

# B.11

## SROs, Marketplaces, Clearing Agencies and Trade Repositories

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### B.11.1 SROs

#### B.11.1.1 Mutual Fund Dealers Association of Canada (MFDA) – Amendments to MFDA Rules 2.3.2, 2.3.3 and 5.1 regarding Limited Trading Authorization and Record-Keeping Requirements – Notice of Commission Approval

##### NOTICE OF COMMISSION APPROVAL

##### AMENDMENTS TO MFDA RULES 2.3.2, 2.3.3 AND 5.1 REGARDING LIMITED TRADING AUTHORIZATION AND RECORD-KEEPING REQUIREMENTS

The Ontario Securities Commission (**Commission**) has approved a proposal to delete MFDA Rules 2.3.2 and 2.3.3 that set out requirements for Limited Trading Authorization (**LTA**). The Commission also approved corresponding changes to record-keeping requirements set out under MFDA Rule 5.1 (together, the **Amendments**).

The Amendments aim to:

- reduce regulatory burden,
- ensure that MFDA requirements reflect current industry practices,
- achieve greater consistency between MFDA requirements and those of other Canadian securities regulators, and
- address the potential for trade execution delays related to the requirement to use a prescribed form of LTA, having regard to challenges arising as a result of the COVID-19 global pandemic.

In addition to the Amendments, the MFDA has updated the MFDA Staff Notice-0035 - *Recording and Maintaining Evidence of Client Authorization and Trade Instruction* to remind Members and their Approved Persons of the requirement to obtain client authorization and instructions for all trades and maintain records in accordance with MFDA Rule 5.1(b) - *Requirement for Records*.

The Amendments were [published](#) for public comment on December 23, 2020 for a 90-day period ending on March 24, 2021. Four comment letters were received. No changes were considered necessary following the end of the comment period. [A summary of the public comments and the MFDA's responses](#) can be found at [www.osc.ca](http://www.osc.ca).

The Amendments will become effective on a date to be subsequently determined by the MFDA.

In addition, the British Columbia Securities Commission; the Alberta Securities Commission; the Financial and Consumer Affairs Authority of Saskatchewan; the Financial and Consumer Services Commission of New Brunswick; the Manitoba Securities Commission; the Nova Scotia Securities Commission; the Prince Edward Island Office of the Superintendent of Securities Office; Office of the Superintendent of Securities, Northwest Territories, Office of the Superintendent of Securities, Nunavut and Office of the Yukon Superintendent of Securities have either not objected to or have approved the Amendments.