

NEWS RELEASE

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IIROC-regulated investment firms must now report cybersecurity incidents

Rule amendments will help better protect businesses and their clients against cyber threats

November 14, 2019 (Toronto, Ontario) – The Investment Industry Regulatory Organization of Canada (IIROC) today published amendments to its [Rule Book](#), requiring mandatory reporting of cybersecurity incidents by all IIROC-regulated firms.

Effective immediately, investment firms will have to report to IIROC cybersecurity incidents that they have encountered, in two stages:

- Within three days, firms must provide a preliminary description of the incident and steps taken.
- Within 30 days, firms must provide a detailed investigation report, outlining the cause and scope of the issue, and steps taken to mitigate the risk of harm to investors and to the firm.

The new reporting requirements will enable IIROC to better support firms experiencing an incident and to alert other firms to known issues and potential risks.

"Mandatory reporting of cybersecurity incidents will allow IIROC to analyze the information received for any trends, insights or intelligence," says Irene Winel, IIROC's Senior Vice-President, Member Regulation & Strategy. "This reporting will help us to improve the industry's cybersecurity preparedness and protect the integrity of Canada's capital markets, thereby contributing to investors' confidence in the industry."

IIROC first published these amendments as a request for comment in April 2018 and, following a public consultation period, they were approved by the Canadian Securities Administrators.

IIROC continues to focus on cybersecurity preparedness as a part of its strategic plan and annual priorities. IIROC's work has included conducting table-top test scenarios with firms, publishing guides about [Cybersecurity Best Practices](#) and about [Cyber Incident Management Planning](#), as well as administering mandatory [cybersecurity self-assessment surveys](#) of IIROC-regulated firms. In April 2019, IIROC announced the results of the latest surveys, showing that Canadian investment firms have taken concrete steps to manage cybersecurity threats and to protect their clients and businesses.

About IIROC:

IIROC is the pan-Canadian self-regulatory organization that oversees all investment dealers and their trading activity in Canada's debt and equity markets. IIROC sets high quality regulatory and investment industry standards, protects investors and strengthens market integrity while supporting healthy Canadian capital markets. IIROC carries out its regulatory responsibilities through setting and enforcing rules regarding the proficiency, business and financial conduct of more than 170 Canadian investment dealer firms and their more than 29,000 registered employees, the majority of whom are commonly referred to as investment advisors. IIROC also sets and enforces market integrity rules regarding trading activity on Canadian debt and equity marketplaces.

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