

IIROC NOTICE

Rules Notice

Technical

Dealer Member Rules

Please distribute internally to:

Legal and Compliance

Senior Management

Training

Contact:

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18-0080

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Exemption applications relating to IIROC Dealer Member rules

IIROC Dealer Member rules (**DMRs**) provide for exemptions to be granted from the rules in certain circumstances. Generally, exemptions are at the discretion of the IIROC Board of Directors (the **Board**) or a District Council (each a **Decision Maker**) depending on the substance of the exemption request. The general exemption provision is DMR 17.15. This rule permits the Board to exempt a Dealer Member from any DMR where it is satisfied that to do so would not be prejudicial to the interests of Dealer Members, their clients or the public. In granting an exemption, the Board may impose such terms and conditions, as it considers necessary. In addition to the general exemption provision, certain DMRs contain specific exemption provisions.

This Rules Notice sets out information on how to make an exemption application and related matters. It applies to all applications for exemptions from DMRs, other than proficiency requirements.

For information on requesting exemptions from the Universal Market Integrity Rules (**UMIR**), please refer to UMIR 11.1 ¹.

¹ See IIROC Notice 15-0191 *Obtaining a Trading Exemption or Rule Interpretation* for information on the exemption process for UMIR.



Submission of applications

All applications are to be sent to

IIROC

Attention: General Counsel's Office

121 King St. West

Suite 2000

Toronto, Ontario M5H 3T9

exemptions@iroc.ca

Content and form

There is no prescribed form for applications but each must be in writing, and include the following:

- name of applicant and category of IIROC membership
- applicable DMRs
- relevant facts
- details of any pre-application discussions the applicant had with IIROC
- reasons for the application
- rationale supporting the application, including
 - policy arguments
 - previous IIROC decisions
- supporting documentation.

An applicant may request its application be kept confidential, and if doing so must provide supporting rationale. The request for confidentiality will be at the discretion of the applicable Decision Maker.

The applicant must certify the truth of the facts contained in the application.

Withdrawal

An applicant may withdraw its application at any time prior to a decision being made on the application.



Review process

Upon receipt of an application, an IIROC staff member (the **Exemption Lead**) will be assigned to lead the application review process, which will be conducted in accordance with IIROC's internal procedures.

The Exemption Lead will advise the applicant that the review process has started, and that the applicant may be contacted if further information or clarification is required. The applicant will be contacted by the Exemption Lead if terms and conditions are being proposed as part of the decision, or if IIROC staff is recommending that the application be denied.

Decisions and publication

Once a decision has been made by the Decision Maker, the applicant will be advised of the outcome.

Subject to confidentiality, exemptions will be made public based on the following considerations:

- whether the exemption requested is novel
- whether other Dealer Members may benefit from the same exemption.

Published decisions will be in one or more of the following formats:

- full disclosure
- redacted (with confidential information removed)
- no-names (with the Dealer Member name removed)
- summary (with or without the Dealer Member's name)
- as part of the annual exemption summary notice².

² For example, see IIROC Notice 17-0056 *Exemptions Granted by IIROC in 2016*.