

# BLACKROCK

September 26, 2018

Submitted via email to [tiam@iiroc.ca](mailto:tiam@iiroc.ca)

Theodora Lam  
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Investment Industry Regulatory Organization of Canada  
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**RE: Proposed Provisions Respecting Client Identifiers (18-0122)**

Dear Theodora,

BlackRock Asset Management Canada Limited<sup>1</sup> (“BlackRock Canada”) is pleased to offer its comments on the Investment Industry Regulatory Organization of Canada’s (“IIROC”) proposed provisions (the “Proposed Provisions”) requiring the use of client identifiers on each order for an equity security sent to a marketplace and each reportable trade in a debt security. BlackRock Canada commends IIROC for seeking to implement a framework to improve market integrity and investor protection, while balancing impacts on dealer members, marketplaces and investors.

Capitalized terms in this letter that are not otherwise defined have the meaning ascribed to them in the Proposed Provisions.

BlackRock generally supports IIROC’s approach as described in the Proposed Provisions. However, we continue to be concerned with certain aspects of the Proposed Provisions with respect to bulk transactions.

In particular, with respect to bulk transactions in debt securities, the Proposed Provisions appear to require the reporting of certain bulk debt trades on an allocation basis. BlackRock believes that reporting for all bulk debt transactions should be permitted on a trade basis rather than allocation basis, similar to the reporting requirements for bulk equity transactions.

In addition, we note the following guidance from IIROC with respect to the use of the “multiple client” order marker for bulk transactions in equity securities<sup>2</sup>:

*“For example, if a Dealer Member receives an order from a fund company that would be allocated to multiple funds post-execution, we would expect the*

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<sup>1</sup> BlackRock Canada is an indirect, wholly-owned subsidiary of BlackRock, Inc. (“BlackRock”) and is registered as a portfolio manager, investment fund manager and exempt market dealer in all the jurisdictions of Canada, as a commodity trading manager in Ontario and an adviser under the commodity Futures Act (Manitoba). BlackRock is one of the world’s leading asset management firms. We manage assets on behalf of institutional and individual clients worldwide, across equity, fixed income, liquidity, real estate, alternatives, and multi-asset strategies. As an investment adviser, we embrace our role as a fiduciary to our clients.

<sup>2</sup> See page 11 of the Proposed Provisions.

*Dealer Member to report the LEI of the fund company, rather than use the MC marker."*

Given that BlackRock may execute bulk equity transactions on behalf of funds managed by multiple investment fund manager affiliates, we understand that we are permitted to provide our dealers with the LEI of our common ultimate parent company, BlackRock, Inc. as the appropriate client identifier.

We would welcome the opportunity to further discuss our views on this important topic.

Sincerely,

A handwritten signature in black ink, appearing to read 'Margaret', with a long horizontal flourish extending to the right.

Margaret Gunawan  
Chief Compliance Officer and Corporate Secretary  
BlackRock Asset Management Canada Limited