

IIROC NOTICE

Rules Notice
Notice of Approval/Implementation
Dealer Member Rules

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17-0068
March 30, 2017

Amendments to Dealer Member Rule 1200 and to Form 1 relating to the client free credit cash usage limit and client free credit segregation requirements

The applicable securities regulatory authorities have approved amendments to IIROC Dealer Member Rule 1200 and to Form 1 relating to the client free credit cash usage limit and client free credit segregation requirements (**Amendments**).

We originally published the Amendments for comment on December 18, 2014 in IIROC Rules [Notice 14-0298](#) - *Proposed amendments to Dealer Member Rules 100 and 1200 and to Form 1 relating to the client free credit cash usage limit, client free credit segregation requirements, and securities concentration test*. (**Original Proposal**)(**Notice 14-0298**). Relevant background information, including the objectives of the Amendments, is set out in Notice 14-0298.



We republished the Amendments for comment on April 28, 2016 in IIROC Rules [Notice 16-0090](#) - *Proposed amendments to Dealer Member Rule 1200 and to Form 1 relating to the client free credit cash usage limit and client free credit segregation requirements (Notice 16-0090)*. Notice 16-0090 detailed two material changes to the Original Proposal:

- withdrawal of the proposed amendments to the securities concentration test
- inclusion of the condition that Canadian bank paper must have an *original term to maturity* that is within 1 year to qualify for client free credit segregation purposes.

Comments Received

We received no comment letters in response to Notice 16-0090.

Non-material changes

We made the following non-material changes to the Amendments:

- revised subsection 1200.3(b) to consistently refer to “early warning reserve amount” throughout
- changed the title to section C, line 3 of Statement D to “Amount Required to Segregate” to better reflect the purpose of section C
- updated the cross-references to Statement D in Form 1.

Amendments

Attached are the Amendments and accompanying black-line copies.

[Attachment A](#) - Text of Amendments

[Attachment B](#) - Black-line copy of Amendments (highlighting non-material changes) compared to Amendments detailed in IIROC Rules Notice 16-0090

[Attachment C](#) - Black-line copy of Amendments to current Dealer Member Rule 1200 and to current Form 1

Implementation

The Amendments will be effective on **March 30, 2017**.