

**MEMORANDUM OF UNDERSTANDING REGARDING  
OVERSIGHT OF THE CANADIAN INVESTOR PROTECTION FUND  
(CIPF)  
AMONG:**

**ALBERTA SECURITIES COMMISSION  
AUTORITÉ DES MARCHÉS FINANCIERS  
BRITISH COLUMBIA SECURITIES COMMISSION  
MANITOBA SECURITIES COMMISSION  
FINANCIAL AND CONSUMER SERVICES COMMISSION OF NEW BRUNSWICK  
OFFICE OF THE SUPERINTENDENT OF SECURITIES, DIGITAL GOVERNMENT  
AND SERVICE NEWFOUNDLAND AND LABRADOR  
OFFICE OF THE SUPERINTENDENT OF SECURITIES, NORTHWEST  
TERRITORIES  
NOVA SCOTIA SECURITIES COMMISSION  
OFFICE OF THE SUPERINTENDENT OF SECURITIES, NUNAVUT  
ONTARIO SECURITIES COMMISSION  
PRINCE EDWARD ISLAND OFFICE OF THE SUPERINTENDENT OF SECURITIES  
FINANCIAL AND CONSUMER AFFAIRS AUTHORITY OF SASKATCHEWAN  
OFFICE OF THE YUKON SUPERINTENDENT OF SECURITIES**

(each a **Regulator**, collectively the **Regulators** or the **Parties**)

The Parties agree as follows:

**1. Underlying Principles**

*a. Approval and Acceptance*

Pursuant to applicable Securities Legislation, and subject to terms and conditions, the Regulators have either:

- (i) approved CIPF as a compensation fund or contingency trust fund; or
- (ii) deemed CIPF acceptable as a contingency fund.

*b. Oversight Program*

To ensure that CIPF is appropriately discharging its responsibilities as a compensation or contingency fund, the Regulators have developed an oversight program (**Oversight Program**) which includes:

- (i) review of information filed by CIPF, as set out in section 4;
- (ii) oversight reviews of CIPF, as set out in section 5; and

- (iii) review and applicable approval of Amendments, as set out in section 6.

The purpose of the Oversight Program is to ensure that CIPF is acting in accordance with the CIPF Mandate, and complying with the terms and conditions of the Regulators' approval or acceptance.

*c. Oversight Guiding Principles*

The guiding principles for the Regulators' joint oversight of CIPF are:

- (i) Harmonious direction – the Regulators will strive to speak as one when giving direction to CIPF;
- (ii) Transparency – each Regulator shares with other Regulators important communications with CIPF in a timely manner; and
- (iii) Efficiency – each Regulator will strive to conduct oversight in an effective manner while attempting to minimize the resources required from other Regulators and CIPF.

*d. Previous Memoranda of Understanding*

This MOU replaces the memoranda of understanding that took effect on January 1, 2021 between the applicable Regulators in respect of the oversight of the Canadian Investor Protection Fund and the MFDA Investor Protection Corporation.

## **2. Definitions**

**“Acceptance Decision”** means the decision regarding CIPF by a Regulator pursuant to the Securities Legislation in a Canadian province or territory which may stipulate that a dealer must participate in a contingency fund deemed acceptable by the Regulator.

**“Amendment”** means

- (i) any amendment to, or revocation or replacement of, CIPF's Coverage Policies or by-laws; or
- (ii) any material change to CIPF's Industry Agreement with the New Self-Regulatory Organization of Canada

for which the Regulators' prior approval is required pursuant to an Approval Order or Acceptance Decision.

**“Approval Order”** means the approval of CIPF by a Regulator pursuant to the Securities Legislation in a Canadian province or territory which stipulates that

registered dealers must participate in a compensation fund or contingency trust fund approved by the Regulator and established by, among others, a self-regulatory organization.

“**Board**” has the meaning ascribed to that term in CIPF Approval Order or Acceptance Decision.

“**Coordinators**” mean the two Regulators that are designated as such from time to time by consensus of all the Regulators.

“**Coverage Policies**” have the meaning ascribed to that term in CIPF Approval Order or Acceptance Decision.

“**Industry Agreement**” has the meaning ascribed to that term in CIPF Approval Order or Acceptance Decision.

“**CIPF Mandate**” has the meaning ascribed to that term in CIPF Approval Order or Acceptance Decision.

“**Reviewing Regulator**” means a Regulator that is participating in an oversight review of CIPF.

“**Securities Legislation**” has the same meaning as in National Instrument 14-101 *Definitions* and includes, where applicable, commodity futures legislation.

“**Self-regulatory organization (SRO)**” has the meaning ascribed to that term in CIPF Approval Order or Acceptance Decision.

“**SRO Member**” has the meaning ascribed to that term in CIPF Approval Order or Acceptance Decision.

### 3. **General Provisions**

#### a. *Oversight Committee*

The Regulators will establish an oversight committee (**Oversight Committee**) which will act as a forum to discuss issues, concerns and proposals related to the oversight of CIPF.

Each of the Regulators shall designate from time to time representatives on the Oversight Committee.

The Oversight Committee will provide to the Chairs of the Regulators an annual written report that will include a summary of all oversight activities conducted during the previous period (**Annual Report on Oversight Activities**). The Annual Report on Oversight Activities will also be published.

*b. Coordinators*

The two Regulators that are designated as Coordinators are tasked with the role of coordinating, communicating and scheduling activities of the Oversight Program between the Regulators, and between the Regulators and CIPF. The Coordinators must not make any unilateral decision, or give unilateral direction, with respect to CIPF.

The Coordinators will serve for four years on a staggered rotation basis among the two designated Regulators. Initially, one of the two Coordinators will be replaced after two years, and thereafter each Coordinator will have a four-year term, such that a new Coordinator will be designated to replace a current Coordinator every two years. Designation of a new Coordinator will be made one year in advance of the end of an exiting Coordinator's term.

*c. Staff Contact*

The Coordinators will provide CIPF with key staff contacts in each jurisdiction for the purposes of matters arising under this MOU or relating to oversight in general.

*d. Status Meetings*

The Coordinators will organize semi-annual conference calls and annual in-person meetings between the Oversight Committee and staff of CIPF. The purpose is to discuss matters relating to the Oversight Program of CIPF and other matters that are of interest to the Regulators and CIPF. The Coordinators will record minutes of these meetings and calls.

**4. Review of Information Filed**

Any comments of the staff of the Regulators on information filed by CIPF will be sent to the Coordinators, with a copy to staff of the other Regulators. The Coordinators will request that CIPF respond to comments raised by the Regulators and copy staff of the other Regulators on its response.

**5. Oversight Reviews**

The Regulators have developed procedures for performing periodic reviews of CIPF's functions, as set out in Schedule A.

**6. Review and Applicable Approval of Amendments**

The Regulators have entered into a protocol, set out in Schedule B of this MOU, to establish uniform procedures relating to the review and applicable approval of or non-objection to proposed Amendments.

## **7. Confidentiality**

All notices, reports, documents and any other information or data shared amongst any of the Regulators pursuant to this MOU are shared exclusively for the regulatory purposes of the Regulators, and with the expectation that they be shared and maintained in confidence, except as may otherwise be required by applicable law.

## **8. Authority**

Nothing in this MOU is intended to limit the powers of any of the Regulators under applicable Securities Legislation to take any measures authorized or required under such legislation.

## **9. Schedules**

The MOU represents the Regulators' commitment to a coordinated and cooperative approach to conducting the Oversight Program, and the schedules are integral to the execution of this commitment.

## **10. Amending, terminating and withdrawing from the MOU**

This MOU may be amended from time to time as mutually agreed upon by the Regulators. Any amendments must be in writing and approved by the duly authorized representatives of each Regulator in accordance with the applicable legislation of each province or territory.

This MOU may be terminated if mutually agreed upon by the Regulators.

Each Regulator can, at any time, withdraw from this MOU on at least 90 days' written notice to the Coordinators and to each Regulator.

## **11. Effective Date**

This MOU comes into effect on January 1, 2023.

**IN WITNESS WHEREOF** the duly authorized signatories of the parties below have signed this MOU as of the Effective Date of the MOU stated above.

**ALBERTA SECURITIES COMMISSION**

Per: "Stan Magidson"

Title: Chair and Chief Executive Officer

**BRITISH COLUMBIA SECURITIES COMMISSION**

Per: "Brenda M. Leong"

Title: Chair and Chief Executive Officer

**FINANCIAL AND CONSUMER SERVICES COMMISSION OF NEW BRUNSWICK**

Per: "Kevin Hoyt"

Title: Chief Executive Officer

**MINISTER FOR INTERGOVERNMENTAL AFFAIRS NEWFOUNDLAND AND LABRADOR, OR DESIGNATE**

Per: "Patricia Hearn"

Title: Deputy Minister for Intergovernmental Affairs

**NOVA SCOTIA SECURITIES COMMISSION**

Per: "Paul Redford"

Title: Chair

**ONTARIO SECURITIES COMMISSION**

Per: "D. Grant Vingoe"

Title: Chief Executive Officer

**FINANCIAL AND CONSUMER AFFAIRS AUTHORITY OF SASKATCHEWAN**

Per: "Roger Sobotkiewicz"

**AUTORITÉ DES MARCHÉS FINANCIERS**

Per: "Louis Morisset"

Title: President and Chief Executive Officer

**MANITOBA SECURITIES COMMISSION**

Per: "David Cheop"

Title: Chair and Chief Executive Officer

**OFFICE OF THE SUPERINTENDENT OF SECURITIES, DIGITAL GOVERNMENT AND SERVICE NEWFOUNDLAND AND LABRADOR**

Per: "Scott Jones"

Title: Superintendent of Securities

**OFFICE OF THE SUPERINTENDENT OF SECURITIES, NORTHWEST TERRITORIES**

Per: "Matthew F. Yap"

Title: Superintendent of Securities

**OFFICE OF THE SUPERINTENDENT OF SECURITIES, NUNAVUT**

Per: "Shamus Armstrong"

Title: Deputy Superintendent of Securities

**PRINCE EDWARD ISLAND OFFICE OF THE SUPERINTENDENT OF SECURITIES**

Per: "Steve Dowling"

Title: Superintendent of Securities

**OFFICE OF THE YUKON SUPERINTENDENT OF SECURITIES**

Per: "Fred Pretorius"

Title: Chair and Chief Executive Officer

Title: Superintendent of Securities

## **Schedule A Oversight Reviews**

On behalf of all Regulators, the Reviewing Regulators will carry out periodic coordinated oversight reviews of CIPF for the purposes of: (i) evaluating whether selected regulatory processes are effective, efficient, and are applied consistently and fairly; and (ii) assessing compliance with the terms and conditions of the Approval Orders and any Acceptance Decision.

A Regulator may choose to participate in a coordinated review of CIPF, or may choose to rely on another Regulator for the review of CIPF. In cases where a Regulator chooses not to review CIPF office in its jurisdiction, the other Regulators may conduct a review of that CIPF office.

Each Regulator may also perform an independent review of CIPF to deal with significant and/or local issues. Any Regulator who intends to perform such a review will notify staff of the other Regulators prior to conducting such a review.

The scope of the review will be determined by utilizing a risk-based methodology established and agreed upon by staff of the Regulators.

When the Reviewing Regulators carry out a coordinated review, they will use best efforts to adhere to the following within any timelines established among themselves:

- 1) The Reviewing Regulators will establish and agree on a work plan for the coordinated review that sets the target completion date for each step, including conducting the review, reviewing draft reports, confirming factual accuracy, translating and publishing the final report, and follow-up plans.
- 2) The Reviewing Regulators will coordinate their review of CIPF by conducting their reviews at the same time.
- 3) The Reviewing Regulators will develop and use a uniform review program and uniform performance benchmarks to conduct the coordinated review and will ensure the review is appropriately staffed in their respective jurisdiction.
- 4) The Coordinators will, as needed, arrange for communications among the Reviewing Regulators during the course of a review, to discuss the progress of the work completed and to ensure appropriate consistency in the Reviewing Regulators' approach.
- 5) Each Reviewing Regulator will share with all other Reviewing Regulators the results of its review, including draft findings and, upon request, supporting materials.



- 6) Unless otherwise agreed upon, the Coordinators will draft a review report and share it among the Reviewing Regulators to ensure it meets all of their expectations and requirements, as applicable. The review report will:
  - a) take into account the draft findings and comments of the Reviewing Regulators, and
  - b) use a common set of criteria to rate the significance and urgency of findings.
- 7) If the Reviewing Regulators disagree on the content of the draft review report, the Reviewing Regulators will follow the process provided in section 12, as applicable, of Schedule B of this MOU for resolution.
- 8) After the Reviewing Regulators are mutually satisfied with the draft review report, the Coordinators will forward the draft review report to CIPF to confirm factual accuracy.
- 9) CIPF will review the draft review report for factual accuracy and respond to the Reviewing Regulators with comments.
- 10) The Reviewing Regulators will consider CIPF's comments and revise their report as necessary.
- 11) The Coordinators will send the revised report to CIPF for its formal response.
- 12) On receipt of CIPF's formal response, the Reviewing Regulators will incorporate such formal response and any follow-up plans into the review report as applicable.
- 13) Each Reviewing Regulator will seek the necessary internal approval to publish the final review report, taking into account language translation needs where applicable.
- 14) When each Reviewing Regulator has obtained the necessary internal approvals, the Coordinators will, and the other Reviewing Regulators may, publish the final review report.

## **Schedule B**

### **Review and Applicable Approval of Amendments**

#### **1. Scope and purpose**

The Regulators hereby establish uniform procedures relating to their review and applicable approval of, or non-objection to, Amendments proposed by CIPF.

#### **2. Classifying Amendments**

- (a) **Classification.** CIPF will classify each proposed Amendment as “housekeeping” or “public comment”.
- (b) **Housekeeping Amendments.** A “housekeeping” Amendment is a proposed Amendment that has no material impact on investors, issuers, registrants, other market participants, the SRO, CIPF, or the capital markets generally and that:
  - (i) makes necessary changes of an editorial nature (such as correcting a textual mistake or inaccurate cross-reference, correcting a translation, making a formatting change, or standardization of terminology),
  - (ii) changes the routine internal processes, practices, or administration of CIPF, or
  - (iii) is necessary to conform CIPF’s policies or by-laws to applicable Securities Legislation, statutory or legal requirements, accounting or auditing standards, or to other CIPF policies or by-laws (including those that the Regulators have approved or non-objected to, but which CIPF has not yet made effective).
- (c) **Public comment Amendments.** A “public comment” Amendment is any proposed Amendment that is not a housekeeping Amendment.
- (d) **Regulators’ disagreement with classification.** If staff of a Regulator thinks that CIPF incorrectly classified a proposed Amendment as housekeeping, the Regulators and CIPF will use best efforts to adhere to the following:
  - (i) Within 5 business days of the date of CIPF’s filing under section 3, staff of the Regulator who intends to disagree with the classification will advise staff of the other Regulators, in writing, that they intend to disagree and provide reasons for their intended disagreement.

- (ii) Within 3 business days after receiving or sending notice of disagreement, staff of the Coordinators will discuss the classification, and may arrange a conference call, with staff of the other Regulators and, as applicable, CIPF.
- (iii) If disagreement with the classification still exists after any such discussion, staff of the Coordinators will notify CIPF of the disagreement, in writing, with a copy to staff of the other Regulators within 10 business days of the date of CIPF's filing.
- (iv) If staff of the Coordinators send a notice of disagreement to CIPF under paragraph 2(d)(iii), CIPF will reclassify the proposed Amendment as a public comment Amendment or withdraw the proposed Amendment by filing a written notice with staff of the Regulators indicating that it will be withdrawing the Amendment.
- (v) If CIPF does not receive any such notice of disagreement within 10 business days of the date of CIPF's filing, CIPF will assume that staff of the Regulators agree with the classification.

### 3. Required Filings

- (a) **Language requirements.** CIPF will file the information required under this section concurrently in both English and French, accompanied with an attestation from a certified translator.
- (b) **Filings for housekeeping Amendments.** CIPF will file the following information with staff of the Regulators for each proposed housekeeping Amendment:
  - (i) a cover letter that indicates the classification of the proposed Amendment by citing the applicable provisions in subsection 2(b),
  - (ii) the Board resolution, or the resolution of the applicable Board committee, including the date that the proposed Amendment was approved,
  - (iii) the text of the proposed Amendment and, where applicable, a blacklined version showing the changes,
  - (iv) a statement as to whether the proposed Amendment complies with the terms and conditions of CIPF's approval or acceptance,
  - (v) confirmation that CIPF followed its established internal governance practices in approving the proposed Amendment and considered the need for consequential amendments, and

- (vi) a notice for publication including:
  - (A) a brief description of the proposed Amendment,
  - (B) the reasons for the housekeeping classification, and
  - (C) the anticipated effective date of the proposed Amendment.
  
- (c) **Filings for public comment Amendments.** CIPF will file the following information with staff of the Regulators for each proposed public comment Amendment:
  - (i) a cover letter that indicates the classification of the proposed Amendment, how CIPF has taken the public interest into account when developing the proposed Amendment and why the proposed Amendment is in the public interest,
  - (ii) the Board resolution, or the resolution of the applicable Board committee, including the date that the proposed Amendment was approved,
  - (iii) the text of the proposed Amendment, and, where applicable, a blacklined version showing the changes,
  - (iv) the items in subparagraphs 3(b)(iv) and (v), and
  - (v) a notice for publication including:
    - (A) written analysis detailing the nature, purpose and effect of the proposed Amendment,
    - (B) the possible effects of the proposed Amendment (including any regional specific effect) on investors, issuers, registrants, other market participants, the SRO, CIPF and the capital markets generally,
    - (C) a description of the context in which CIPF developed the proposed Amendment, any relevant issues considered, and any alternative approaches considered,
    - (D) the anticipated effective date of the proposed Amendment, and
    - (E) a request for public comment together with details on how to submit comments within the comment period deadline, and a

statement that CIPF will publish all comments received during the comment period on its public website.

#### 4. Review criteria

Without limiting the discretion of the Regulators, the Regulators agree that the following are factors that staff of the Regulators may consider when reviewing proposed Amendments:

- (a) whether a proposed Amendment is in the public interest, and
- (b) whether CIPF has provided sufficient analysis of the nature, purpose and effect of a proposed Amendment.

#### 5. Review and approval process for housekeeping Amendments

- (a) **Confirming receipt.** Upon receipt of the materials detailed in subsection 3(b), staff of the Coordinators will, as soon as practicable, send written confirmation of receipt of the proposed housekeeping Amendment to CIPF, with a copy to staff of the other Regulators.
- (b) **Approval.** Except where notice of disagreement has been sent to CIPF in accordance with paragraph 2(d)(iii), the proposed Amendment will be deemed approved or non-objected to on the eleventh business day following the date of CIPF's filing under section 3.

#### 6. Review process for public comment Amendments

- (a) **Confirming receipt.** Upon receipt of the materials detailed in subsection 3(c), staff of the Coordinators will, as soon as practicable, send confirmation of receipt of the proposed public comment Amendment to CIPF, with a copy to staff of the other Regulators.
- (b) **Publication and public comment period.** As soon as practicable, staff of the Coordinators and CIPF will, and staff of the other Regulators may:
  - (i) coordinate a publication date amongst themselves, and
  - (ii) publish the materials referred to in paragraphs 3(c)(iii) and (iv) for a 30-day comment period (or other period agreed upon by staff of the Regulators and CIPF) on their respective public websites.
- (c) **Publishing and responding to public comments.** CIPF will, as and when they are received, promptly publish any public comments on its public website. CIPF will also prepare a summary of and responses to those public comments and send them to staff of the Regulators within any timelines established by staff of the Regulators.

- (d) **Regulator review.** After the subsection 6(b) comment period has ended, staff of the Regulators will, in writing, provide any significant comments to the Coordinators, copying staff of the other Regulators, within any timelines established among themselves.
- (e) **Regulators have no comments.** If staff of the Coordinators do not receive or have any significant comments within the period provided for under subsection 6(d), staff of the Regulators will be deemed to not have any comments and the following applies:
  - (i) If CIPF has received public comments, the Regulators will, upon receipt of CIPF's summary and responses described in subsection 6(c), follow the processes applicable to the review of CIPF responses set out in paragraphs 6(f)(v) through (ix).
  - (ii) If CIPF has not received any public comments, or the public comments received do not raise any material issues (as determined by staff of the Regulators), staff of the Regulators will proceed immediately to the approval or non-objection process in section 8.
- (f) **Regulators have comments.** If staff of the Coordinators receive or have significant comments within the period provided for under subsection 6(d), staff of the Regulators and CIPF will use best efforts to adhere to the following process using timelines established amongst themselves:
  - (i) At the end of the period provided for under subsection 6(d), staff of the Coordinators will prepare and deliver to staff of the other Regulators a draft comment letter that incorporates their own significant comments and the significant comments raised by staff of the other Regulators and may, if deemed necessary, identify different views among staff of the Regulators.
  - (ii) Staff of the Regulators will provide any significant written comments on the draft comment letter to the Coordinators, copying staff of the other Regulators; if staff of the Coordinators do not receive any such comments within the timelines agreed upon, staff of the other Regulators will be deemed not to have any comments.
  - (iii) Following the other Regulators' response (or deemed response), staff of the Coordinators will consolidate all comments received and, when finalized to the satisfaction of staff of the Regulators, send the comment letter to CIPF, with a copy to staff of the other Regulators.
  - (iv) CIPF will respond, in writing, to the comment letter sent by staff of the Coordinators, with a copy to staff of the other Regulators.

- (v) After receiving CIPF's response, staff of the Regulators will provide any significant comments, in writing, to staff of the other Regulators; if staff of the Coordinators do not receive and do not have any such comments within the timelines agreed upon, staff of the Regulators will:
  - (A) be deemed not to have any comments, and
  - (B) proceed immediately to the approval or non-objection process in section 8.
- (vi) Staff of the Regulators and, as applicable, CIPF will follow the process laid out in paragraphs 6(f)(i) to (v) when staff of the Regulators have significant comments on CIPF's response to the comment letter.
- (vii) Staff of the Coordinators will attempt to resolve any issues that staff of the Regulators have raised on a timely basis and will consult with staff of the other Regulators or CIPF, as needed.
- (viii) If staff of the Regulators disagree about the substantive content of the comment letter in paragraph 6(f)(i) or whether to recommend approval of or non-objection to the Amendment, staff of the Coordinators will invoke section 12.
- (ix) If CIPF fails to respond to comments of staff of the Regulators within 120 days of receipt of the most recent comment letter from staff of the Regulators (or such other time as agreed to by staff of the Regulators), CIPF may withdraw the Amendment in accordance with section 13 or staff of the Regulators will, if they agree among themselves to do so in writing, recommend their respective decision makers to object to or not approve the Amendment.

## 7. Revising and republishing public comment Amendments

- (a) **Language requirements.** If, subsequent to its publication for comment, CIPF revises a public comment Amendment, CIPF will file any such revision, which will include, as applicable, a blacklined version to the original published version, a cumulative blacklined version of the Amendment, and a clean copy of the revised Amendment, concurrently in both English and French, accompanied with an attestation from a certified translator.
- (b) **Revising Amendments.** If such a revision changes the Amendment's substance or effect in a material way, staff of the Coordinators may, in consultation with CIPF and staff of the other Regulators, require the revised Amendment to be republished for an additional comment period. Upon

republishing, the initial or previous Amendment will be considered closed, and not approved or in effect.

- (c) **Published documents.** If a public comment Amendment is republished, the revised request for comments will include, as applicable, the information filed under subsection 7(a), the date of Board approval or approval of the applicable Board committee (if different from the original published version), CIPF's summary of comments received and responses for the previous request for comments, together with an explanation of the revisions to the Amendment and the supporting rationale for the revisions.
- (d) **Applicable provisions.** Any republished public comment Amendment will be subject to all provisions in this Schedule B applicable to public comment Amendments, except where otherwise provided for in this Schedule B.

## 8. Approval process for public comment Amendments

- (a) **Coordinators seek approval.** Staff of the Coordinators will use their best efforts to seek approval of or non-objection to the Amendment within 20 business days of the end of the review process set out in section 6.
- (b) **Coordinators circulate documents.** After the Coordinators make a decision about an Amendment, staff of the Coordinators will promptly circulate to staff of the other Regulators applicable documentation relating to the Coordinators' decision.
- (c) **Other Regulators seek approval.** Staff of the other Regulators will use their best efforts to seek approval or non-objection within 20 business days of receipt of applicable documentation from staff of the Coordinators.
- (d) **Other Regulators communicate decision to Coordinators.** Staff of each Regulator will promptly inform staff of the Coordinators in writing after a decision about the Amendment has been made.
- (e) **Coordinators communicate decision to CIPF.** Staff of the Coordinators will promptly communicate to CIPF, in writing, the decision about the Amendment, including any conditions, upon receipt of notification of the other Regulators' decisions.

## 9. Effective date of Amendments

- (a) **Public comment Amendments.** Public comment Amendments (other than Amendments implemented under section 11) will be effective on the later of:
  - (i) the date the Coordinators publish the notice of approval or non-objection in accordance with subsection 10(a), and



- (ii) the date designated by CIPF under subparagraph 3(c)(iv)(D) or the date as determined by CIPF.
- (b) **Housekeeping Amendments.** Housekeeping Amendments will be effective on the later of:
  - (i) the date of deemed approval or non-objection in accordance with subsection 5(b), and
  - (ii) the date designated by CIPF under subparagraph 3(b)(iv)(C).
- (c) **Failing to make an Amendment effective within one year.** CIPF will advise staff of the Regulators in writing if it has not made an Amendment effective within one year of receiving approval or non-objection from the Regulators, and will include the following information:
  - (i) the reasons it has not yet made the Amendment effective,
  - (ii) CIPF's projected timeline for making the Amendment effective, and
  - (iii) the impact on the public interest of delaying making the Amendment effective within one year.

## 10. Publishing notice of approval

- (a) **Public comment Amendments.** For any public comment Amendment, staff of the Coordinators and CIPF will both publish a notice of approval of or non-objection on their respective websites, together with:
  - (i) if applicable, CIPF's summary of comments received and responses, and
  - (ii) if changes were made to the version published for public comment, a blacklined version of the revised Amendment.
- (b) **Housekeeping Amendments.** For any housekeeping Amendments, staff of the Coordinators will prepare a notice of deemed approval or non-objection and both the Coordinators and CIPF will publish such notice, together with the materials referred to in paragraphs 3(b)(iii) and (iv), on their respective public websites.
- (c) **Publication by other Regulators.** Any other Regulators may publish notices of approval at their own discretion.

## 11. Immediate implementation

- (a) **Criteria for immediate implementation.** If CIPF identifies an urgent need to implement a proposed public comment Amendment because of a substantial risk of material harm to investors, issuers, registrants, other market participants, the SRO, CIPF or the capital markets generally, CIPF may make the proposed public comment Amendment effective immediately upon approval by the Board, subject to subsection 11(d), and provided that:
- (i) CIPF provides staff of each Regulator with written notice of its intention to rely upon this procedure at least 10 business days before the Board considers the proposed public comment Amendment for approval, and
  - (ii) CIPF's written notice in paragraph 11(a)(i) includes:
    - (A) the date on which CIPF intends the proposed public comment Amendment to be effective, and
    - (B) an analysis in support of the need for immediate implementation of the proposed public comment Amendment.
- (b) **Notice of disagreement.** If staff of a Regulator does not agree that immediate implementation is necessary, staff of the Regulators and, as applicable, CIPF will use best efforts to adhere to the following:
- (i) Staff of the Regulator which disagrees with the need for immediate implementation will, within 5 business days after CIPF provides notice under subsection 11(a), advise staff of the other Regulators in writing that they disagree and provide the reasons for their disagreement.
  - (ii) Staff of the Coordinators will promptly notify CIPF of the disagreement in writing.
  - (iii) Staff of CIPF and staff of the Regulators will discuss and attempt to resolve any concerns raised on a timely basis but, if the concerns are not resolved to the satisfaction of staff of all Regulators, CIPF cannot immediately implement the proposed public comment Amendment.
- (c) **Notice of no disagreement.** Where there is no notice of disagreement under and within the timelines set out in paragraph 11(b)(i), or where concerns have been resolved under paragraph 11(b)(iii), staff of the Coordinators will immediately provide written notice to CIPF, with a copy to staff of the other Regulators, that it may immediately implement the proposed public comment Amendment subject to Board approval.

- (d) **Effective date.** Proposed public comment Amendments that CIPF immediately implements in accordance with section 11 will be effective on the later of the following:
  - (i) the date of the notice provided to CIPF under subsection 11(c),
  - (ii) the date the Board approves the Amendment, and
  - (iii) the date designated by CIPF in its written notice to staff of the Regulators.
- (e) **Subsequent review of Amendment.** A public comment Amendment that is implemented immediately will subsequently be published, reviewed, and approved or non-objected to in accordance with the applicable provisions of this Schedule B.
- (f) **Subsequent disapproval of Amendment.** If the Regulators subsequently object to or do not approve a public comment Amendment that CIPF immediately implemented, CIPF will promptly repeal the public comment Amendment and inform SRO Members of the Regulators' decision.

## 12. Disagreements

If any disagreement, either among the Regulators or between the Regulators and CIPF, about a matter arising out of or relating to this Schedule B cannot be resolved through discussions, the Regulators will use best efforts to adhere to the following using timelines established amongst themselves:

- (a) If staff of one of the Regulators notifies the other Regulators that in their view there is a disagreement that cannot be resolved through staff discussions, then staff of the Coordinators will arrange for senior staff of the Regulators to discuss the issues and attempt to reach a consensus.
- (b) If, following such discussions, a consensus is not reached, staff of the Coordinators will escalate the disagreement as applicable and, ultimately, to the Regulators' Chairs or other senior executives of the Regulators or such other process as agreed to by staff of the Regulators.
- (c) If, following such escalation, a consensus is not reached, CIPF may withdraw the Amendment in accordance with section 13 or staff of the Regulators will recommend that their respective decision makers object to or not approve the Amendment.

## 13. Withdrawing proposed Amendments

- (a) **Filing notice of withdrawal.** If CIPF withdraws a proposed public comment Amendment that the Regulators have not yet approved or non-objected to,

CIPF will file with staff of the Regulators a written notice indicating that it will be withdrawing the Amendment.

- (b) **Contents of notice of withdrawal.** The written notice in subsection 13(a) must contain:
  - (i) the reason CIPF submitted the proposed Amendment,
  - (ii) any dates on which the Board or the applicable Board committee approved the proposed Amendment,
  - (iii) any prior publication dates,
  - (iv) the Board resolution, or the resolution of the applicable Board committee, supporting the withdrawal of the proposed Amendment,
  - (v) the reasons CIPF is withdrawing the proposed Amendment, and
  - (vi) the impact of withdrawing the proposed Amendment on the public interest.
- (c) **Publishing notice of withdrawal.** Where the proposed Amendment being withdrawn had previously been published for comment under subsection 6(b), staff of the Coordinators and CIPF will both publish a notice on their public websites stating that CIPF will be withdrawing the proposed Amendment together with the reasons CIPF is withdrawing the proposed Amendment.

#### **14. Reviewing and amending Schedule B**

Staff of the Regulators will, when they agree it is necessary to do so, conduct a joint review of the operation of this Schedule B in order to identify issues relating to:

- (a) the effectiveness of this Schedule B,
- (b) the continuing appropriateness of the timelines and other requirements set out in this Schedule B, and
- (c) any necessary or desirable amendments to this Schedule B.

## 15. Waiving or varying Schedule B

- (a) **CIPF request.** CIPF may file a written request with the Regulators to waive or vary any part of this Schedule B and, in such a case, the Regulators will use best efforts to adhere to the following using timelines established amongst themselves:
  - (i) A Regulator who objects to the granting of the waiver or variation will notify the other Regulators of their objection, together with their reasons for the objection. If the Coordinators do not receive or send any notice of objection, the Regulators are deemed to not object to the waiver or variation.
  - (ii) In accordance with the timelines established by the Regulators, the Coordinators will provide written notice to CIPF as to whether the waiver or variation has been granted or objected to.
- (b) **Regulator request.** The Regulators may waive or vary any part of this Schedule B if all of the Regulators agree in writing to such waiver or variation.
- (c) **General.** A waiver or variation may be specific or general and may be made for a time or for all time as mutually agreed by the Regulators.

## 16. Publishing materials

If staff of the Coordinators publish any materials under this Schedule B, staff of the other Regulators may also publish the same materials and, in such a case, staff of the Coordinators will coordinate the publication date with staff of the other Regulators.