

2.2.2 Ontario Instrument 31-511 Relief in respect of Client Focused Reforms Conflict of Interest Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations

Ontario Securities Commission

Ontario Instrument 31-511

Relief in respect of Client Focused Reforms Conflict of Interest Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations

The Ontario Securities Commission, considering that to do so would not be prejudicial to the public interest, orders that effective on December 31, 2020 Ontario Instrument 31-511 entitled “Relief in respect of Client Focused Reforms Conflict of Interest Provisions of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*” is made, to provide relief to registrants from certain requirements otherwise contained in Part 13 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

April 15, 2020

“Grant Vingo”
Acting Chair

“Tim Moseley”
Vice-Chair

Authority under which the order is made:

Act and section: *Securities Act*, subsection 143.11(2)

Ontario Securities Commission

Ontario Instrument 31-511

*Relief in respect of Client Focused Reforms Conflict of Interest Provisions of
National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations*

Definitions

1. Corresponding terms defined in any of the following have the same meaning in this Instrument:
 - a. the *Securities Act* (Ontario) (**OSA**),
 - b. National Instrument 14-101 *Definitions*
 - c. National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**)

Exemptive relief

2. On October 3, 2019, the Canadian Securities Administrators (the **CSA**) adopted amendments to NI 31-103 to implement reforms to enhance the client-registrant relationship (the **Client Focused Reforms**) which affect all registrants. At the time, the CSA provided for a phased transition period, with the reforms relating to conflicts of interest and relationship disclosure information provisions taking effect on December 31, 2020, and the remaining reforms taking effect on December 31, 2021.
3. The coronavirus disease 2019 (**COVID-19**) outbreak was declared a pandemic by the World Health Organization on March 11, 2020 and has led to a "Declaration of Emergency" under the *Emergency Management and Civil Protection Act* by the Lieutenant Governor of Ontario on March 17, 2020. The Ontario Securities Commission (the **Commission**) acknowledges that the pandemic may present challenges for registrants. Specifically, COVID-19 has disrupted business so that many registrants will not be in a position to implement the Client Focused Reforms scheduled to take effect on December 31, 2020 because of disruptions to registrants' access to office facilities, personnel and other key resources.
4. Under subsection 143.11(2) of the OSA, if the Commission considers that it would not be prejudicial to the public interest to do so, the Commission may, on application by an interested person or company or on its own initiative, make an order exempting a class of persons or companies, trades, intended trades, or securities from any requirement of Ontario securities law on such terms or conditions as may be set out in the order, effective for a period of no longer than 18 months after the day on which it comes into force unless extended pursuant to paragraph (b) of subsection 143.11(3) of the OSA.

Order

5. Consequently, this order provides for the exemption for a registrant from compliance with the amendments to Part 13 of NI 31-103 that the registrant was required to implement as of December 31, 2020 pursuant to paragraph 35(1)(a) of the amending instrument published on October 3, 2019.
6. This order for a registrant is conditional on the registrant complying with those provisions of Part 13 of NI 31-103 that were otherwise subject to amendment on December 31, 2020 as they read on December 30, 2020.

Effective date and term

7. This order comes into effect on December 31, 2020 and expires on June 30, 2021.