



Via Email

August 1, 2019

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Re: Proposed Amendments Respecting Client Identifier for Reportable Debt Transactions

TD Waterhouse Canada Inc. (TDWCI) welcomes the opportunity to comment on the Investment Industry Regulatory Organization of Canada's (IIROC) Notice 19-0118 *Proposed Amendments Respecting Client Identifiers for Reportable Debt Transactions* (the Amendments).

We appreciate IIROC's responsiveness to Dealer Members' concerns regarding the proposed use of two different client identifiers for the same client, one for debt and another for listed securities, under IIROC Notice 19-0071 *Amendments Respect Client Identifiers*. We believe that such an outcome would have been inconsistent with the intentions expressed in IIROC Notice 18-0122 *Publication of Proposed Provisions Respecting Client Identifiers* where IIROC noted that:

"The purpose of basing the LEI requirement on the method of supervision of the account rather than on the definition of an 'institutional customer' is to minimize the impact on Dealer Members. This approach would eliminate the need for Dealer Members to identify clients on their retail networks who meet the definition of institutional client (e.g. family trusts that meet the monetary threshold)."

TDWCI is supportive of the Amendments to allow Dealer Members to use the same client identifier (namely, an account number) for the same client who is trading both debt and listed securities.

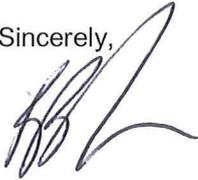
TDWCI appreciates IIROC's engagement and willingness to address Dealer Members' concerns. We acknowledge IIROC's efforts to achieve regulatory objectives in a manner that is least disruptive and costly to Dealer Members. TDWCI would like to take the opportunity to request further clarification from IIROC in relation to Order Execution Only (OEO) clients. In particular, we encourage IIROC to consider providing additional clarification or amendments to ensure greater consistency of treatment for retail clients across distribution channels.

Further to the Amendments, Dealer Members will use account numbers to identify trades for clients supervised as retail clients. However, Dealer Member Rule (DMR) 3200.B6 continues to require Dealer Members to use LEIs for eligible clients on OEO platforms. This approach does not appear consistent with IIROC's rationale of differentiating between clients being supervised as retail clients versus clients supervised as institutional clients. OEO platforms fall under a retail network and TDWCI believes that OEO clients should be treated as retail clients. For greater consistency with the Amendments, the same approach of using account number identifiers should apply to OEO clients.

There will be material technology implications for Dealer Members who operate in the retail network and have both advisory and OEO businesses under a single legal entity. These significant technology implications relate to the technology build that would be required to store the LEI and place the LEI on every OEO order to be sent to the marketplace when no such capability currently exists. We are seeking clarity from IIROC on whether account number identifiers can be used for OEO clients for purposes of reporting to IIROC.

We appreciate the opportunity to provide comments on the Amendments. We are supportive of the Amendments to align the reporting requirement for debt securities with the approach used for listed securities for retail clients. Again, TDWCI would like to thank IIROC for their ongoing dialogue with Dealer Members and other industry participants to help enact regulation that achieves its purpose in an effective and meaningful manner.

Sincerely,



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Chief Compliance Officer

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