

IIROC NOTICE

Rules Notice

Technical

Dealer Member Rules

Please distribute internally to:

Credit
Internal Audit
Legal and Compliance
Operations
Regulatory Accounting
Retail
Senior Management
Trading Desk

Contact:

Bruce Grossman
Senior Information Analyst, Member Regulation
Policy
416-943-5782
bgrossman@iroc.ca

18-0229
December 11, 2018

List of Securities Eligible for Reduced Margin

List of Securities Eligible for Reduced Margin (“LSERM”)

Enclosed as [Attachment #1](#), is a copy of the List of Securities Eligible for Reduced Margin (“LSERM”), which has been prepared using data available for the quarter ended September 30, 2018. This list must be used to identify securities eligible for reduced margin as set out in Dealer Member Rules 100.2(f)(vi) and 100.12(a)(i) of the IIROC Rule Book.

A separate section of this list details those Canada/United States inter-listed securities that have qualified for inclusion on the LSERM solely because they have options issued by the Options Clearing Corporation (“OCC”) traded against them. IIROC compiles this section of the LSERM on a best efforts basis. Consequently, Dealer Members are reminded that separate from this list, securities against which options issued by the OCC are traded, are eligible for reduced margin as set out in Dealer Member Rules 100.2(f)(vi) and 100.12(a)(ii).

Dealer Members are reminded that for securities that are convertible or exchangeable into securities on the LSERM, margin should be calculated according to Dealer Member Rule 100.21 Maximum margin required for Convertible Securities, which simply adds the conversion loss, if any, to the reduced margin rate.

This list supersedes the most recently issued LSERM, effective January 7, 2019 [which is fifteen business days following the issuance date of this Notice].