



INVESTMENT DEALERS  
ASSOCIATION OF CANADA

# bulletin



ASSOCIATION CANADIENNE DES  
COURTIERS EN VALEURS MOBILIÈRES

*Contact:*

Larry Boyce  
Vice President, Sales Compliance  
416-943-6903

*For distribution to relevant parties within your firm*

**BULLETIN #3527**

April 10, 2006

## **By-Laws and Regulations Amendments to By-laws 4.6 and 4.9 and Policy 6, Part I Non-retail Branch Managers**

The Board of Directors has approved changes to By-laws 4.6 and 4.9 and Policy 6, Part I regarding branch managers of locations that do not handle retail accounts, effective April 8, 2006. The text of the amended sections is attached.

The changes do not change the requirement for Members to appoint branch managers of such locations, but remove the branch manager proficiencies that are related to supervision of retail accounts. Non-retail branch managers must complete the partners, directors and officers qualifying examination and have the proficiencies to either conduct or supervise any trading activity occurring at the branch.

A Member Regulation notice dealing with proficiency and application issues is being issued simultaneously with this bulletin.

Kenneth A. Nason  
*Association Secretary*

## INVESTMENT DEALERS ASSOCIATION OF CANADA

### AMENDMENTS TO BY-LAW 4.9 REGARDING THE PROFICIENCY REQUIREMENTS FOR BRANCH MANAGERS OF BRANCHES HAVING ONLY NON-RETAIL ACCOUNTS

4.6.

- (a) Each Member shall appoint a branch manager to be in charge of each of its branch offices and, where necessary to ensure continuous supervision of the branch office, a Member may appoint one or more assistant or co-branch managers who shall have the authority of a branch manager in the absence or incapacity of the branch manager. A branch manager shall be normally present at the branch of which he or she is in charge.
- (b) A Member having a branch office that has no client accounts other than accounts for institutional clients as defined in Policy 4 may appoint a branch manager (non-retail) to be in charge of the branch and, where necessary to ensure continuous supervision of the branch office, a Member may appoint one or more assistant or co-branch managers (non-retail), who shall have the authority of a branch manager in the absence or incapacity of the branch manager. A branch manager (non-retail) shall be normally present at the branch of which he or she is in charge.
- (c) A Member shall notify the Association as required in accordance with By-law 40, of the opening or closure of a branch office.”

4.9. No person shall act as a sales manager, branch manager, assistant branch manager, co-branch manager, branch manager (non-retail), assistant branch manager (non-retail) or co-branch manager (non-retail) unless the person:

- (a) Has satisfied the applicable proficiency requirements outlined in Part I of Policy No. 6; and
- (b) Has been approved by the Association.”

Policy 6, Part I, Section 1:

#### **1. Branch Managers and Sales Managers**

- (a) The proficiency requirements for a sales manager, branch manager, assistant or co-branch manager under By-law 4.9 are:
  - (i) Two years of experience as a securities dealer or working in the office of a broker or dealer in securities in various positions or such equivalent experience as may be acceptable to the applicable District Council;
  - (ii) Approval as a registered representative; and
  - (iii) Successful completion of
    - (A) The Branch Managers Course,
    - (B) The Options Supervisors Course if the Member trades options with the public and
    - (C) The Effective Management Seminar within 18 months of approval.

- (b) The proficiency requirements for a branch manager (non-retail), assistant branch manager (non-retail) or co-branch manager (non-retail) under By-law 4.9 are:
  - (i) Successful completion of:
    - (A) The Branch Managers Course, or
    - (B) the Partners, Directors and Senior Officers Qualifying Examination, and
  - (ii) The proficiency requirements necessary to conduct or supervise any trading activity carried on by Approved Persons in the branch.