

**For Immediate Release
September 28, 2023**

Canadian securities regulators adopt business conduct rule for derivatives dealers and advisers

TORONTO – The securities regulatory authorities of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Nunavut, Northwest Territories and Yukon today adopted a [final rule](#) that sets out a comprehensive regime for regulating the business conduct of dealers and advisers in the over-the-counter (OTC) derivatives market.

For OTC derivatives dealers and advisers, the framework establishes fundamental obligations that are aligned with international standards and include requirements related to fair dealing, conflicts of interest, suitability, reporting non-compliance, and recordkeeping. The business conduct rule is intended to help protect market participants by improving transparency, increasing accountability, and promoting responsible business conduct in the OTC derivatives market.

“Derivatives play a critical role in our financial system, and these robust standards provide valuable protections to participants in the Canadian OTC market,” said Stan Magidson, CSA Chair and Chair and CEO of the Alberta Securities Commission. “This key milestone could not have been achieved without our stakeholders’ meaningful participation and commentary during the entire consultation process.”

The business conduct rule was developed over an extensive three-stage consultation process that included a public roundtable to consider various regulatory, implementation, and compliance matters. In response to comments received during the [most recent consultation](#), the final rule was streamlined to address potential negative impacts on derivatives market liquidity and to reduce implementation burden by better enabling firms to leverage their existing compliance systems.

The final rule will become effective on September 28, 2024. [Multilateral Instrument 93-101 Derivatives: Business Conduct](#) and its companion policy can be found on participating [CSA members’ websites](#).

The British Columbia Securities Commission intends to adopt substantially similar rules at a later date, at which time CSA Staff intends for Multilateral Instrument 93-101 to be converted to a National Instrument.

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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