

# IIROC NOTICE

## **Rules Notice Request for Comments**

Dealer Member Rules

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**12-0370**  
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## **Summary of comments received on the draft Guidance Note “Date of the offering” within the meaning of Dealer Member Rule 3400”**

On April 13, 2012, the Investment Industry Regulatory Organization of Canada (“IIROC”) issued for public comments on draft guidance regarding *the meaning of “date of the offering” in Requirement 14 of Dealer Member Rule 3400-Research Restrictions and Disclosure Requirements* ([IIROC Notice 12-0135](#)).

This summary responds to the three comment letters received on the draft Guidance Note that was published for comment on April 13, 2012. We have considered the comments received and we thank all the commenters for their submissions. The comments specific to the proposal have been summarized to correspond with the major components of the draft Guidance Note, followed by IIROC staff response to each specific comment.



### **Prospectus offerings**

With respect to prospectus offerings, two commenters suggested that rather than stating that the date of offering commences on the date the Dealer Member *receives* the final receipt for the prospectus, the date of the final receipt for the prospectus should be used for greater precision. [Scotia, IIAC]

#### **IIROC staff response:**

IIROC staff agree and have made the change as suggested.

### **Shelf offerings**

With respect to shelf offerings, two commenters suggested that rather than stating that the date of offering commences on the date on which the shares are first offered to the public, the date of the prospectus supplement which qualified the share offering to the public should be used for greater precision.[Scotia, IIAC]

#### **IIROC staff response:**

IIROC staff agree and have made the change as suggested.

### **Other comments**

One commenter agrees with the interpretation set out in the draft Guidance Note, however, suggests further guidance be provided on exemption for highly liquid securities relating to requirement 14.1 and for IIROC to harmonize its requirements with the developments in the U.S. and other jurisdictions regarding research restrictions. [RBC]

#### **IIROC staff response:**

The commenter is suggesting that more fundamental changes be made for consistency with FINRA and other jurisdictions. We acknowledge that the issues noted by the commenter need to be considered; however, they cannot be addressed through this Guidance Note. We will be conducting an overall review of Dealer Member Rule 3400 at a later date and we will consider this issue at that time.