

NEWS RELEASE

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Securities regulator modernizes rules to improve investment firms' understanding and interpretation

IIROC publishes plain language Dealer Member Rules

August 22, 2019 (Toronto, Ontario) – The Investment Industry Regulatory Organization of Canada (IIROC) today published its [Dealer Member Rules in plain language](#) (IIROC Rules), providing a clear, organized and modernized rewrite of IIROC's existing Dealer Member Rules (DMRs).

Approved by the Canadian Securities Administrators, the IIROC Rules will govern the activities of investment firms and, together with IIROC's existing Universal Market Integrity Rules, comprise IIROC's regulatory framework. When IIROC was formed in 2008, it adopted the former Investment Dealer Association's rules as the DMRs. Despite many amendments over the years, a comprehensive reorganization and re-write of the DMRs, in one consistent style and voice, was necessary to make the rules simpler to navigate and interpret.

“The transformation of the Rule Book is a major step forward for IIROC, enabling greater understanding and application of our rules by firms and advisors,” says Irene Winel, IIROC's Senior Vice-President, Member Regulation & Strategy. “Cleaning up unnecessary, duplicative and obsolete requirements and more clearly outlining our expectations and objectives should help firms with compliance by reducing uncertainty and regulatory burden.”

The modernized rules support IIROC's commitment to facilitate industry innovation stemming from its' multi-phase broad consultation and resulting report, [Enabling the Evolution of Advice in Canada](#). Implementation of IIROC's Rules will be effective on June 1, 2020, providing the architecture to enable IIROC to keep pace with the industry's rapidly advancing business models and technologies, and Canadian investors' evolving needs.

The IIROC Rules are a result of extensive consultations with the first proposed rewrite published for comment in March 2016 and March 2017, followed by a final request for comment in January 2018. Visit the full [Notice of Implementation](#) for additional details, including a [Table of Concordance](#), which maps existing DMRs to IIROC Rules and also outlines those changes that were substantive.

Also published today, as a part of the IIROC Rules:

- [Amendments to Form 1 for use in, and consistency with, the Plain Language Dealer Member Rules Rule Book](#)
- [Amendments to Client Identification and Verification Requirements](#)
- [Investment in a Dealer Member – Changes to Forms and Guidance](#)

About IIROC:

IIROC is the national self-regulatory organization that 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 more than 170 Canadian investment dealer firms and their more than 29,000 registered employees, the majority of whom are commonly referred to as investment advisors. IIROC also sets and enforces market integrity rules regarding trading activity on Canadian debt and equity marketplaces.

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