

## **CSTO DELIVERS TRANSITION PLAN FOR CANADIAN SECURITIES REGULATOR**

July 13, 2010 – The Canadian Securities Transition Office reached another key milestone yesterday by delivering its *Transition Plan for the Canadian Securities Regulatory Authority* to the federal Minister of Finance and the participating provinces and territories. Developed as a roadmap for establishing the Canadian Securities Regulatory Authority (CSRA), the plan sets out the Transition Office’s vision for the new national regulator and its regulatory approach, as well as proposals for the governance structure, organization design and implementation.

“Our Transition Plan reflects the valuable input we have received from the participating jurisdictions and other stakeholders,” said Doug Hyndman, chair and chief executive officer of the Transition Office. “We look forward to working with them over the next two years as they help us build for Canada a modern, flexible regulator that will be a world leader.”

The Transition Plan is intended to form the basis of agreements between the federal government and provinces and territories to continue to work with the Transition Office to develop the CSRA. It reflects a process that is intended to minimize disruptions and uncertainty and to maintain continuous protection and service for investors and market participants.

Key aspects of the Transition Plan are:

- A transparent and accountable governance and policy-making structure, which will include:
  - a Council of Ministers;
  - a Canadian Securities Tribunal that will provide independent adjudication, but be connected to the CSRA’s policy-making function;
  - a Regulatory Policy Forum that will bring together senior members of the CSRA’s Regulatory Division and the Tribunal with other stakeholders;
  - an Investor Advisory Panel.
- An organization design that provides for an integrated national body with local service delivery and distributed decision making.
- Provision for an office in each participating province and regulatory services in each participating territory either through the CSRA’s own local office or through an existing government agency.
- High level plans for the human resource, information management and business process needs of the CSRA.
- Plans for initial regulations, based largely on existing harmonized rules, and for transitional regulations and processes to ensure continuity in enforcement and other matters.

The Transition Office has engaged a variety of stakeholders in the development of the draft *Act* and the

Transition Plan. During the next phase, the Transition Office will continue to consult with the federal government, provincial and territorial governments, investors, market participants and other stakeholders as it moves forward with the transition process.

While the federal government and participating jurisdictions have had input into the development of the Transition Plan, the recommendations within it are those of the Transition Office and have yet to be accepted by government stakeholders. It is expected that the details of the transition process will continue to evolve through ongoing consultations.

The full text of the Transition Plan, along with Highlights and a Summary, can be accessed on the Transition Office website at [www.csto-btcvm.ca](http://www.csto-btcvm.ca).

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