

October 23, 2020

Alberta Securities Commission  
Autorité des marchés financiers  
British Columbia Securities Commission  
Financial and Consumer Services Commission, New Brunswick  
Financial and Consumer Affairs Authority of Saskatchewan  
Manitoba Securities Commission  
Nova Scotia Securities Commission  
Nunavut Securities Office  
Office of the Superintendent of Securities, Newfoundland and Labrador  
Office of the Superintendent of Securities, Northwest Territories  
Office of the Yukon Superintendent of Securities  
Ontario Securities Commission  
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island

Attention:

The Secretary  
Ontario Securities Commission  
[comments@osc.gov.on.ca](mailto:comments@osc.gov.on.ca)

M<sup>e</sup> Philippe Lebel, Corporate Secretary and Executive Director, Legal Affairs  
Autorité des marchés financiers  
[Consultation-en-cours@lautorite.qc.ca](mailto:Consultation-en-cours@lautorite.qc.ca)

**Re: Consultation on the Self-Regulatory Organization Framework**

Citadel Securities Canada<sup>1</sup> appreciates the opportunity to provide feedback to the Canadian Securities Administrators (“CSA”) on the consultation on Canada’s framework for self-regulatory organizations (“SROs”).<sup>2</sup>

We commend the CSA for soliciting feedback from market participants to ensure that the overarching regulatory framework continues to promote fair, efficient, and transparent markets in Canada. The CSA along with the provincial securities regulators has effectively utilized SROs in connection with carrying out market oversight responsibilities. In our experience, this approach has delivered many benefits, including (a) national standards with respect to regulation and supervision that universally apply across the various Canadian provinces and territories, (b) effective market surveillance, and (c) the appropriate inclusion of specialized industry expertise in

---

<sup>1</sup> Citadel Securities is a leading global market maker across a broad array of fixed income and equity securities. In partnering with us, our clients, including asset managers, banks, broker-dealers, hedge funds, government agencies and public pension programs, are better positioned to meet their investment goals.

<sup>2</sup> [https://www.osc.gov.on.ca/documents/en/Securities-Category2/csa\\_20200625\\_25-402\\_consultation-self-regulatory-organization-framework.pdf](https://www.osc.gov.on.ca/documents/en/Securities-Category2/csa_20200625_25-402_consultation-self-regulatory-organization-framework.pdf)

the regulatory process. As such, we advocate for the continued appropriate separation between SROs and government regulatory bodies and do not recommend removing market surveillance responsibilities from IIROC or adopting overly prescriptive requirements regarding the independent governance structures of the SROs. Instead, we suggest that the CSA continue to enhance information sharing arrangements with the SROs and consider consolidating the two SROs into one self-regulatory body if it could result in additional efficiencies for the Canadian financial markets.

\* \* \* \* \*

We appreciate the opportunity to provide comments on the SRO consultation. Please feel free to contact the undersigned with any questions regarding these comments.

Respectfully,

/s/ Mark Wilkinson  
President, Citadel Securities Canada ULC

/s/ David Archer  
Head of CES Canada