

## Summary Only – Disclosure Requirements For Dealers – Canada

**Trade confirmations:** (1) are not tied to the settlement period; (2) may be provided electronically (subject to consent of clients, which in most jurisdictions may be inferred); (3) have disclosure requirements under IIROC Rules, UMIR, NI 31-103, and securities acts; and (4) in certain circumstances, may be suppressed.<sup>1</sup>

Applicable:	Confirms <sup>2</sup> must be in writing, be sent promptly <sup>3</sup> , and contain:	
NI 31-103 IIROC 3816 UMIR Policy 7.1 Part 13 Sample of confirms must be reviewed quarterly	<ol style="list-style-type: none"> <li>1. Quantity and description of the security</li> <li>2. Trade and settlement dates</li> <li>3. Price per security paid or received by the client</li> <li>4. Amount of each transaction charge, deferred sales charge, or other charges in regards to the transaction (including fee/other charge levied by any securities regulatory authority in connection with the trade) and the total amount of all charges</li> <li>5. Marketplace(s) where the trade took place (or disclosure language acceptable to IIROC)</li> <li>6. Salesperson/dealing representative name (code or symbol may be used provided that the confirm indicates that the name will be provided to the client on request)</li> <li>7. Dealer agent name used to effect the trade (if applicable)</li> <li>8. Whether or not the person or company that executed the trade acted as principal or agent (if as agent and traded on an equity marketplace, the name of the person or company from or to or through whom the security was bought or sold)</li> <li>9. If securities of the Dealer (or related or connected issuer), a statement to that effect<sup>4</sup></li> <li>10. Debt securities: (i) the annual yield; (ii) either (a) total mark-up/mark-down, commission or other service charges applied, or (b) total commission charged to client by the dealer and if a mark-up/mark-down or charge other than a commission, appropriate disclosure notification<sup>5</sup></li> <li>11. Disclosure of the relationship where a Dealer is controlled/affiliated with a financial institution ("FI") and trade is for a mutual fund sponsored by the FI (or corporation controlled by/affiliated with the FI)</li> <li>12. Other than investment fund trades by an adviser to a managed account, redemption orders received directly from a security holder and executed by a registered investment fund manager – quantity and description of the security; price; commission, sales charge, service</li> </ol>	
	Maintain confirms and make available to clients or IIROC, upon either's request.	Futures, future contract options, MBS, debt and OTC securities, additional IIROC Rules apply.
IIROC 2284(1)	indicate membership in CPIF and the coverage available	
IIROC 2285(1)	indicate Dealer is IIROC-regulated (in accordance with IIROC Membership Disclosure Policy)	

<sup>1</sup> IIROC GN-3800-21-007 – "Trade matching and trade confirmation suppression practices".

<https://www.iroc.ca/news-and-publications/notices-and-guidance/trade-matching-and-trade-confirmation-suppression-practices>

<sup>2</sup> Confirms may not be required for managed and delivery against payment/receipt against payment accounts – see exceptions.

<sup>3</sup> See s. 14.13 of NI 31-103 *REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS* where delivery need not be prompt in certain situations for mutual fund, scholarship plan or educational trust securities.

<sup>4</sup> Under NI 31-103, this disclosure is not required for a mutual fund security that is established and managed by the registered dealer (or its affiliate) in its capacity as investment fund manager of the mutual fund & the names of the dealer and mutual fund are sufficiently similar to indicate they are affiliated or related.

<sup>5</sup> Such as: "Dealer firm remuneration has been added to the price of this security (in the case of a purchase) or deducted from the price of this security (in the case of a sale). This amount was in addition to any commission this trade confirmation shows was charged to you."

**NP 11-201 *Electronic Delivery of Documents* – if sending by fax, email or other electronic means:**

- Notification that confirm has been/will be transmitted/sent electronically (can be one email)
- Easy access to the confirm (e.g., if posted to website, time available is reasonable)
- Authenticity of confirm and evidence of delivery
- Recreated in electronic format (not scanned)

Securities Act <sup>6</sup>	Confirms to client
<b>NF s. 37</b>	In addition to IIROC requirements, must also include: (1)(d) if acting as agent, counterparty name (an identifier code may be used [provided the confirm also states that details to be provided upon request])  (2) Mutual Funds – must contain items in (1), plus <b>(a)</b> the price per share or unit at which the trade was effected; and <b>(b)</b> the amount deducted by way of sales, service and other charges.  Mutual Funds (under a contractual plan), need items in (1) and (2) plus specifics in s. 37(3)
<b>ON s. 36(1)</b>	Mail or deliver trade confirms
<b>SK s. 42(1)</b>	Promptly send written confirmation

	Statute	Writing includes electronic form	Consent required, may be inferred
<b>NF</b>	<b>Electronic Commerce Act</b>	<b>s. 8</b>	<b>s. 7</b>
<b>PEI</b>	<b>Electronic Commerce Act</b>	<b>s. 6</b>	<b>s. 5</b>
<b>NS</b>	<b>Electronic Commerce Act</b>	<b>s. 8</b>	<b>s. 7</b>
<b>NB</b>	<b>Electronic Transactions Act</b>	<b>s. 8</b>	<b>s. 4 (no inference)</b>
<b>PQ</b>	<b>An Act to establish a legal framework for information technology</b>	<b>s. 5</b>	<b>s. 29 (no inference)</b>
<b>ON</b>	<b>Electronic Commerce Act</b>	<b>s. 5</b>	<b>s. 3</b>
<b>MB</b>	<b>The Electronic Commerce and Information Act</b>	<b>s. 11</b>	<b>s. 4</b>
<b>SK</b>	<b>The Electronic Information and Documents Act</b>	<b>s. 8</b>	<b>s. 7</b>
<b>AB</b>	<b>Electronic Transactions Act</b>	<b>s. 11</b>	<b>s. 8</b>
<b>BC</b>	<b>Electronic Transactions Act</b>	<b>s. 5</b>	<b>s. 4</b>
<b>NU</b>	<b>Electronic Commerce Act</b>	<b>s. 7</b>	<b>s. 6</b>
<b>NT</b>	<b>Electronic Transactions Act</b>	<b>s. 7</b>	<b>s. 6</b>
<b>YK</b>	<b>Electronic Commerce Act</b>	<b>s. 7</b>	<b>s. 6</b>

**See also: IIROC Notice 13-0283 – “Guidance on Marketplace and Average Price Disclosure for Trade Confirmations” (November 25, 2013);<sup>7</sup> Company Policy 31-103CP; and Privacy law requirements (not included with this summary).**

<sup>6</sup> If a registered dealer complies with the requirements of NI 31-103 regarding confirm requirements, these subsections do not apply. Other provincial and territorial Securities Acts do not specify confirm requirements.

<sup>7</sup> <https://www.iroc.ca/news-and-publications/notices-and-guidance/guidance-marketplace-and-average-price-disclosure-trade-confirmations>.