



# bulletin



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For distribution to relevant parties within your firm

**BULLETIN #3714**  
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## **By-Laws and Regulations**

### **Housekeeping Amendment to By-law 18.14(d): Repeal of Subsection 18.14(d)(iii)**

The Board of Directors of the Association has approved an amendment to By-law 18.14(d), effective immediately. A blacklined copy of the amendment to By-law 18.14(d) is attached.

By-law 18.14 deals with dual employment of registered representatives (RR) and investment representatives (IR). The By-law states that where permitted an RR or IR may have and continue in another gainful occupation so long as certain conditions are met which include the Member acknowledging in writing to the Association that it is responsible for the supervision of such RRs or IRs, and the Member establishing and maintaining procedures to ensure continuous service to clients and to address potential problems of conflict of interest.

By-law 18.14(d) lists a number of specific dual employment prohibitions. Under 18.14(d)(iii), RRs and IRs are prohibited from being dually employed by a Member firm and a firm listed on a recognized stock exchange, unless the firm is the parent company or subsidiary of the Member or unless such dual employment has been approved by the stock exchange on which the firm is listed. As stock exchanges collectively no longer provide such approvals and have eliminated dual employment approval requirements where such provisions existed in their Rules, the corresponding IDA By-law has been rendered redundant.

Kenneth A. Nason  
*Association Secretary*

**INVESTMENT DEALERS ASSOCIATION OF CANADA  
RULE AMENDMENT**

**BLACKLINED CHANGES TO BY-LAW 18.14  
REGISTERED REPRESENTATIVES AND INVESTMENT REPRESENTATIVES**

18.14. A registered representative or investment representative may have, and continue in, another gainful occupation if:

- (a)
  - (i) Either the registered representative's or investment representative's other gainful occupation is in a remote area where there is no office of a broker or dealer in securities and the designated registered representative's or investment representative's activities as such are limited to such remote area in which he or she resides; or
  - (ii) The securities commission in the jurisdiction in which the registered representative or investment representative acts or proposes to act as a registered representative or investment representative, or the securities legislation or policies administered by such securities commission, specifically permit him or her to devote less than his or her full time to the securities business of the Member employing him or her; and
- (b) The Member employing such registered representative or investment representative acknowledges in writing to the Association its responsibility for the supervision of such registered representative or investment representative; and
- (c) The Member establishes and maintains procedures approved by the Association to ensure continuous service to clients and to address potential problems of conflict of interest; and
- (d) Any other occupation of the registered representative or investment representative must not be:
  - (i) Such as to bring the securities industry into disrepute; or
  - (ii) With another Member of a recognized self-regulatory organization unless
    - (1) Such Member is a related company of the Member employing the registered representative or investment representative and the Member and related company provide cross-guarantees pursuant to By-law 6.6, and
    - (2) Such dual employment is not contrary to the provisions of the applicable securities legislation or any policy made pursuant thereto; ~~or~~

~~(iii) With a firm listed on a recognized stock exchange unless such firm is the parent company or subsidiary of the Member~~