

June 13, 2022

Member Regulation Policy
Investment Industry Regulatory Organization of Canada
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Market Regulation
Ontario Securities Commission
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Toronto, Ontario M5H 3S8
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To whom it may concern:

Re: Re-publication of Proposed Derivatives Rule Modernization, Stage 1

On behalf of Questrade, Inc, I am writing to comment on the re-publication of the Proposed Derivatives Rule Modernization, Stage 1 published by the Investment Industry Regulatory Organization of Canada ("IIROC") on April 14, 2022. We appreciate the opportunity to provide feedback on IIROC's proposal and how these proposed amendments may affect dealer members.

3808 - Client account statements

We believe the requirement for dealers to send daily statements is not warranted as it provides little to no additional benefit to retail clients while imposing a heavy burden on dealers. With the available technology today, retail clients can log on to their online account at any time and view their positions, balances, activity, etc and as such, can monitor their accounts in-between receiving monthly statements. Furthermore, requiring dealers to send statements on a daily basis does not leave sufficient time for dealers to review and validate statements before sending them to retail clients.

Clarification on the the term "highly-leveraged" securities

The term "Highly-leveraged" securities is used in 2246 (Dealer Member's notice of changes to IIROC) and 3252 (2)(c) (Cumulative loss limit). We would like IIROC to provide clarity or guidance on what is considered a highly-leveraged security. Are leveraged ETF/ETNs in scope?

Precious Metals

We do not believe that precious metals bullion should be included in the proposed derivatives rule modernization as precious metals bullion does not fit in under the scope of derivatives. Any amendments related to precious metals bullion should be submitted separately for review and comment.

We appreciate your consideration of these comments.

If you have any questions, please contact the undersigned.

Sincerely,

Michael Bain
Director, Compliance
Questrade, Inc.