

IIROC NOTICE

Rules Notice

Notice of Approval/ Implementation

Dealer Member Rules

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Amendments to Research Report Quiet Periods

Summary of Amendments

On September 24, 2015, amendments (“Amendments”) to Requirement 14 of Dealer Member Rule 3400 (“Rule 3400”) were published in IIROC Notice of Approval [15-0216](#). The Amendments reduced research quiet periods from 40 to 10 days following the date of the offering in respect of initial public offerings and from 10 to 3 days following the date of the offering in respect of secondary offerings.¹

A copy of the Amendments is included as Attachment A.

The Amendments were effective as of September 25, 2015. This immediate implementation was approved by the Recognizing Regulators, in accordance with s.7 of the Joint Rule Review Protocol contained in the IIROC Recognition Order.

¹ The meaning of the “date of the offering” for different types of offering is set out in IIROC Guidance Notice [12-0369](#). For example, the date of the offering for a prospectus offering is the date of the final receipt for the prospectus.

Responses to Comments

IIROC determined that the Amendments were Public Comment Rules, and a separate IIROC Request for Comment Notice [15-0217](#) was issued, which contains additional information regarding analysis of the Amendments, the potential impact of not immediately implementing the Amendments, and alternatives considered by IIROC.

IIROC's responses to the public comments received are included as Attachment B.

Watching Brief

As part of IIROC's response to the public comments received, we propose to maintain a watching brief during calendar year 2016.

The scope of this watching brief will be to monitor the quality of research relating to domestic and cross-border IPOs and secondary offerings. In addition to monitoring research, we will consult with interested parties, including investor advocacy groups and through consultation with our advisory committees. This will ensure that we will make adjustments to the rule requirements only where necessary and in response to evidence of adverse negative effects on investors, Dealer Members, market structure or competition which are disproportionate to the benefits of alignment with the US regime and the benefit of efficient dissemination of information under the Amendments.

To the extent that there is sufficient data at the end of the watching brief, any proposed regulatory changes will be communicated in accordance with IIROC's usual procedures depending on the nature of the change (for example, guidance or rule amendment) or as part of any proposed amendments made as a result of our full review of Rule 3400.

Review of Rule 3400

Concurrent with the watching brief we have undertaken a separate project to review and update Rule 3400. We expect to be in a position to publish proposed amendments to the full Rule 3400, if any, which we intend to publish as an IIROC Request for Comment Notice in the first quarter of 2017.

Attachments

[Attachment A](#) - Amendments to Dealer Member Rule 3400, Requirement 14.

[Attachment B](#) - Responses to Public Comments