

# Chapter 1

## Notices

---

---

### 1.1 Notices

#### 1.1.1 CSA Notice 31-357 – Blanket Orders/Class Orders in respect of Certain Client Focused Reforms Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations



Canadian Securities  
Administrators

Autorités canadiennes  
en valeurs mobilières

#### CSA Notice 31-357

#### Blanket Orders/Class Orders in respect of Certain Client Focused Reforms Provisions of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*

April 16, 2020

#### Introduction

The Client Focused Reforms (**CFRs**) are an important investor protection initiative based on the concept that in the client-registrant relationship, the interests of the client come first. For reasons discussed below, the Canadian Securities Administrators (the **CSA** or **we**) will allow more time for registered firms and individuals (**registrants**) to implement certain provisions of the CFRs. However, we also wish to acknowledge that during volatile times such as those which we now face as a result of the Coronavirus pandemic (**COVID-19**) clients rely on registrants more than ever to provide them with advice that puts their interests first. We therefore encourage registrants, to the extent possible, to follow the implementation timing originally published with regard to the CFRs.

The CSA, along with the Investment Industry Regulatory Organization of Canada and the Mutual Fund Dealers Association of Canada (together, the **SROs**), are actively consulting with numerous industry stakeholders through the CFRs Implementation Committee. Through them, we have learned of the extent to which COVID-19 has disrupted business so that many registrants will not be in a position to implement the CFRs on the timeline originally published. We have also been informed of operational challenges relating to the first phase of the implementation schedule for the CFRs. All members of the CSA have responded by issuing parallel orders extending the timeline for the implementation of amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* that would otherwise have come into effect in the first phase of the implementation of the CFRs on December 31, 2020.

The SROs will harmonize their implementation timelines for conforming changes to their member rules, policies and guidance with the timeline adopted by the CSA.

#### Background

The CSA published the CFRs, which are relevant to all registrants, on October 3, 2019. The CSA provided for a phased transition period, with the reforms relating to conflicts of interest and relationship disclosure information (**RDI**) provisions taking effect on December 31, 2020, and the remaining reforms taking effect on December 31, 2021.

#### Summary of Relief Orders

##### *Conflicts of interest CFRs*

The CSA recognizes the significant work many registrants need to undertake to implement the CFRs. We also recognize that the effects of COVID-19 will include disruptions to registrants' access to office facilities, personnel and other key resources, presenting them with serious challenges to their ability to implement the conflict of interest CFRs by December 31, 2020. Under these circumstances, the CSA has decided to grant relief to postpone the effective date by which registrants will have to comply with the conflicts of interest CFRs by six months to June 30, 2021.

*RDI CFRs*

Through the Implementation Committee, industry stakeholders have informed the CSA of operational challenges associated with changes that registrants will be required to make to their relationship disclosure information pursuant to the CFRs. Accordingly, the CSA has decided to grant relief to extend the time which registrants will have to comply with the RDI CFRs. The implementation of the RDI CFRs will be postponed until December 31, 2021, so that they will come into effect at the same time as the remaining reforms under the CFRs.

We note that when the conflicts of interest CFRs come into effect on June 30, 2021, registrants will be required to disclose material conflicts of interest to clients before opening an account or in a timely manner after they are identified. Registrants may provide these disclosures separately from any other disclosures using stand-alone documents in any form, be it electronic or paper, that meet the plain language requirements in the conflicts of interest CFRs.

*Other CFRs*

All remaining CFRs will take effect on December 31, 2021, consistent with the notice published on October 3, 2019 and the amending instrument for the CFRs.

**Relief Orders**

The orders will take effect on December 31, 2020.

For the specific provisions of the relief summarized above, see the applicable orders available on websites of CSA members including:

[www.lautorite.qc.ca](http://www.lautorite.qc.ca)  
[www.albertasecurities.com](http://www.albertasecurities.com)  
[www.bcsc.bc.ca](http://www.bcsc.bc.ca)  
[www.fcnb.ca](http://www.fcnb.ca)  
[nssc.novascotia.ca](http://nssc.novascotia.ca)  
[www.osc.gov.on.ca](http://www.osc.gov.on.ca)  
[www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca)  
[www.mbsecurities.ca](http://www.mbsecurities.ca)

**Questions**

Please refer your questions to any of the following:

Isaac Filaté  
Senior Legal Counsel  
Capital Markets Regulation  
British Columbia Securities Commission  
604-899-6573 and 1-800-373-6393  
[ifilate@bcsc.bc.ca](mailto:ifilate@bcsc.bc.ca)

Bonnie Kuhn  
Senior Legal Counsel  
Market Regulation  
Alberta Securities Commission  
403-355-3890  
[bonnie.kuhn@asc.ca](mailto:bonnie.kuhn@asc.ca)

Liz Kutarna  
Deputy Director, Capital Markets  
Securities Division  
Financial and Consumer Affairs Authority of Saskatchewan  
306-787-5871  
[liz.kutarna@gov.sk.ca](mailto:liz.kutarna@gov.sk.ca)

## Notices

---

Chris Besko  
Director, General Counsel  
The Manitoba Securities Commission  
204-945-2561 and 1-800-655-5244  
(Toll Free (Manitoba only))  
chris.besko@gov.mb.ca

Chris Jepson  
Senior Legal Counsel  
Ontario Securities Commission  
416-593-2379  
cjepson@osc.gov.on.ca

Erin Seed  
Senior Legal Counsel  
Ontario Securities Commission  
416-596-4264  
eseed@osc.gov.on.ca

Kat Szybiak  
Senior Legal Counsel  
Ontario Securities Commission  
416-593-3686  
kszybiak@osc.gov.on.ca

Martin Picard  
Analyste expert à l'encadrement des intermédiaires  
Autorité des marchés financiers  
514 395-0337 and 1 877 525-0337  
martin.picard@lautorite.qc.ca

Chris Pottie  
Deputy Director, Registration & Compliance  
Nova Scotia Securities Commission  
902-424-5393  
chris.pottie@novascotia.ca

Steven Dowling  
Acting Director  
Consumer, Labour and Financial Services Division  
Justice and Public Safety  
Government of Prince Edward Island  
902-368-4551  
sddowling@gov.pe.ca

Jason Alcorn  
Senior Legal Counsel and Special Advisor to the Executive Director  
Financial and Consumer Services Commission of New Brunswick  
506-643-7857  
jason.alcorn@fcbn.ca

John O'Brien  
Superintendent of Securities  
Service NL  
Government of Newfoundland and Labrador  
709-729-4909  
johnobrien@gov.nl.ca

Jeff Mason  
Director of Legal Registries  
Department of Justice, Government of Nunavut  
867-975-6591  
jmason@gov.nu.ca

**Notices**

---

Thomas Hall  
Superintendent of Securities  
Department of Justice  
Government of the Northwest Territories  
867-767-9305  
tom\_hall@gov.nt.ca

Rhonda Horte  
Deputy Superintendent  
Office of the Yukon Superintendent of Securities  
867-667-5466  
rhonda.horte@gov.yk.ca