



bulletin



Contact:

Ian CW Russell
Senior Vice President, Capital
Markets
Tel: (416) 865-3036

For distribution to relevant parties within your firm

BULLETIN # 2632
September 29, 1999

Notice to Members

Securities Industry Committee on Analyst Standards Request for Submissions

The Toronto Stock Exchange, the Vancouver Stock Exchange, the Alberta Stock Exchange and the Investment Dealers Association of Canada have established the Securities Industry Committee on Analyst Standards with a mandate to review the practices and activities of securities research analysts employed by dealers in Canada and the standards of conduct and supervision of the analysts; and to report and make recommendations on securities industry standards governing the conduct and supervision of analysts as considered appropriate to preserve the integrity of the capital markets.

The Committee will conduct a thorough review of the role, the practices and the activities of securities research analysts with a view to making recommendations that, if implemented, will have the effect of improving Canadian capital markets and increasing investor confidence in our markets. In particular, the Committee will:

- 1) examine
 - existing standards of supervision, compliance procedures and disclosure requirements applicable to research analysts and their activities;
 - conflicts of interest inherent to the role of research analysts in the securities industry;
 - the applicability to research analysts and their activities of the Code of Ethics and Standards of Professional Conduct of the Association for Investment Management and Research;
- 2) review the need for industry standards governing
 - the conduct and activities of research analysts;
 - supervision of research analysts;
 - compliance procedures relating to research analysts;
 - disclosure requirements, including conflict of interest disclosure requirements, for research analysts;
 - the regulation of conflicts of interest; and

3) make recommendations designed to increase confidence in and improve Canadian capital markets.

The Committee invites Members and other interested parties to make written submissions on the matters to be considered by the Committee. Submissions will be public documents.

Submissions should be addressed to:

SECURITIES INDUSTRY COMMITTEE ON ANALYST STANDARDS
THE TORONTO STOCK EXCHANGE
THE EXCHANGE TOWER
2 FIRST CANADIAN PLACE
TORONTO, ONTARIO
M5X 1J2

ATTENTION: G. IAN FERGUSON

Submissions should arrive no later than 30 November 1999.

The media release announcing the Committee is attached. If member firms have any questions on the foregoing comments and material, they should contact Ian C.W. Russell, Senior Vice President, Investment Dealers Association, at (416) 865-3036.

Lyn M. Gilchrist
Association Secretary