

March 27, 2025

25-0091

Rules Bulletin > Bulletin of Withdrawal

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Rule Connection: IDPC Rules / UMIR

Withdrawal of Proposed Amendments Respecting Reporting, Internal Investigation and Client Complaint Requirements

Overview

CIRO is:

- (i) Withdrawing the amendments proposed in IIROC Notice 22-0009 *Proposed Reporting, Internal Investigation and Client Complaint Requirements*.¹ This Notice affects Rule 3700, *Reporting and Handling of Complaints, Internal Investigation and Other Reportable Matters (Rule 3700)*, of the Investment Dealer and Partially Consolidated Rules (**IDPC Rules**), and Rule 10.16 under the Universal Market Integrity Rules (**UMIR**), and
- (ii) Publishing an enhanced version of Rule 3700 for comment as part of Phase 5 of the CIRO Dealer Consolidated Rules Project.²

Background

On January 13, 2022, the Investment Industry Regulatory Organization of Canada (**IIROC**) published Notice 22-0009 (**Notice**) for public consultation. The Notice proposed amendments to Rule 3700 of the IDPC Rules, and Rule 10.16 under the UMIR (**Proposed Amendments**), which would:

- make the ComSet reporting requirements and complaint requirements clearer and more consistent with existing regulatory expectations,
- reduce duplicative reporting to IIROC by eliminating overlapping ComSet reporting requirements and gatekeeper obligations in the UMIR, and
- enhance the complaint requirements by codifying client complaint handling best practices.

¹ Proposed Amendments respecting Reporting, Internal Investigation and Client Complaint Requirements

² The CIRO Dealer Consolidated Rule Project will bring together the two member regulation rule sets currently applicable to investment dealers and to mutual fund dealers into one set of member regulation rules applicable to both categories of CIRO Dealer Members. See Rules Bulletin 23-0089.

The Proposed Amendments were approved by the IIROC Board on November 24, 2021.

Decision to withdraw the Proposed Amendments

Subsequent to the publication of the Proposed Amendments for public consultation, the Canadian Investment Regulatory Organization (**CIRO**) (formerly the New Self-Regulatory Organization of Canada) was created and commenced operations, with one of its initial priorities to consolidate:

- the rules applicable to investment dealers, the IDPC Rules; and
- the rules applicable to mutual fund dealers, the CIRO Mutual Fund Dealer Rules (**MFD Rules**)

into one set of consolidated rules applicable to both investment dealers and mutual fund dealers through the CIRO Dealer Consolidated Rule Project.

In furtherance of this objective, we are now withdrawing the Proposed Amendments in order to:

1. create a Rule 3700 applicable to both investment dealer members and mutual fund dealer members,
2. introduce an enhanced version of the Proposed Amendments that will adopt additional reporting, investigation and complaint handling requirements, including certain requirements currently set out in the MFD Rules but not in the IDPC Rules nor the Proposed Amendments, and
3. adopt certain suggestions provided by stakeholders pursuant to the 2022 consultation on the Proposed Amendments.

To ensure that an enhanced version of Rule 3700 is applicable to both investment dealer members and mutual fund dealer members of CIRO, it is necessary and in the public interest to withdraw the Proposed Amendments. The enhanced version of Rule 3700 will be included in [Phase 5 of the Dealer Consolidated Rule Project](#).

We have informed the Canadian Securities Administrators that we have withdrawn the Proposed Amendments.

Questions may be referred to:

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