

December 11, 2020

Submitted via email: memberpolicymailbox@iiroc.ca

Attention: Rezarte Vukatana

Investment Industry Regulatory Organization of Canada
121 King Street West, Suite 2000
Toronto, Ontario M5H 3T9

Re: Proposed Amendments – IIROC Exemptions for Bulk Account Movements

Dear Sir/Madam,

Credential Qtrade Securities Inc. (“CQSI”) appreciates the opportunity to provide comments to the Investment Industry Regulatory Organization of Canada (“IIROC”) with respect to the Proposed Amendments – IIROC Exemptions for Bulk Account Movements (“The Amendments”). Our comments all relate to bulk transfers and account opening requirements for our institutional custody business.

Exemption from re-papering timeline requirements

We agree that the proposed amendments are helpful in obtaining a timely exemption to facilitate a bulk account movement.

Should Staff have exemptive authority to provide relief from the need to re-paper?

We agree that IIROC staff should have exemptive authority to provide relief from the need to re-paper.

In the same manner IIROC has proposed an amendment from the timeline requirements, we support an amendment from the IIROC Dealer Member Rules 2300 that govern account transfers for our custody clients. Specifically, we recommend ongoing relief from re-papering requirements for registered Portfolio Management firms who transfer from one IIROC custodian to another IIROC custodian.

The transferred accounts would all be for existing clients of Portfolio Managers. Those registrants are already subject to Know Your Client (“KYC”) requirements, as applicable. Therefore, obtaining a new set of client documents for a custody account of a registered Portfolio Manager is duplicative and adds unnecessary administrative paperwork for the client.

We see this as an opportunity for the IIROC to support innovative compliance practices which will reduce regulatory burden, giving back time that would have otherwise been spent on administrative re-papering. We would welcome a standing exemption to general re-papering requirements, which would promote efficiency while maintaining the integrity of the requirements.


We put forward these considerations to ensure clients remain the focus throughout an account transition.

Conclusion

New guidance, updates to the re-papering timelines and general re-papering requirements would eliminate redundant practices and enable firms to better service their custody clients.

We thank IIROC for this forward-looking consultation, and respectfully submit our comments. We would welcome the opportunity to provide further clarification or response to any follow up questions IIROC may have.

Sincerely,



Kevin Vanderheyden

Kevin Vanderheyden
Senior Vice President
Aviso Wealth
IIROC dealer-Credential Qtrade Securities Inc.