

IIROC Policy Priorities - Update Report

LE G E N D	Orange coding means the initiative has been published in its final form and is currently in the implementation phase. This may require immediate attention from Dealer Members.
	Yellow coding means the initiative may require attention from Dealer Members within the next 3 months .
	Blue coding means the initiative may require attention from Dealer Members within the next 3 to 6 months .
	Green coding means the initiative may require attention from Dealer Members within the next 6 to 12 months .



As at October 4, 2022

Introduction

This document describes the policy initiatives that we anticipate implementing and/or publishing for comment over the next 12 months. For each initiative, we've provided our estimate of when Dealer Members may be required to take appropriate action. This information will help Dealer Members to anticipate, plan for and/or respond to policy initiatives on a timely and efficient basis.

















Except for initiatives where we have published an Implementation Notice or Notice of Approval with an effective date, all next step dates are IIROC staff's best estimate.

Legend for "Rules"

- [IIROC Rules](#) – IR
- [IIROC Universal Market Integrity Rules](#) – UMIR

We will update this chart on a quarterly basis.

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INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Housekeeping amendments relating to registration information requirements, outside activity reporting and updated filing deadlines	IR	Notice of Approval published on April 21, 2022 in Rules Notice 22-0061 .	Housekeeping amendments to: <ul style="list-style-type: none"> provide greater clarity on the registration related information to be submitted by Dealer Members, support a new reporting framework for reporting activities carried on by certain individuals, including Approved Persons, outside of their Dealer Member, (i.e. outside activities, previously referred to as “outside business activities”), and update references to registration information reporting deadlines to be consistent with changes made by the CSA to National Instrument 33-109 and National Instrument 31-103. 	Amendments effective June 6, 2022.
Debt Securities Concentration Test	IR	Notice of Approval published on February 18, 2021 in Rules Notice 21-0028 .	Introduces requirements to: <ul style="list-style-type: none"> prevent undue concentration in securities of a particular issuer by expanding the types of securities that will be subject to the securities concentration test to include: <ul style="list-style-type: none"> corporate debt securities with a normal margin rate of 10% or less “other non-commercial debt securities” with a normal margin rate of 10%. update the use of credit ratings and references to credit rating agencies in the DMRs and Form 1. 	Amendments effective September 1, 2022.
Listed Derivatives Trading	UMIR & IR	Notice of Approval published on September 15, 2021 in Rules Notice 22-0140 .	Amendments to accommodate the trading of listed derivatives.	Amendments effective December 14, 2022.
Codification of certain UMIR exemptions	UMIR	Proposed amendments published for comment on April 14, 2022 in Rules Notice 22-0054 . Comment period closed on July 13, 2022.	Amendments to codify commonly granted exemptions to allow trading of a listed security: <ul style="list-style-type: none"> off-marketplace when the security is subject to a statutory resale restriction, and outside of Canada during a regulatory halt under certain conditions. 	Estimated publication of Notice of Approval or re-publication of Request for Comments – December, 2022.

INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Communications with the Public Guidance Note Update	IR	Guidance note update under development.	Update to clarify our expectations when: <ul style="list-style-type: none"> • using social media for communicating with clients and the public, including endorsing or sharing third party content, or engaging with social media influencers • promotional content, including “gamification” and other behavioural techniques with game-related elements, amounts to a recommendation which triggers suitability determination and other requirements. 	Estimated publication of Request for Comments – December, 2022.
Proposed Amendments to the IIROC Rules and Form 1 relating to the futures segregation and portability customer protection regime	IR	Proposed amendments initially published for comment on July 8, 2021 in Rules Notice 21-0113 . Proposed amendments republished for comment on April 21, 2022. Comment period closed May 24, 2022.	Amendments to: <ul style="list-style-type: none"> • provide consistency with CDCC segregation and portability model • reduce commingling of futures business and other business lines not subject to segregation and portability regime. 	Estimated publication of Notice of Approval – December, 2022.
Floating Index Margin Methodology	IR	Proposed amendments published for comment on April 28, 2022 in Rules Notice 22-0063 . Comment period closed June 27, 2022.	Amendments to reduce procyclicality in the formula.	Estimated publication of Notice of Approval or re-publication of Request for Comments – Winter, 2022-2023.
Derivatives Rule Reform	IR	Proposed amendments and draft guidance initially published for comment on November 21, 2019 in Rules Notice 19-0200 . Proposed amendments republished for comment on April 14, 2022 in Rules Notice 22-0055 . Comment period closed on June 13, 2022.	Amendments to modernize Dealer Member rule requirements for derivatives and to materially harmonize with proposed CSA OTC derivatives business conduct and registration requirements.	Estimated publication of Notice of Approval – Spring, 2023.

INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Partial Swap Offsets	IR	Proposed amendments published for comment on August 4, 2022 in Rules Notice 22-0122 . Comment period closed on October 3, 2022.	Proposed amendments to IIROC Rules to permit reduced margin for swap position partial offsets held in inventory.	Estimated publication of Notice of Approval or re-publication of Request for Comments – Spring, 2023.
Proposed margin requirements for structured products (principal-protected notes and principal-at-risk notes)	IR	Proposed amendments published for comment on February 25, 2021 in Rules Notice 21-0032 . Comment period closed April 12, 2021.	Introduces amendments to: <ul style="list-style-type: none"> require a margin rate of 70% for structured products that meet eligibility criteria allow an alternative component-based margin methodology for structured products with a guarantee component. 	Estimated re-publication of Request for Comments – Spring, 2023.
Institutional Credit and Custody Risk	IR	Proposed amendments under development.	Amendments to update institutional counterparty and custodian definitions including re-evaluating margin requirements on institutional accounts.	Estimated publication of Request for Comments – Spring, 2023.
Reporting, Internal Investigation and Client Complaint Requirements	UMIR & IR	Proposed amendments published for comment on January 13, 2022 in Rules Notice 22-0009 . Comment period closed April 14, 2022.	Amendments to: <ul style="list-style-type: none"> introduce a principles-based reporting requirement which focuses on harm to clients and the capital markets make our reporting requirements clearer and more consistent with regulatory expectations better align our reporting requirements and complaint requirements. 	Estimated publication of Notice of Approval or re-publication of Request for Comments – Spring, 2023.
Proposed Amendments and Guidance regarding Delegation Requirements	IR	Proposed amendments and guidance under development.	Amendments and guidance to: <ul style="list-style-type: none"> clarify how we expect Dealer Members and individuals required to perform a specific function to delegate, outsource and automate tasks and activities, codify delegation, outsourcing and automation best practices, and further specify which tasks and activities cannot be delegated. 	Estimated publication of Request for Comments – Spring, 2023.

INITIATIVE	RULES	STATUS	DESCRIPTION	NEXT STEPS
Proficiency Requirements	IR	Proposed amendments under development.	Amendments to the IIROC Rules to clarify proficiency requirements applicable to Approved Persons.	Estimated publication of Request for Comments – Spring, 2023.
Trade Settlement Cycle Transition to T+1	IR	Proposed amendments under development.	Amendments to IIROC Rules to support industry's move to T+1 settlement scheduled for 2024.	Estimated publication of Request for Comments – Spring 2023.
Initiatives from the previous Update Report that have been closed and are not included in this Update Report				