

Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.1 SROs

13.1.1 IIROC – Margin Requirements for Certain Cash and Security Borrowing and Lending Arrangements – Proposed Amendments to Schedules 1, 7 and 7A of Dealer Member Form 1

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

MARGIN REQUIREMENTS FOR CERTAIN CASH AND SECURITY BORROWING AND LENDING ARRANGEMENTS – PROPOSED AMENDMENTS TO SCHEDULES 1, 7 AND 7A OF DEALER MEMBER FORM 1

NOTICE OF COMMISSION APPROVAL

The Ontario Securities Commission approved IIROC's proposed amendments to Schedule 1, 7 and 7A of Dealer Member Form 1. The primary objective of the amendments is to more closely align the capital requirements for certain cash and security borrowing and lending arrangements to an IIROC Dealer Member's risk of loss associated with such arrangements by reducing applicable margin requirements.

The amendments were republished for public comment on February 26, 2015. An original proposal was published for public comment on March 13, 2014. In response to public and Canadian Securities Administrators ("CSA") comments received, IIROC made material and non-material revisions to the original proposal. Two comment letters that were both supportive of the republished proposed amendments were received.

The amendments will be effective on October 1, 2015. A copy of the IIROC Notice including the proposed amendments with changes to the original proposal can be found at <http://www.osc.gov.on.ca>.

In addition, the Alberta Securities Commission, the Autorité des marchés financiers, the British Columbia Securities Commission, the Financial and Consumer Affairs Authority of Saskatchewan, the Financial and Consumer Services Commission of New Brunswick, the Manitoba Securities Commission, the Nova Scotia Securities Commission, the Office of the Superintendent of Securities, Service Newfoundland and Labrador, and the Prince Edward Island Office of the Superintendent of Securities Office have approved or not objected to the amendments.