

**For Immediate Release
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**Canadian securities regulators, SROs and investor protection funds establish
timeline for new self-regulatory framework**

Vancouver and Toronto – Work is progressing on the creation of a new self-regulatory organization (SRO) for the investment industry and a new investor protection fund (IPF).

The new SRO, as described in the Canadian Securities Administrators (CSA) [Position Paper 25-404 New Self-Regulatory Organization Framework](#), will consolidate the functions of the Investment Industry Regulatory Organization of Canada (IIROC) and the Mutual Fund Dealers Association of Canada (MFDA). The new IPF will combine two existing investor protection funds – the Canadian Investor Protection Fund and the MFDA Investor Protection Corporation – into an integrated fund independent of the new SRO.

Under the present timetable, the corporate transactions necessary for amalgamation (including obtaining the necessary ministerial approvals) are expected to be completed by the end of 2022.

“As stated in our Position Paper, our main objective is to support the development of a regulatory framework that has a clear public interest mandate and fosters fair and efficient capital markets,” said Louis Morisset, CSA Chair and President and CEO of the Autorité des marchés financiers (AMF). “Thanks to the work being done by CSA staff with the valuable participation of IIROC, the MFDA and the two investor protection funds, we are on track to establish a new SRO and investor protection fund that will focus on investor protection to promote public confidence and to accommodate innovation and change.”

CSA staff are leading the process on several fronts simultaneously and have assembled focused working groups to handle different aspects of the project. Comment letters about the framework have been reviewed by the CSA, and will be considered as the process moves forward.

To address the specific regulatory landscape in force in Quebec and facilitate the transition, the AMF has put together a forum with senior representatives of the Chambre de la sécurité financière, IIROC’s Montreal Office and the Conseil des fonds d’investissement du Québec (CFIQ), which is Investment Funds Institute of Canada’s voice in Quebec.

A Special Joint Committee (SJC), comprised of representatives from IIROC, the MFDA and the CSA, has been formed to recruit and recommend board members and a chief executive officer of the new SRO. This Committee has an independent Chair, AnneMarie Ryan. Other members of the committee include Paul Allison, Patricia Callon, Luc Fortin, Linda Hohol, Jennifer Newman and Christopher C. Nicholls. A search firm will also be retained to support the recruitment efforts. IIROC and the MFDA have also retained an outside consultant, Deloitte, to serve as an integration manager and assist with designing the organizational structure of the new SRO. It is

expected that the CEO and Board of the new SRO will be announced in the second quarter of 2022.

“There are many talented and experienced people working together to enable a smooth and timely transition to a new framework, with regulatory continuity for the market that will protect Canadian investors, accommodate innovation, and facilitate fair and efficient market operations as the investment industry evolves,” said Stan Magidson, Chair and CEO of the Alberta Securities Commission, chair of the group leading the effort to create the new SRO and IPF, and an expert on corporate governance and mergers and acquisitions.

The integration of the investor protection funds continues on a separate track, with the same completion date and subject to the same CSA oversight.

Additional quotes:

Andrew J. Kriegler, President and CEO of IIROC: “A new, enhanced, pan-Canadian SRO will increase access to advice while better protecting investors. It is precisely what Canadians and the industry that serves them deserve. I applaud the CSA for leading a timely and effective process. We are also looking forward to working closely with our partners at the MFDA as we drive together towards an on-time and cost-efficient amalgamation.”

Mark Gordon, President and CEO of the MFDA: “The establishment of a new SRO represents a historic opportunity for Canada to modernize its self-regulatory framework, and the MFDA is 100 per cent committed to ensuring its successful creation. This important work is a priority for the MFDA, and we will continue to employ our expertise and professionalism to protect Canadian investors, while at the same time assisting the CSA in the establishment of this new investor- and public interest-focused SRO.”

Canadian Investor Protection Fund and MFDA Investor Protection Corporation: “We welcome the timeliness of this initiative and look forward to further collaboration with the CSA, IIROC and the MFDA during the transition to the new investor protection fund.”

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