

**1.1.5 OSC Staff Notice 33-726 - IOSCO Publishes Final Report on Compliance Function at Market Intermediaries**

**OSC STAFF NOTICE 33-726**

**IOSCO PUBLISHES FINAL REPORT ON COMPLIANCE FUNCTION AT MARKET INTERMEDIARIES**

**Background**

In April, 2005, Standing Committee 3 (SC3) of the Technical Committee of the International Organization of Securities Commissions (IOSCO) published a Discussion Paper, *Compliance Function at Market Intermediaries*, for public comment.<sup>1</sup>

Due to the changing nature and importance of the compliance function, SC3 believed it was important to identify and discuss principles that should be considered by all market intermediaries and the organizations that oversee their activities. The Discussion Paper reviewed the current IOSCO Principles for Market Intermediaries and recent initiatives by some regulators in the area of compliance. It also proposed a number of principles designed to help market intermediaries increase the effectiveness of their compliance function.<sup>2</sup>

**IOSCO Finalizes Report**

In March, 2006, IOSCO published its Final Report, *Compliance Function at Market Intermediaries*, which sets out a number of principles to assist market intermediaries increase the effectiveness of their compliance function. The Final Report also provides the means for implementation of the principles. Included with the Final Report is a summary of the comments received during the consultative process, and IOSCO's responses.

The Final Report has been posted on IOSCO's website at [www.iosco.org](http://www.iosco.org) (Library – IOSCO Public Documents – Public Document 214) and the OSC's website at

[www.osc.gov.on.ca](http://www.osc.gov.on.ca) (International Affairs – Current Consultations – Closed Consultations).

Questions about IOSCO's publication on the compliance function at market intermediaries may be referred to:

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<sup>1</sup> The Commission is a member of IOSCO and chairs Standing Committee 3 (Regulation of Market Intermediaries). More information about IOSCO, and the Commission's participation in other international organizations can be found on the Commission's website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca) (International Affairs – International Organizations).

<sup>2</sup> Staff Notice 11-748 about this Discussion Paper was published in the OSC Bulletin on April 22, 2005. The Discussion Paper was posted on IOSCO's website at [www.iosco.org](http://www.iosco.org) (Library – IOSCO Public Documents – Public Document 198) and the Commission's website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca) (International Affairs – Current Consultations – Closed Consultations). The comment period closed on July 15, 2005.

The public comments received on the Discussion Paper were posted on IOSCO's website at [www.iosco.org](http://www.iosco.org) (Library – IOSCO Public Documents – Public Document 211) and the Commission's website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca) (International Affairs – Current Consultations – Closed Consultations).