



INVESTMENT DEALERS
ASSOCIATION OF CANADA

bulletin



ASSOCIATION CANADIENNE DES
COURTIERS EN VALEURS MOBILIÈRES

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For distribution to relevant parties within your firm

BULLETIN #3202

October 27, 2003

By-Laws and Regulations Policy No.11 - Research Restrictions and Disclosure Requirements

The Board of Directors of the Association has approved Policy No. 11, Research Restrictions and Disclosure Requirements, to be effective February 1, 2004 .

Currently, there are no comprehensive by-laws, regulations or policies that specifically address research analyst conflicts of interest. As serious conflicts of interest can arise, uniform rules need to be established to assist individuals who rely on analyst recommendations and to help inspire investor confidence.

Policy No. 11 is based largely on the report of the *Securities Industry Committee on Analyst Standards* (Crawford Report) published in October 2001, as well as rules regarding analysts in the United States. The Policy contains numerous disclosure requirements but where serious conflicts of interest cannot be managed through disclosure, prohibition is required.

Members can refer to Member Regulation Notice MR0248 for guidance with respect to Policy No. 11.

A copy of the Policy has been attached for reference.

Kenneth A. Nason
Association Secretary