

# IIROC NOTICE

## Rules Notice

## Guidance Note

Dealer Member Rules

UMIR

*Please distribute internally to:*

Ultimate Designated Persons

Chief Compliance Officers

Legal and Compliance

Senior Management

Trading Desk

Registration

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## Guidance on COVID-19

The health and safety of all market participants is of paramount importance to IIROC. In response to the risks associated with COVID-19, investment firms are considering the effects of a potential global pandemic on their client service and regulatory obligations, with some taking pre-emptive measures.

We expect firms to continue to meet their regulatory obligations.

IIROC recognizes that some level of regulatory flexibility may be required to enable its Members to best serve investors and maintain market stability. If Members are able to meet the requirements from backup sites or with staff working from home, IIROC has no objection as long as appropriate measures are in place for supervisory, confidentiality and other regulatory requirements. IIROC will work with Members to address any client and regulatory concerns resulting from the effects of a pandemic.

IIROC is reviewing examination schedules and moving to off-site exams, where feasible.

In addition, there are a number of IIROC standing and advisory committees in place. Rather than hosting these meetings on site, we will use video and tele-conferencing for the foreseeable future.



While the precise impact of a pandemic is impossible to predict, when dealing with a pandemic, Members may need to modify or enhance Business Continuity Plan (BCP)<sup>1</sup> solutions established primarily to deal with other types of disruptive events. Consistent with Dealer Member Rule 17.16, Members should carefully and regularly monitor publicly available information from reputable sources, such as government web sites, considering the scope and geographic location of their own operations to ensure continued client service and compliance with all applicable regulatory requirements. References to publicly available reputable information and guidance sources concerning pandemics and COVID-19 are provided below.

A pandemic is different from other significant disruptive events in several important respects including:

- *Duration and location* - pandemics do not happen suddenly but typically develop over a period of time, for extended periods, and impact different and often shifting geographic locations
- *Business effects* - pandemics may result in high rates of absenteeism and disruption to supply chains and business travel
- *Protection of employees, customers and other stakeholders* - pandemics require controls to mitigate the risks of infection in a workplace including training staff on mitigation strategies<sup>2</sup>, consideration of amendments to or relief from internal sick day policies, and consideration of alternate meeting arrangements, such as videoconferencing, with clients and counterparties
- *Financial effects* - pandemics may result in a fall in demand for goods and services and have human resource, insurance and cash flow implications.

Vulnerabilities to telecommunication disruptions, particularly in work-from-home arrangements<sup>3</sup>, may be mitigated through obtaining dedicated or premium broadband service for the homes of critically important employees. Firms should consider building layers of redundancy through multiple carriers and/or the use of communication tools such as personal digital assistants, laptops and tablets in a secure environment. Members may also consider reviewing and potentially updating their service-level agreements with critical counterparties and vendors to address the potential impacts of a pandemic.

We encourage Members to contact their IIROC relationship manager to discuss any concerns.

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<sup>1</sup> BCP information is available on the Business Continuity page of IIROC's website:  
<https://www.iiroc.ca/industry/member-resources/Pages/Business-Continuity.aspx>

<sup>2</sup> A proper understanding from reputable sources of how a particular virus spreads and associated mitigation strategies to protect personal and communal health forms the foundation of a proper BCP addressing pandemics, see  
<https://www.canada.ca/en/public-health/services/diseases/coronavirus/prevention-risks.html>

<sup>3</sup> [IIROC Notice 17-0036 Business Locations – Registration and Compliance approach to work-from-home arrangements](#) dated February 10, 2017.



## **Additional Sources of Information**

### ***Federal***

Public Health Agency of Canada

<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>

Global Affairs Canada

[https://www.international.gc.ca/world-monde/issues\\_development-enjeux\\_developpement/global\\_health-sante\\_mondiale/pandemics-pandemies.aspx?lang=eng](https://www.international.gc.ca/world-monde/issues_development-enjeux_developpement/global_health-sante_mondiale/pandemics-pandemies.aspx?lang=eng)

Canadian Centre for Occupational Health and Safety

<https://www.ccohs.ca/outbreaks/>

### ***Provincial***

Ontario Public Health

<https://www.publichealthontario.ca/en/diseases-and-conditions/infectious-diseases/respiratory-diseases/novel-coronavirus>

BC Centre for Disease Control

[http://www.bccdc.ca/health-info/diseases-conditions/coronavirus-\(novel\)](http://www.bccdc.ca/health-info/diseases-conditions/coronavirus-(novel))

Alberta Health Services

<https://www.alberta.ca/coronavirus-info-for-albertans.aspx>

Government of Quebec

<https://www.quebec.ca/en/health/health-issues/a-z/2019-coronavirus/>

Government of Nova Scotia

<https://novascotia.ca/coronavirus/>

Government of New Brunswick

[https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory\\_diseases/coronavirus.html](https://www2.gnb.ca/content/gnb/en/departments/ocmoh/cdc/content/respiratory_diseases/coronavirus.html)

Government of Prince Edward Island

<https://www.princeedwardisland.ca/en/information/health-and-wellness/coronavirus-covid-19-infection-frequently-asked-questions>

Government of Saskatchewan

<https://www.saskatchewan.ca/government/health-care-administration-and-provider-resources/treatment-procedures-and-guidelines/emerging-public-health-issues/2019-novel-coronavirus>

Government of Manitoba

<https://www.gov.mb.ca/health/coronavirus/>



Government of Yukon

<https://yukon.ca/en/information-about-novel-coronavirus-yukoners>

Government of Northwest Territories

<https://www.hss.gov.nt.ca/en/services/coronavirus-disease-covid-19>

Government of Nunavut

<https://www.gov.nu.ca/health/information/communicable-disease>

Government of Newfoundland Labrador

<https://www.health.gov.nl.ca/health/publichealth/cdc/coronavirus/>

***United States of America***

Centers for Disease Control and Prevention (CDC):

<https://www.cdc.gov/coronavirus/2019-ncov/index.html>

***International***

World Health Organization (WHO)

<https://www.who.int/emergencies/diseases/novel-coronavirus-2019>