

**For Immediate Release
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Canadian securities regulators introduce guidance for flexible chief compliance officer arrangements for businesses

Toronto –The Canadian Securities Administrators (CSA) today announced guidance that will allow firms to implement more flexible chief compliance officer (CCO) arrangements that better align with their operational needs and business models. The guidance published today outlines three CCO models tailored to the needs of small businesses, specialized businesses, and firms with multiple lines of business.

CSA staff have provided guidance on arrangements where:

- an individual can apply to be the CCO for more than one firm (the shared CCO model);
- a firm can have multiple CCOs, each responsible for a separate business line or category of registration (the multiple CCO model); and
- a non-traditional or specialized firm, such as a fintech firm, can have an individual acting as a CCO, with the individual’s industry-specific experience being used to assess their proficiency to act as CCO (the specialized CCO model).

“We have heard from firms, especially small and medium sized, that the current one-size fits all approach doesn’t align with their business needs and can be burdensome on their operations,” said Louis Morisset, CSA Chair and President and CEO of the Autorité des marchés financiers. “These new arrangements will enhance competitiveness for firms with different business models and better serve investors, who benefit from more effective, tailor-made compliance systems.”

Firms interested in implementing one of these arrangements must clearly demonstrate the model is appropriate for their business, as well as ensure individuals applying to be a CCO meet registration requirements. Firms must first apply for registration or exemptive relief for these models, which will be reviewed by CSA staff on a case-by-case basis, to ensure requirements, including investor protection measures, are met. Registrants are encouraged to reach out to their local regulator for any questions they may have around these CCO models, or other relevant CCO models.

This initiative is part of the CSA’s ongoing commitment to reduce regulatory burden and follows consultation with staff of the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA) in the development of this notice.

Registrants are invited to provide comments on how these three CCO arrangements address their needs and how they may use these models in their operations. Any such comments, as well as any feedback from firms about their experience with adopting the above models, will assist the CSA in assessing whether additional policy initiatives should be considered in the future.

CSA Staff Notice 31-358 *Guidance on Registration Requirements for Chief Compliance Officers and Request for Comments* can be found on CSA members' websites.

The CSA, the council of the securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

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For Investor inquiries, please refer to your respective securities regulator. You can contact them [here](#).

For media inquiries, please refer to the list of provincial and territorial representatives below or contact us at media@acvm-csa.ca.

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