

# IIROC NOTICE

## **Rules Notice Notice of Approval / Implementation**

Dealer Member Rules

*Please distribute internally to:*

Internal Audit  
Legal and Compliance  
Senior Management

*Contact:*

Richard J. Corner  
Vice President, Member Regulation Policy  
(416) 943-6908  
rcorner@iiroc.ca

**09-0243**  
**August 25, 2009**

## **Canadian Investor Protection Fund**

The IIROC Board of Directors have approved and confirmed the establishment of Dealer Member Rule 41 (attached) relating to the Canadian Investor Protection Fund. This new rule codifies in one place the ongoing IIROC and IIROC Dealer Member obligations to CIPF. The IIROC Dealer Member obligations include:

- The requirement to pay regular and special CIPF assessments to IIROC, as the current practice is that IIROC collects CIPF fees on their behalf;
- The granting of permission for the CIPF and IIROC to share financial and other information relating to the Dealer Member's operations or its customer's affairs;
- The granting of access to CIPF of IIROC Dealer Member premises, information and personnel; and
- The agreeing to comply with actions the IIROC Dealer Member is requested by the CIPF (or IIROC on behalf of CIPF) to take.

This new Rule 41 is effective immediately.



**RULE 41**  
**CANADIAN INVESTOR PROTECTION FUND**

- 41.1 The Corporation is authorized to enter into and perform its obligations under agreements or other arrangements with the Canadian Investor Protection Fund as may be, in the discretion of the Board of Directors, consistent with the objects of the Corporation including, without limitation, the Industry Agreement in effect between the Corporation and the Canadian Investor Protection Fund, as the same may be amended from time to time (the Industry Agreement). The President, his or her staff or any other person designated by the Board of Directors shall be authorized to execute and deliver any such agreements, or make any such arrangements, and to do all acts and things as may be necessary to permit the Corporation to exercise its rights or perform its obligations thereunder.
- 41.2 In respect of the Industry Agreement or other agreements and arrangements entered into by the Corporation in accordance with Rule 41.1 from time to time, each Dealer Member:
- (a) shall promptly pay to the Corporation its regular and special Canadian Investor Protection Fund assessments;
  - (b) shall provide to the Canadian Investor Protection Fund or to the Corporation all information required to assess its financial condition or Canadian Investor Protection Fund risk of loss;
  - (c) acknowledges and consents to the exchange of information relating to its operations, including information pertaining to its partners, directors, officers, shareholders, employees and agents, or any other persons permitted by law, or its customer's affairs, between the Corporation and the Canadian Investor Protection Fund, in accordance with any information sharing agreements or arrangements made by them;
  - (d) shall permit the Canadian Investor Protection Fund to conduct reviews of its operations in respect of Industry Agreement Reportable Conditions or other agreement or arrangement Reportable Conditions and shall fully cooperate with the Canadian Investor Protection Fund, and its staff and advisers, in connection with such reviews;
  - (e) shall comply with such actions as the Canadian Investor Protection Fund may direct the Corporation to take, or with such actions as Canadian Investor Protection Fund may take on behalf of the Corporation as authorized.