



## NEWS RELEASE

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*For Immediate Release*

### **IIAC Comments on Release of the CSA Reforms Related to the Client-Registrant Relationship**

**Toronto, ON, June 21, 2018** – The Investment Industry Association of Canada (IIAC) is pleased that the Canadian Securities Administrators (CSA) have put forward a harmonized and practical approach to the reform of registrant obligations to their clients. The proposed amendments to National Instrument 31-103 and Companion Policy 31-103CP intend to enhance the client-advisor relationship, and represent the culmination of extensive consultations between the investment industry and securities regulators across the country.

“The proposed reforms have moved away from a sweeping and vague best interest standard that would have had uncertain application; provoked client and advisor confusion; and contributed to negative consequences for investors, advisors and the capital markets,” said Michelle Alexander, IIAC Vice-President. “Rather, the reforms are drafted to strengthen the focus on putting the client first in the client-advisor relationship,” she added.

“We are pleased the regulators have provided needed guidance and flexibility for firms and advisors to meet the expected standard of conduct,” Alexander concluded.

In addition, the IIAC supports the proposal to continue permitting mutual funds with embedded commissions, and the CSA’s intent to prohibit all forms of the deferred sales charge option.

The IIAC will respond vigorously within the 120-day comment period, engaging with its industry professionals to review today’s proposed reforms and guidance and put forward suggestions to improve their practicality and cost-effectiveness, and provide greater clarity in terms of expected conduct.

#### **The IIAC – Representing Canada’s Investment Dealer Firms**

The Investment Industry Association of Canada (IIAC) is the national association representing the investment industry’s position on securities regulation, public policy and industry issues on behalf of our [123 IIROC-regulated investment dealer Member firms](#) in the Canadian securities industry. These dealer firms are the key intermediaries in Canadian capital markets, accounting for the vast majority of financial advisory services, securities trading and underwriting in public and private markets for governments and corporations. The IIAC provides leadership for the Canadian securities industry with a commitment to a vibrant, prosperous investment industry driven by strong and efficient capital markets. For more information, please visit [www.iiac.ca](http://www.iiac.ca).

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