

13.1.2 Notice of Commission Approval – Amendments to IIROC Dealer Member Rules to harmonize with Client Relationship Model Phase 2 provisions effective July 15, 2014

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

AMENDMENTS TO DEALER MEMBER RULES TO HARMONIZE WITH CLIENT RELATIONSHIP MODEL PHASE 2 PROVISIONS EFFECTIVE JULY 15, 2014

NOTICE OF COMMISSION APPROVAL

The Recognizing Regulators of the Investment Industry Regulatory Organization of Canada (**IIROC**) have approved or not objected to amendments to IIROC Dealer Member Rules (the **IIROC 2014 CRM2 Amendments**) harmonizing them with certain requirements in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) that were introduced as part of the Client Relationship Model, Phase 2 (**CRM2**) and which take effect on July 15, 2014 (the **CSA 2014 CRM2 Amendments**).

The following table sets out the relevant provisions of the CSA 2014 CRM2 Amendments and the corresponding IIROC Dealer Member Rules that are amended by the IIROC 2014 CRM2 Amendments:

NI 31-103 section	IIROC Dealer Member Rule
Paragraph 14.2(2)(m) [<i>relationship disclosure information</i>]	Dealer Member Rule 3500.5(2)(j)
Section 14.2.1 [<i>pre-trade disclosure of charges</i>]	Dealer Member Rule 29.9
Paragraphs 14.12(1)(b.1) and (c.1) [<i>content and delivery of trade confirmation</i>]	Dealer Member Rule 200.2(l)(v)

The IIROC 2014 CRM2 Amendments are set out in the IIROC Notice, which can be found at www.osc.gov.on.ca, together with IIROC's response to public comments and guidance notes relating to the rule amendments.

The Ontario Securities Commission approved the IIROC 2014 CRM2 Amendments in its capacity as IIROC's principal regulator. In their capacities as IIROC's other Recognizing Regulators, the British Columbia Securities Commission did not object to, and the Alberta Securities Commission, the Autorité des marchés financiers, the Financial and Consumer Affairs Authority of Saskatchewan, the Financial Services Regulation Division of the Department of Government Services of Newfoundland and Labrador, the Nova Scotia Securities Commission, the Financial and Consumer Services Commission of New Brunswick, and the Prince Edward Island Office of the Superintendent of Securities approved the IIROC 2014 CRM2 Amendments.

Proposed amendments substantially similar to the IIROC 2014 CRM2 Amendments were published for comment on December 12, 2013, at (2013), 36 OSCB 11973 for a 60-day comment period ending February 10, 2014. In the same publication, IIROC also proposed further amendments that are scheduled to become effective on either July 15, 2015 or July 15, 2016 for a 120-day comment period ending April 10, 2014, the amendments of which are currently under consideration.

The IIROC 2014 CRM2 Amendments include immaterial changes to the proposals published on December 12, 2013, reflecting IIROC's responses to public comments and comments from the Recognizing Regulators.

A decision granting IIROC Dealer Members relief from the CSA 2014 CRM2 Amendments and accompanying CSA Staff Notice 31-339 are published in Chapters 2 and 1 of this Bulletin, respectively.