

Receiving Calls from the OSC Regarding Compliance Reviews of Securities Dealers and Advisors

Frequently Asked Questions

Q. Why has the OSC called me about a compliance review of my dealer or advisor?

A. The OSC regulates securities dealers and advisors in Ontario, and one of the ways in which it does this is by conducting compliance reviews of these firms to ensure that they are complying with the applicable rules of Ontario securities law. Staff of the OSC may contact a firm's clients in the normal course of a compliance review to verify the accuracy of information given to OSC staff about the firm's relationship with the clients.

Q. Do I have to speak with the OSC as part of their compliance review if I do not want to?

A. No. A client's co-operation with the OSC's compliance review process is entirely voluntary.

Q. What will the OSC ask me?

A. OSC staff may ask you a variety of questions regarding your relationship with your dealer or advisor. For example, OSC staff will usually ask about the accuracy of information that the firm has on file about you relating to your investment objectives, called "know your client" information. OSC staff may also ask you about advice your dealer or advisor gave you in relation to your purchase of a particular security.

Q. What will the OSC do with the answers I provide?

A. OSC staff will consider the answers you provide in determining whether a dealer or advisor is complying with their obligations under Ontario securities law.

Q. Will the answers I provide to the OSC be kept confidential?

A. When OSC staff completes a compliance review of a dealer or advisor, it provides the firm with a written report describing the findings of the review. The answers you provide to the OSC may be disclosed to your dealer or advisor in that report, but will not be disclosed to anyone else.

Q. Does the fact that I have been contacted by OSC staff indicate that there is a problem with my dealer or advisor?

A. No. OSC staff contacts the clients of dealers and advisors in the normal course of routine compliance reviews.

Q. Will OSC staff be contacting clients of a dealer or advisor that reside outside of Ontario?

A. The focus of OSC staff is contacting Ontario investors. However, there may be situations where OSC staff believe that calling an Ontario-registered firm's clients who are outside Canada or outside Ontario is warranted.