

IIROC NOTICE

Rules Notice

Technical Notice
UMIR and Dealer Member Rules/IIROC Rules

Please distribute internally to:

Institutional
Internal Audit
Legal and Compliance
Senior Management
Operations
Trading Desk
Registration
Retail
Training

Contact:

Theodora Lam
Senior Policy Counsel
Market Policy
Tel: 416-646-7280
Email: tlam@iiroc.ca

20-0251

November 25, 2020

Upcoming Implementation of the Client Identifier Amendments for Listed Securities

On April 18, 2019, we published final amendments to the Universal Market Integrity Rules and Dealer Member Rules (**Amendments**¹) that require Dealer Members to include client identifiers and/or certain designations on reportable debt transactions and orders in listed securities that are sent to a marketplace. Phase 1 of the Amendments for reportable debt transactions came into effect on October 18, 2019.

Phases 2 and 3 of the Amendments for listed securities will be coming into effect on July 26, 2021.

Starting on April 5, 2021, marketplaces will begin supporting the new requirements introduced by

¹ IIROC Notice [19-0071](#) – Rule Notice – Notice of Approval – UMIR and DMR/IIROC Rules – *Amendments Respecting Client Identifiers* (April 18, 2019).



the Amendments and Dealer Members can start sending orders with the new information to a marketplace on a voluntary basis, which would allow Dealer Members and their vendors to test the functionality before full implementation. The Amendments are effective on July 26th 2021 at which time the new requirements on all orders sent to a marketplace become mandatory.

Given the high complexity and risks associated with this implementation, which will become effective in approximately six months, we remind Dealer Members that it is important they have started their implementation process. We strongly encourage each Dealer Member to:

- consider the impact of the Amendments on each business unit involved with client orders in listed securities
- reach out to any necessary third-party vendors to ensure they are:
 - aware of the upcoming implementation
 - taking all appropriate steps to be able to comply with the Amendments by July 26, 2021.

We have provided the following supports to assist Dealer Members and vendors with the implementation of the Amendments:

- a dedicated [section of the IIROC website](#) on the implementation of the Amendments, including setting out:
 - [Timelines and Implementation Milestones](#)
 - Tools to determine what to report on an order that is sent to the marketplace, including a [Decision Tree](#) and [Scenario Chart](#).
 - [Technical Specifications](#), including [Encryption Protocol](#), [Encryption APIs](#) and [FIX Specifications](#)
 - [Frequently Asked Questions](#)
- recordings of two virtual workshops² that discuss:

² Recordings for both Client Identifiers Workshops are available online:

- [Part 1 – Dealer Compliance](#)
- [Part 2 – Technical Compliance](#)



- the new requirements and who will be affected
- the responsibilities of executing and originating Dealer Members
- FIX specifications for reporting scenarios
- LEI Encryption, including key management, decryption and exception handling
- how to navigate the Client Identifiers website and use the resources available on the Client Identifiers website

Since May 2019, we have been working with an Implementation Committee composed of representatives from Dealer Members, vendors and marketplaces. We continue to have ongoing meetings with this Committee to learn of and work through any remaining implementation issues that the industry may be experiencing.

For more information, please contact:

Theodora Lam
Senior Policy Counsel
Market Policy
Tel: 416-646-7280
Email: tlam@iiroc.ca