

IIROC NOTICE

Rules Notice Guidance Note

Dealer Member Rules

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Contact:

Jamie Bulnes
Director, Member Regulation Policy
416 943-6928
jbulnes@iiroc.ca

Sherry Tabesh-Ndreka
Senior Policy Counsel, Member Regulation Policy
416 943-4656
stabesh@iiroc.ca

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“Date of the offering” within the meaning of Dealer Member Rule 3400

This Rules Notice responds to the request from various Dealer Members for guidance relating to the meaning of the phrase “date of the offering” in Requirement 14 of Dealer Member Rule 3400 – *Research Restrictions and Disclosure Requirements*. Requirement 14 restricts Dealer Members from issuing research, relating to equity or equity-related securities, where the Dealer Member acts as manager or co-manager in an offering of such securities for:

- 40 calendar days following the date of the offering, in the case of an initial public offering (IPO); and
- 10 calendar days following the date of the offering in the case of a secondary offering.

These timeframes, in which the publication of research is restricted, are commonly referred to as “quiet periods”.



For the purposes of Requirement 14 the “date of the offering” is:

- for prospectus offerings, the date of the final receipt for the prospectus;
- for private placements, the date of pricing (which tends to coincide with the date of the announcement of the private placement); and
- for shelf-offerings, the date of the prospectus supplement which qualified the share offering to the public.

Start of count for the quiet period

The count for the 40 and 10 calendar day quiet periods established in Requirement 14 starts on the day *after* the date of the offering. In other words, the date of the offering is not the first day of this count. For example, if the date of the offering of an IPO is March 31st, the first date on which research may be published is May 11th. If the date of the offering of a secondary offering is March 31st, the first date on which research may be published is April 11th.