

B.1.2 OSC Staff Notice 11-7100 – Delegation of Registration Function to CIRO

OSC STAFF NOTICE 11-7100

DELEGATION OF REGISTRATION FUNCTION TO CIRO

Further to the Ontario Securities Commission (**OSC**) Statement of Priorities published today, staff are issuing this notice to provide additional detail about the delegation of the registration of investment dealers and mutual fund dealers, and the individuals who act on behalf of mutual fund dealers, to the Canadian Investment Regulatory Organization (**CIRO**). Subject to the required regulatory approvals, it will be proposed that this delegation be effective spring 2025. CIRO is already responsible for the registration of individuals who act on behalf of investment dealers, and this will continue.

As a second phase, we will consider the delegation of additional registration functions to CIRO.

Background

The delegation of the registration function for investment dealers and mutual fund dealers was one of the key recommendations in the Capital Markets Modernization Taskforce (the **Taskforce**) Report published in January 2021. The Taskforce recommended that, in the immediate term, a single self-regulatory organization (**SRO**) be created to carry out the registration functions of the OSC for investment dealers and mutual fund dealers, including the registration of both firms and individuals.

In August 2021, the CSA published CSA Position Paper 25-404 *New Self-Regulatory Organization Framework* and indicated that following the creation of a single SRO, the CSA would assess the merits of allocating registration functions between CSA members and the new SRO.

The OSC Strategic Plan 2024-2030 also indicated that the OSC would examine the roles and interactions among Canadian regulatory authorities overseeing capital markets to ensure optimal allocation of responsibilities and a streamlined experience for Ontario's businesses and investors. Specifically, it indicated that efforts would be taken to ensure that regulatory responsibilities would be optimally allocated between the OSC and CIRO.

Delegation of Registration in Ontario

CIRO, the new single SRO, was created on January 1, 2023, as a result of the amalgamation of the Investment Industry Regulatory Organization of Canada (**IIROC**) and the Mutual Fund Dealers Association of Canada (**MFDA**). To create a more efficient and streamlined experience, OSC staff are proposing that, subject to an appropriate framework of oversight, the registration of investment dealers and mutual fund dealers, and the individuals who act on behalf of mutual fund dealers be delegated to CIRO. CIRO is already responsible for the registration of registered and permitted individuals who act on behalf of investment dealers and this will continue.

In its 2025-2027 Strategic Plan, CIRO committed to streamlining and harmonizing its registration framework as it pursues registration delegation for all investment dealer and mutual fund dealer individuals. OSC and CIRO staff will work together to ensure a successful transition of this registration function by spring 2025.

The changes described in this notice are specific to Ontario. We encourage registrants to contact their principal regulator or CIRO staff with any questions.