

**For Immediate Release
July 27, 2017**

Canadian Securities Regulators Publish Final Amendments to Custody and Other Requirements for Dealers, Advisers and Investment Fund Managers

Toronto – The Canadian Securities Administrators (CSA) today published final amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) and National Instrument 33-109 *Registration Information*. The amendments enhance custody requirements for certain registered firms, clarify activities that may be conducted by exempt market dealers, incorporate previously granted relief from certain Client Relationship Model Phase 2 (CRM2) requirements and provide for certain changes of a housekeeping nature.

“These amendments aim to enhance market efficiencies while maintaining strong investor protections,” said Louis Morisset, Chair of the CSA and President and CEO of the Autorité des marchés financiers. “They also address market participants’ desire for clarity on certain regulatory requirements.”

The custody amendments address potential intermediary risks when certain registered firms are involved in the custody of client assets, enhance the protection of client assets and codify existing custodial best practices.

The exempt market dealer amendments clarify the activities that may be conducted under this category of registration relating to trades in prospectus-qualified securities. These changes also expand an existing exemption from the dealer registration requirement, allowing registered advisers to trade in the securities of investment funds provided that the adviser, or an affiliate, manages the investment fund and certain other conditions are met.

The CRM2 amendments make permanent relief granted by the CSA in May 2015, and address matters that have arisen in the course of CRM2’s implementation.

Provided necessary ministerial approvals are obtained, the amendments, other than the custody amendments, come into force on December 4, 2017. The custody amendments come into force on June 4, 2018.

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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