



**IN THE MATTER OF
THE *SECURITIES ACT*,
SNB 2004, c S-5.5, AS AMENDED (*Act*)**

AND

**IN THE MATTER OF
THE REVOCATION OF THE
ASSIGNMENT OF CERTAIN POWERS AND DUTIES TO THE
INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA (IIROC)**

AND

**THE DELEGATION OF CERTAIN POWERS AND
DUTIES OF THE EXECUTIVE DIRECTOR TO THE
CANADIAN INVESTMENT REGULATORY ORGANIZATION (CIRO)**

**REGISTRATION DELEGATION ORDER
(Subsection 41(2) and 41(3) of the *Act*)**

WHEREAS:

1. CIRO was established effective January 1, 2023, as a result of the amalgamation of IIROC and the Mutual Fund Dealers Association of Canada (**MFDA**).
2. By an order issued October 20, 2022, effective January 1, 2023, the Commission recognized CIRO as a self-regulatory organization under section 35(1)(b) of the *Act* (**Recognition Order**), which was varied and restated effective June 1, 2023.
3. Under section 40 of the *Act*, the Commission accepted the voluntary surrender of the recognition of IIROC and the MFDA as self-regulatory organizations, effective January 1, 2023.
4. Under the terms and conditions of the Recognition Order, CIRO must act in the public interest in regulating the operations and the standards of practice and business conduct of investment dealers and mutual fund dealers, including establishing rules governing dealer members and administering and monitoring compliance with applicable rules and Canadian securities legislation by members and others subject to its jurisdiction.
5. Under subsection 41(2) of the *Act*, with the approval of the Commission, the Executive Director may delegate to a recognized self-regulatory organization any of the powers and duties of the Executive Director under Part 4 of the *Act* or the regulations related to that Part, subject to such terms and conditions as the Executive Director considers appropriate.
6. Under subsection 41(3) of the *Act*, the Commission, or with the approval of the Commission, the Executive Director, may at any time revoke a delegation made under subsection 41(1) or subsection 41(2) of the *Act*.
7. On April 28, 2015, under subsection 41(2) of the *Act*, the Executive Director, with the approval of the Commission, assigned to IIROC certain powers and duties of the Executive Director in respect of the registration of individuals who are approved persons of IIROC members and applications for registration

by individuals who are applying to become approved persons of IIROC members, to be effective May 1, 2015 (IIROC Assignment).

8. The Commission considers it desirable to revoke the IIROC Assignment and to delegate to CIRO certain powers and duties of the Executive Director in respect of the registration of firms, under New Brunswick securities law, in the categories of investment dealer and mutual fund dealer and the registration and status of individuals who act on behalf of firms registered in the categories of investment dealer and mutual fund dealer, subject to certain terms and conditions (**Delegation**).
9. CIRO's performance of the delegated powers and duties will be subject to an enhanced framework of ongoing oversight by the Commission.
10. The Commission and the Executive Director retain concurrent authority for the delegated powers and duties and in the event of a conflict between an exercise by CIRO of a power or duty under the Delegation and an exercise of a power or duty by the Commission or the Executive Director, the Commission and the Executive Director's authority will prevail.
11. CIRO recognizes that the Commission must provide services to New Brunswick applicants and registrants in both official languages, including services that will be provided by CIRO in their performance of the powers and duties delegated by this Registration Delegation Order.

NOW THEREFORE:

1. Under subsection 41(3) of the *Act*, the Commission revokes the IIROC Assignment.
2. Under subsection 41(2), the Executive Director, with the approval of the Commission, delegates to CIRO the powers and duties of the Executive Director under:
 - (a) Part 4 (Registration) of the *Act*, including authorization to perform any act or thing required or permitted to be performed by the Executive Director pursuant to Part 4 (Registration) of the *Act* in connection with firms, under New Brunswick securities law, in the categories of investment dealer and mutual fund dealer and individuals who act on behalf of those firms registered in the categories of investment dealer and mutual fund dealer, and their approved persons including granting registrations, imposing terms and conditions on registrations, amending registrations, reinstating registrations and accepting surrenders of registrations, pursuant to the terms and conditions outlined in Appendix A;
 - (b) sections 11.9 and 11.10 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* but only in respect of notices required to be given by
 - (i) firms registered in the categories of investment dealer or mutual fund dealer and
 - (ii) individuals registered in the categories of
 1. dealing representative of a registered investment dealer or registered mutual fund dealer,
 2. ultimate designated person of a registered investment dealer or registered mutual fund dealer, or
 3. chief compliance officer of a registered investment dealer or registered mutual fund dealer;
 - (c) section 15.1 of NI 31-103 but only in respect of exemptions from the requirements of sections 3.3, 3.5, and 3.6 as they apply to an individual who is required to be registered in the categories of

dealing representative and chief compliance officer to act on behalf of a firm that is registered as a mutual fund dealer (together, the **Delegated Functions**).

3. The Delegation is subject to the condition that CIRO continues to be recognized by the Commission as a self-regulatory organization and the terms and conditions in Appendix A to the Delegation.
4. This Delegation takes effect on April 1, 2025.

Dated at Saint John, New Brunswick, March 19, 2025.

“Original signed by”

To-Linh Huynh
Executive Director, Securities

APPENDIX A

TERMS AND CONDITIONS

1. CIRO must exercise the Delegated Functions in the public interest and in accordance with the associated requirements of the *Act*, including the requirements of section 48 of the *Act*, as well as the terms and conditions of the Recognition Order.
2. CIRO must establish and maintain requirements in respect of the registration of firms and individuals under the Delegation that account for the proficiency, integrity, and solvency of those firms and individuals.
3. CIRO must ensure that it will maintain sufficient capacity to effectively and efficiently perform the Delegated Functions, including sufficient financial, technological, and human resources.
4. CIRO must establish service standards for the performance of the Delegated Functions that are satisfactory to the Executive Director. Such service standards must be established by October 1, 2025.
5. CIRO must publish the established service standards together with the publication of CIRO's achievement of these standards on a quarterly basis.
6. CIRO must establish written policies and procedures, in a form satisfactory to the Executive Director, in respect of CIRO's performance of the Delegated Functions.
7. CIRO must provide the Executive Director with reasonable prior written notice of any significant proposed changes to the policies and procedures established under section 6 and CIRO must not implement the proposed changes until the Executive Director has notified CIRO that it has no further questions or comments.
8. CIRO must provide the Executive Director with reasonable prior written notice in respect of any firm registration matter where, in CIRO's opinion, an application or submission raises significant or novel issues and CIRO must not make a final determination in the matter until the Executive Director has notified CIRO that it has no further questions or comments.
9. For purposes of section 8, "significant or novel issues" means any issue that, without limitation, either:
 - a. raises a new issue which has previously not been addressed, resolved, or used in the same context;
 - b. may have a significant impact on:
 - i. the interpretation of applicable rules or New Brunswick securities legislation, including the interpretation of the requirement to register, business trigger for trading or advising and fitness for registration;
 - ii. registration applications;
 - iii. applications for exemptive relief;
 - iv. market participants, including members, approved persons, member employees and other registrants;
 - v. investors or investor protection;
 - vi. market structure;
 - vii. market practices or industry standards;
 - viii. regulatory enforcement;
 - c. may have an impact on policy development or rulemaking; or

- d. relates to a new business model, financial instrument, service, product, technology, or innovation.
10. CIRO must provide the Executive Director with other reports, documents and information, and data in a format and manner acceptable to the Executive Director in respect of CIRO's performance of the Delegated Functions as the Executive Director or their staff may request.
 11. CIRO must establish a process for performing background checks as part of its process for making registration decisions under the Delegation.
 12. CIRO will submit to the Executive Director any information and reporting requested by the Executive Director in a form and frequency acceptable to the Executive Director, including, without limitation, risk analyses, examination schedules and reports for CIRO members with New Brunswick operations and enhanced reporting about CIRO regulatory actions and registration activities.
 13. CIRO will provide services in both official languages to New Brunswick applicants and registrants.

