

ORDER NUMBER 89

**IN THE MATTER OF
THE SECURITIES ACT, R.S.N.L. 1990, CHAPTER S-13
AS AMENDED (the "*Act*")**

AND

THE INVESTMENT DEALERS ASSOCIATION OF CANADA ("IDA")

AND

THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA ("IIROC")

AND

VOLUNTARY SURRENDER AS A SELF-REGULATORY ORGANIZATION

**ORDER
(Section 144.(1) of the *Act*)**

Definitions

1. Unless otherwise defined in this order or the context otherwise requires, terms used that are defined in the *Act* and National Instrument 14-101 *Definitions* have the same meaning in this order.

Background

2. The Superintendent of Securities (the "Superintendent") issued an order on June 20, 2006 recognizing the IDA as a self-regulatory organization pursuant to section 25 of the *Act* ("Previous Order").
3. Effective June 1, 2008 (the "Effective Date"), the IDA combined its operations (the "Combination") with Market Regulation Services Inc. thereby becoming IIROC. The Deputy Superintendent of Securities (the "Deputy Superintendent") issued an order dated May 30, 2008, effective June 1, 2008, recognizing IIROC as a self-regulatory organization pursuant to section 25 of the *Act*.
4. In 2008, the Superintendent varied and restated the Previous Order in order to reflect that, subsequent to the Effective Date, the IDA would continue to operate as a self-regulatory organization for a period of time, contemplated to be 5 years, to perform limited complaint handling, investigations and enforcement functions.
5. The above referenced period of time has now lapsed and no circumstances have been brought to the Superintendent's attention that would warrant a continuation of the regulatory authority of the IDA as a recognized self-regulatory organization.
6. The IDA has now applied to the Superintendent by written submission dated February 25, 2014, for the Superintendent to accept the voluntary surrender of the recognition of the IDA as a self-regulatory organization under the Previous Order, as varied and restated.

7. IIROC, on behalf of the IDA, has made the following representations:
- (i) The continued recognition of the IDA after the Combination was intended to provide added assurance regarding its continued authority over persons subject to its authority and their conduct occurring prior to the Effective Date;
 - (ii) An IIROC staff review of the outstanding and potential investigation and enforcement activity involving conduct prior to the Effective Date was carried out, and it was determined that the risk of a possible challenge to its authority is low, thus there is no longer a material need for such added assurance;
 - (iii) IIROC has no knowledge of any threatened, pending or actual claims against the IDA; and
 - (iv) IIROC has previously agreed to discharge, perform and fulfill all of the obligations and liabilities of the IDA arising before, on or after the Effective Date, and undertakes to continue to do so following the Superintendent's acceptance of the voluntary surrender of the recognition of the IDA as a self-regulatory organization.

Order

8. Considering that it would not be prejudicial to the public interest to do so, pursuant to section 144.(1) of the *Act*, the Deputy Superintendent accepts the voluntary surrender by the IDA and revokes the Previous Order recognizing the IDA as a self-regulatory organization.

Dated at St. John's, Newfoundland and Labrador this 16th day of April 2014.



Don Boyles, CMA
Deputy Superintendent of Securities