution of a financial emergency at an investment firm,” said Andrew J. Kriegler, President and CEO of IIROC. “This enhanced co-operation will not only help protect investors’ assets and deposits but will also promote confidence and financial stability in Canada.”

“In order to protect the deposits of Canadians in a rapidly evolving financial sector, we need to have a full picture of the business of our member institutions,” said Michèle Bourque, President and CEO of CDIC. “In the unlikely event of a failure, this agreement will ensure that we are able to act quickly and effectively to co-ordinate the orderly resolution of a financial firm.”

This MoU follows similar arrangements CDIC has established with other leading deposit insurers and financial regulators to improve cooperation, information sharing, and resolution planning. CDIC will continue to work with domestic and international counterparts to strengthen relationships and coordination for deposit protection.

IIROC continues to pursue agreements to improve the consistency and effectiveness of the regulatory system that protects Canadian investors. Most recently, IIROC announced an [MOU with the Insurance Council of British Columbia](#) in June. It previously announced agreements with the [Financial Services Commission of Ontario](#) in March and the [Chambre de la sécurité financière](#) in Quebec in November 2015. IIROC has more than a dozen agreements with Canadian and international regulatory organizations.

CDIC is a federal Crown corporation that contributes to the stability of the Canadian financial system by providing deposit insurance against the loss of eligible deposits at member institutions in the event of failure. CDIC protects approximately \$700 billion of savings held by its member institutions which include banks, federally regulated credit unions as well as loan and trust companies and associations governed by the Cooperative Credit Associations Act that take deposits. CDIC is funded by premiums paid by member institutions and does not receive public funds to operate.

IIROC is the national self-regulatory organization which oversees all investment dealers and their trading activity in Canada's debt and equity markets. IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while supporting healthy Canadian capital markets. IIROC carries out its regulatory responsibilities through setting and enforcing rules regarding the proficiency, business and financial conduct of dealer firms and their registered employees and through setting and enforcing market integrity rules regarding trading activity on Canadian equity marketplaces.

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