

Derivatives Panel

Financial and Operations Advisory Section Annual
Conference

September 7 - 10, 2017

Panelists:

Jean-Paul Bachellerie, PI Financial Corp.

Benoit Carignan, Société Générale Capital Canada Inc.

Richard Corner, IIROC

Bruce Grossman, IIROC

Panel outline

- **Segregation and portability regime**
- **Retail firm issues**
- **Derivatives business conduct rule amendments**
[Proposed National Instrument 93-101]
- **Mandatory reporting of derivatives trades**
[National Instruments 94-101 and 94-102]
- **IIROC derivatives rule review**

Segregation and portability regime

- **Overview of new regime for cleared futures contracts including:**
 - * **why it's being introduced**
 - * **it's features**
 - * **risks that it creates**

Segregation and portability regime

- **Details of the first set of proposed IIROC rule amendments [IIROC Rules Notice 17-0110] to address segregation and portability regime risks**
- **Public comments received on proposals**
- **Views of panelists on proposals**
- **Risks and issues still to be addressed**
- **Next steps**

Retail firm issues

- Differences between how institutional and retail firms operate
- Issues specific to retail firms that result
- Level playing field issues between US and Canadian retail firms

Derivatives business conduct rule amendments [Proposed National Instrument 93-101]

- **Overview of the proposed new business conduct requirements for derivatives, including:**
 - * **why they're being introduced**
 - * **their features**
 - * **how they compare to the current requirements for securities accounts**

Mandatory reporting of derivatives trades

- **National Instrument 94-101, *Mandatory Central Counterparty Clearing of Derivatives***
- **National Instrument 94-102, *Derivatives: Customer Clearing and Protection of Customer Collateral and Positions***

IIROC derivatives rule review

- **Objectives of rule review**
- **Areas where it is likely that rule amendments will be recommended:**
 - **Client disclosure and periodic reporting requirements**
 - **Business conduct requirements**
 - **Margin requirements**
 - **Registration and proficiency requirements**

Questions

