

For Immediate Release
March 18, 2011
DRAFT

**Canadian Securities Regulators Update Proposal on
Regulatory Regime for Credit Rating Organizations**

Toronto – The Canadian Securities Administrators (CSA) today republished for comment proposed National Instrument 25-101 *Designated Rating Organizations* and related consequential amendments, which would introduce securities regulatory oversight of credit rating organizations.

The Notice sets out revisions to the version of National Instrument 25-101 that was initially proposed in July 2010. The revised proposal takes into account feedback received from investors and marketplace participants on the initial proposal, published July 2010. The new revised instrument was enhanced in order to maintain consistency with international standards.

In keeping with the initial publication, the CSA continues to require for a credit rating organization to apply to become a “designated rating organization” (DRO) in order to allow its ratings to be used for various purposes within securities legislation. For example, access to the short form prospectus system will only be available for certain debt securities if a credit rating is obtained from a DRO.

Under the proposals, a DRO would be required to establish, maintain and comply with a code of conduct that includes a set of provisions developed in accordance with international standards. In addition, the proposal was revised to address board governance standards of a DRO and to provide clarification of the duties and responsibilities of a DRO’s compliance officer.

The CSA are seeking input from all stakeholders on the proposals. The comment period is open until May 17, 2011. Copies of the proposed instrument, consequential amendments to other instruments and additional background information are available on the websites of CSA members.

The CSA, the council of the securities regulators of Canada’s provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets.

–30–

For more information:

Carolyn Shaw-Rimmington
Ontario Securities Commission
416-593-2361

Mark Dickey
Alberta Securities Commission
403-297-4481

Sylvain Théberge
Autorité des marchés financiers
514-940-2176

Ainsley Cunningham
Manitoba Securities Commission
204-945-4733

Natalie MacLellan
Nova Scotia Securities Commission
902-424-8586

Janice Callbeck
PEI Securities Office
Office of the Attorney General
902-368-6288

Graham Lang
Yukon Securities Registry
867-667-5466

Donn MacDougall
Northwest Territories
Securities Office
867-920-8984

Ken Gracey
British Columbia Securities Commission
604-899-6577

Wendy Connors-Beckett
New Brunswick Securities Commission
506-643-7745

Jennifer Anderson
Saskatchewan Financial Services
Commission
306- 798-4160

Doug Connolly
Financial Services Regulation Div.
Newfoundland and Labrador
709-729-2594

Louis Arki
Nunavut Securities Office
867-975-6587