

# IIROC NOTICE

## **Rules Notice Request for Comments**

Dealer Member Rules

*Please distribute internally to:*

Internal Audit  
Legal and Compliance  
Senior Management

*Contact:*

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**09-0293**  
**October 2, 2009**

## **Request for comments on draft Guidance Note: “Know-your-client and Suitability Guidelines”**

IIROC Dealer Member rules impose know-your-client (KYC) and suitability requirements on Dealer Members and Registered Representatives<sup>1</sup>. In conjunction with its review of product due diligence industry practices<sup>2</sup>, IIROC staff also undertook a review of the existing IIROC KYC and suitability requirements. The review was performed to determine whether IIROC’s expectations with respect to complying with these requirements needed to be consolidated and clarified.

As a result of this review, IIROC staff propose to issue a Guidance Note detailing [“Know your client and Suitability Guidelines”](#), a draft of which is attached. Given the significance of the subject matter of the proposed Guidance Note, we are requesting comments from Dealer Members and other interested parties on the issues discussed in this draft Guidance Note. Comments should be provided by December 16, 2009, 75 days from the publication date of this request for comments.

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<sup>1</sup> IIROC Dealer Member Rules 2500 and 1300, respectively.

<sup>2</sup> Rules Notice 09-0087 was issued on March 23, 2009 summarizing product due diligence best practices.



Based on the comments we receive and on the results of our rule review, we will consider proposing complementary amendments to IIROC Dealer Member Rules to further clarify the IIROC know your client and suitability requirements.

**Comments on the draft Suitability Guidelines may be delivered in writing or by fax or e-mail within 75 days of the date of this notice to:**

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