

December 23, 2021

Sherry Tabesh-
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Registration

Investment Industry Regulatory Organization of Canada
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Dear Ms. Tabesh-Nderka,

Re: Consultation Paper (Phase II) – Competency Profiles for Directors, Executives, Ultimate Designated Persons, Chief Compliance Officers, and Chief Financial Officers (the “Consultation Paper”)

Summary: Competency profiles should be developed by IIROC’s Proficiency Committee for the sole purpose of assisting education providers with development of their course content.

Some key recommendations include the following:

- IIROC’s Proficiency Committee and expert educational course developers should be responsible for assisting in developing and updating course content, including competency profiles, which are part of existing educational materials.
- Competency profiles should be revised to ensure they not overly extensive and provide appropriately tailored sub-competencies.
- The language in the competency profiles should recognize the appropriate delegation of certain tasks, differences in dealers’ business models and further emphasize that not all knowledge elements or behaviour and skills are applicable to every Approved Person in the relevant category.

These and other recommendations are set out below.

The Investment Industry Association of Canada (the “IIAC”) appreciates the opportunity to comment on the above noted Consultation Paper. IIAC member firms support maintaining high standards of

professionalism in the financial industry to safeguard Canadian capital markets and instill investor confidence.

Multiple Purposes of Published Competency Profiles

The IIAC has several concerns with respect to IIROC's proposed multiple purposes for the competency profiles, which are overly broad and unclear.

IIROC has stated in section 2 *Purpose of the published competency profiles* of its Consultation Paper that the competency profiles are to be used in a variety of ways, beyond assisting course providers. It states that the publication of competency profiles will:

- (i) represent a proficiency benchmark allowing IIROC to evaluate course providers;
- (ii) provide education service providers with guidance on course content development; and
- (iii) allow Dealer Members and Approved Persons to better understand the proficiency expectations and play a more active role in meeting those standards and maintaining the competence of Approved Persons.

IIROC has included FINRA in its comparative research. FINRA administers qualification examinations with a competitive landscape for education providers. Unlike IIROC's proposed purposes for competency profiles, FINRA's exam Series 24, [FINRA's exam content](#), for example, clearly sets out the content outline for the course which is not used for any other purpose. The objectives of FINRA's competency profiles align with their use strictly for educational/exam purposes.

The direct relevance of other comparative research cited, such as ASIC and IOSCO, is unclear. IIAC agrees that a regulator may adopt its own form of published framework to meet its particular regulatory need.

Further, the IIAC questions the need for the competency profiles to be public documents. As an alternative to this process, IIROC may have its Proficiency Committee evaluate current course materials, including competency profiles, to achieve more specific and focused expert input. We note there is no discussion about how these competency profiles may be amended or updated in the future. The Proficiency Committee may be appropriately tasked with reviewing the competency profiles on a scheduled basis to consider potential changes. This would be more efficient than submitting proposed amendments for public comment on a regular basis to update the competency profiles.

With respect to section 2 (iii), its language suggests the competency profiles could be used in a post-registration assessment. This should be removed. IIROC's comprehensive mandatory continuing education program has the objective of sustaining registered individuals' engagement, knowledge and competency post-registration.

General Considerations

Under section 3.4 *General Considerations*, the Consultation Paper states that the competency profiles may also be used "by IIROC for benchmarking purposes" without a reference to course providers as noted in section 2 *Purpose of the published competency profiles*. This could greatly expand how these competency profiles are used. IIROC Staff should be prohibited from relying on the competency profiles as a benchmark during audits, investigations, or enforcement matters. As noted in the IIAC's 2020 response to Phase I¹,

¹ https://iiac.ca/wp-content/uploads/IIAC-Submission-to-IIROC-re-Competency-Profiles-for-RRs-and-IRs_October-29-2020.pdf

we have concerns that these competency profiles could be misused in that manner, or in litigation and serve as a checklist that the Approved Person must invariably satisfy.

Generally the competency profiles, are overly broad, do not consider reasonable delegation of tasks, reasonable oversight or the business model of the dealer.

We note that the Consultation Paper states that IIROC drafted the competency profiles being mindful to not inadvertently create new requirements. Yet, though some appendices refer to knowledge requirements, ‘as applicable’, the appendices included also set out what are described as “minimum requirements”. They also state they provide competency profiles for the “highly competent” and “compliant”.

The competency profiles should expand on “as applicable” to note that differences in business models, the dealer’s size, clients, services and subject matter may all impact whether or not a knowledge, behaviour or skill will be applicable to the registration category. For example, on the subject of cybersecurity, an Approved Person may need to draw and rely upon the expertise of another individual, through a reasonable system of delegation and oversight that reflects the size and scope of the dealer.

In addition, the repeated use of the term *ensure* in the Behaviours and Skills sections of competency profiles is problematic, as it assumes capacity beyond an individual’s control. For example, the statement in Directors/Executives/UDP competency profile, “Ensure firm policies, procedures and structure remain current and reflective of business, industry and regulatory developments” could be misunderstood as requiring an Approved Person to be solely responsible for implementing and updating all policies and procedures at a dealer, which are a firm responsibility.

Individual Competency Profiles

When reviewing the individual competency profiles, IIAC’s comments reflect the assumption that the purpose of these profiles will be solely limited to assisting course/education providers and individuals prepare for an exam. Our comments on individual competency profiles are as follows:

1) Director Competency Profile

The Director competency profile should continue to apply only to the industry and non-industry directors that own or control a voting interest of 10% or more, directly or indirectly. Currently, a non-industry director with an interest less than the threshold is not required to take specific courses to be approved. Non-industry directors nominated to a Dealer Member’s board can bring a wealth of experience and diverse views that should be encouraged. Specific course requirements may be impractical and dissuade non-industry director engagement. We believe the current approval process for these non-industry directors should remain.

We also question why certain sections of the competencies for Directors are grouped together with Executives. The term Director may capture directors that are required to be Approved Persons, but who do not have direct involvement in day-to-day operations of the dealer. This is in contrast to Executives (and UDPs) who are part of a firm’s management.

In addition, some of the competencies listed in a category are not mutually exclusive from other categories. There are several examples listed below where a knowledge/behaviour/skill is listed only for Directors when they may also apply in certain circumstances to the Executive/UDP category as well:

- Business Planning and Strategy;
- Significant Strategic Initiatives (i.e. M&A);
- Avoiding Conflicts of Interest with the Corporation;
- Delivering effective leadership;

- High standards of skill, integrity, care and diligence in professional activities;
- Assessing the effectiveness of the firm's risk management & internal controls;
- Reviewing compliance and audit reports; and
- Reviewing the CCO reports and recommendations to determine what actions are necessary to rectify outstanding compliance deficiencies

2) Executive Competency Profile

As we outline throughout the submission, it may be reasonable and necessary for an Approved Persons to delegate tasks, though the ultimate responsibility for the task remains with the Approved Person. There are several competencies listed for Directors and Executives that do not reflect reasonably expected delegation. Further, the term *ensure* is repeatedly used in the Behaviours and Skills section for tasks that numerous individuals may be responsible for.

Please see Appendix A for additional recommendations with respect to the applicable Reference document.

3) Ultimate Designated Persons (“UDP”) Competency Profile

Many of the Behaviours and Skills in the UDP competency profile imply the UDP is solely responsible for the actual execution of certain tasks as opposed to their oversight. The competency profiles should be revised to remove the terms *establish* and *ensure* to reflect that while the UDP remains accountable for certain functions, it is appropriate to delegate the execution to others.

Please see Appendix A for additional recommendations with respect to the applicable Reference document.

4) Chief Compliance Officers (“CCO”) Competency Profile

The CCO competency profile should reflect the principle that compliance is a firm responsibility and certain tasks can or should be reasonably delegated by the CCO. For example, depending on the size of the dealer, a firm may have audit departments and legal departments that perform certain tasks listed in the CCO competency profile.

The Behaviours and Skills should reflect systems, policies, reporting and information that the CCO is required to provide, as opposed to outcomes (e.g. such as the understanding of another individual) that the CCO is unable to *ensure*.

Please see Appendix A for additional recommendations with respect to the applicable Reference document.

5) Chief Financial Officers (“CFO”) Competency Profile

The CFO Competency Profiles should be revised to include reference to “as applicable” with respect to the Knowledge, Behaviour and Skills columns, like the other profiles. There are variations in business models and the broad categories of the Knowledge, Behaviour and Skills will not be relevant to all CFOs. For example, there is reference to a CFO being required to have knowledge of European clearing and trading systems, however, not all firms trade in European securities.

The CFO may also reasonably delegate certain tasks and the competency profiles should reflect that. For example, responsibilities over credit risk management may sit with Risk Management teams or a Chief Risk Officer, if applicable, for the entity. In addition, back-office arrangements may also fall under the responsibility of other individuals such as the COO.

Please see Appendix A for additional recommendations with respect to the applicable Reference document.

Thank you for considering our comments. The IIAC would be pleased to respond to any questions.

Yours sincerely,

Investment Industry Association of Canada

Appendix A

IIAC Recommendations on Competency Profile Reference Documents

| Appendix 6 – Reference Document for Appendix 1, 2 and 3 Director, Executive and UDP Competency Profiles | |
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| General Regulatory Framework | |
| I. Role of securities regulators, SROs and applicable laws | <p>Revise the word <i>ensure</i> to <i>reasonably confirm</i> in the statement below: “Ensure firm policies, procedures and structure remain current and reflective of business, industry and regulatory developments”</p> <p>Revise the word <i>ensure</i> to <i>reasonably confirm</i> in the statement below: “Ensure that an internal monitoring system is in place to identify regulatory changes and corresponding impacts to the organization”</p> |
| II. Role of other financial regulators and laws | <p>Revise the word <i>ensure</i> to <i>reasonably confirm</i> in the statement below: “Ensure firm policies, procedures and structure remain current and reflective of business, industry and regulatory developments”</p> <p>Revise the word <i>ensure</i> to <i>reasonably confirm</i> in the statement below: “Ensure that an internal monitoring system is in place to identify regulatory changes and corresponding impacts to the organization”</p> |
| III. Dealer Member business models and related areas | Revise the word <i>ensure</i> to <i>reasonably confirm</i> in the statement below: “Ensure firm policies, procedures and structure remain current and reflective of business, industry and regulatory developments” |
| I. Corporate Governance | <p>The statement “Integrate the firm’s governance structure with risk management and compliance functions” should be revised to reflect that other individuals or teams would be involved in this exercise.</p> <p>“Interpret and synthesize financial, technical and qualitative information.” This statement is overly broad, and an individual Director should not be expected to interpret and synthesize all financial, technical and qualitative information.</p> |
| Risk Management and Oversight | |
| II. Significant areas of risk | <p>Revise the statement to reflect that multiple individuals would be involved in this task. “Oversee the establishment, maintenance and enforce timely updates and amendments to written policies...”</p> <p>Revise the word <i>ensure</i> to <i>confirm</i> in the statement below: “Ensure CCO, CFO and all Executives responsible for managing significant areas of risk have adequate resources and direction to competently exercise their responsibilities”</p> <p>Revise the word <i>ensure</i> to <i>confirm</i> in the statement below: “Ensure CCO, CFO and all Executives responsible for managing significant areas of risk have unrestricted access to UDP...”</p> <p>Supervision is a firm initiative, and it would be very onerous for one individual to ensure there is documentary evidence of each supervisory action. Revise the word <i>ensure</i> to <i>review to confirm</i> in the statement, below: “Ensure there is documentary evidence of each key supervisory step”</p> <p>While board members would be aware that supervisory steps must be taken, it doesn’t seem reasonable for board members to ‘ensure’ that evidence exists for each step taken. It may also be more applicable to the Executive and UDP categories.</p> <p>Revise the word <i>ensure</i> to <i>review to confirm</i> in the statement, below: “Ensure that effective procedures for identifying and escalating all instances of non-compliance are in place”</p> |

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| | Further this may be more applicable to the Executive and UDP categories. |
| | Revise the word <i>ensure</i> to <i>review to confirm</i> in the statement, below: “Ensure the timely resolution of all instances of non- compliance are completed, recorded and regularly monitored” Further this may be more applicable to the Executive and UDP categories. |
| | Revise the word <i>ensure</i> to <i>inform</i> in the statement below: “Ensure all staff understand the importance of consulting with the compliance department” Individuals cannot be expected to control others’ understanding. |
| | We require clarification with respect to what is meant in the statement “Review <i>risk trend report</i> and resolve deficiencies identified in regulatory examinations”. The term “risk trend report” seems overly broad is not a defined term nor is it a common industry reference. |
| | We require clarification as to expectation for “Distinguishing between matters of non- compliance”. What does it mean to distinguish between matters of non-compliance and what would be an example of this? |
| | Revise the word <i>ensure</i> to <i>review to confirm</i> in the statement, below: “Ensure that sufficient qualified employees are hired and trained to assure compliance with regulatory requirement” Further this may be more applicable to the Executive and UDP categories as it is not likely that Directors would be reviewing all individual hires for large compliance departments. |

Appendix 6 - Risk Management and Oversight III. UDP Responsibilities Competency Profile

The word *ensure* should be revised to *confirm* in the statement below:

“Ensure appropriate resources are provided for compliance and supervision”

The word *establish* should be revised to reflect that there are other individuals or teams such as Operational Risk, which would help oversee this function in the below statement:

“Establish and oversee the firm’s risk management infrastructure, supervisory and compliance systems”

Appendix 7 – Reference Document for Appendix CCO Competency Profile

Compliance Function and Operations

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| II. Role, mandate and oversight of the compliance department | The word <i>conduct</i> should be revised to <i>oversee</i> to reflect potential delegation of tasks in the statement below: “Effectively <i>conduct</i> general compliance department activities” |
| | “Ensure significant issues are identified and <i>resolved</i> in a timely manner” should be revised to “Confirm significant issues are identified and addressed in a timely manner”. Depending on the issue, it could take time for it to be “resolved”. For example, a resolution may require an investor to take the appropriate time to consider their response. |
| | “Explain and demonstrate importance of compliance to business units when considering business decisions” is revised to reflect that business decisions are not made by the CCO. It may therefore state “Explain and demonstrate the importance of compliance to business units for their consideration”. |
| | “Ensure Directors and Executives understand compliance and regulatory measures needed to fulfill their respective obligations” is modified to reflect that it is not possible for the CCO to ensure understanding, despite best efforts. We suggest it is |

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| | revised to: “Inform Directors and Executives of the compliance and regulatory measures needed to fulfill their respective obligations” |
| | “Ensure all unaddressed compliance matters are resolved in a timely manner” is overly broad and unclear. We suggest deleting this sentence. |
| | “Ensure compliance staff have direct access to all Executives” should be removed. The CCO needs to have direct access to all Executives, however, compliance departments can be large, and it is not practical for all compliance staff to have direct access to all Executives. |
| | “Ensure independence and accountability through internal controls policies and procedures (P&P) is revised to “Put into place internal controls policies and procedures to address independence and accountability”. |
| Risk Management | |
| I. Compliance Risk Management | The statement that CCOs should have knowledge of “What, when and how” guidance is vague and unclear. This reference should be removed. |
| | The Behaviour and Skill “document compliance actions” is very broad given the breadth of what is captured under compliance, it should be revised to reflect that numerous individuals may be responsible for documenting the firms’ compliance actions. For example, it could be revised to “monitor documentation of compliance actions”. |
| | With respect to the “administering and monitoring internal controls”, there may be differences in the CCO’s role depending on the firm’s business model. For example, some dealers have an internal audit department that conducts these tasks and report to senior management directly. Please see our prior comments regarding expansion of “as applicable”. |
| | The word <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure sufficient resources and staff training...” |
| II. Business functions and compliance risk | The term <i>ensure</i> in that statement under Behaviours and Skills, “Ensure proper trade compliance reporting, including:” should be revised to the word <i>support</i> to reflect that the list of activities may be carried out by team such as Trade Surveillance. |
| Regulatory Reporting, Examinations, Investigations and Actions | |
| I. Regulatory Reporting | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure appropriate reports are generated as required” |
| | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure required reports are filed in a timely manner” |
| | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the dealer has appropriate processes in compliance with its regulatory reporting requirements” |
| IV. Regulatory Action | The knowledge required of regulatory actions is overly broad. Legal counsel as opposed to CCOs often have carriage of enforcement proceedings and ‘opportunity to be heard’ process. Depending on the dealer, registration issues may be handled by separate departments. |
| Compliance Responsibilities | |
| I. Policies and Procedures | The statement “Establish and maintain P&Ps for assessing compliance by the dealer and individuals acting on its behalf” should be revised to reflect that the CCO may be overseeing this action and other compliance staff may be involved. |
| | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure that P&Ps include the following...” |
| | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure adequacy of P&Ps...” |
| | The term <i>ensure</i> should be revised to <i>implement</i> in the statement below: |

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| | <p>“Ensure appropriate procedures for delegation of duties across compliance and supervisory unit”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure individuals are included in the correct Approved Persons/Registration category ...”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure Executives are alerted about serious alleged misconduct and legal actions”</p> |
| II. Compliant handling | <p>The term <i>ensure</i> should be revised to <i>reasonably verify</i> in the statement below: “Conduct regular review of client contracts, forms and disclosure to ensure continuous compliance with the regulatory requirements”</p> <p>There are ambiguities in rule interpretations and therefore while a CCO may have an honest belief the documents are in compliance, they cannot “ensure” they are.</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure appropriate training of relevant staff about client complaint handling ...”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure Approved Persons, their Supervisors and relevant Executives are alerted about respective complaints as needed”</p> |
| CCO Duties and Obligations | |
| I. Monitoring and assessing compliance | <p>The term <i>establish</i> in the statement below should be revised to reflect that multiple individuals or teams may be involved in developing a system of controls. “Establish a system of controls to...”</p> |
| Appendix 8 – Reference Document for Appendix CFO Competency Profile | |
| General Financial Requirements | |
| II. CIPF | <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure payments of CIPF assessments are completed as required”</p> |
| III. IFRS | <p>The word <i>ensure</i> should be revised to <i>confirm</i> to reflect that multiple individuals could be involved in developing policies in the statement below: “Ensure that firm policies, procedures and structure remain current and reflective of business, industry and regulatory development”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure that Form 1 is filed in accordance with IFRS and the departures mandated by IIROC”</p> |
| IV. Books and records | <p>The term <i>ensure</i> should be revised to <i>reasonably confirm</i> in the statement below: “Ensure internal control policies and procedures relating to records management are adequate and meet regulatory requirements”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure accuracy and completeness of reports”</p> |
| V. Regulatory reporting and filing requirements | <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure that the required reports are filed accurately and timely”</p> |
| Capital Adequacy, Books and Records and Reporting | |
| V. Regulatory reporting and filing requirements | <p>We question if it is necessary to require the CFO to have knowledge of <i>reports for derivatives including large open positions reporting (LOPR)</i>, as firms noted it a compliance function.</p> |
| VIII. Audit requirements | <p>The statement “ensure that external auditors are provided access...” should be revised to “facilitate external auditors’ access ...”</p> |
| Credit Risk Management and Customer Accounts | |
| I. Credit risk management | <p>The term <i>establish</i> in the statement below should be revised to reflect that multiple individuals or teams may be involved in the development of policies and procedures, as well as overseeing controls related to risk.</p> |

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| | “Establish credit risk management policies, procedures and controls that are adequate to oversee and control the risks of the particular business” |
| II. Customer accounts | <p>There are numerous individuals who have responsibility for the various compliance related aspects of maintaining and operating client accounts in accordance with IIROC Rules. The statement is overly broad and should be revised to reflect financial accounting responsibilities related to the CFO and the term <i>ensure</i> should be revised.</p> <p>“Ensure client accounts are maintained and operated in accordance with IIROC Rules”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure credit controls over the trading activities of customer accounts are adequate”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the use of computer- generated customer margin reports and balances to regulatory reports are tested and are reliable and accurate”</p> |
| III. Registered Plans | <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the proper infrastructure is in place to administer trustee plan accounts in accordance with the rules of the Income Tax Act and regulatory policies”</p> |
| | <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure trust balances are reconciled in accordance with the daily transfer of funds to/from the trustee”</p> <p>Depending on the size of the dealer, this could involve thousands of accounts and the statement should be revised to confirm to reflect that the CFO would not necessarily be reviewing each account individually.</p> |
| Inventory, Pricing of Securities and Underwriting | |
| II. Inventory margin rates and offset rules | <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the inventory balances reported and margin provided are reasonable and accurate”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure internal control environment for the monitoring of capital usage and inventory limits are reasonable”</p> |
| III. Pricing of securities | <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the dealer has the minimum required policies and procedures in place for pricing of securities”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure there is consistency of procedures in the pricing of all types of securities”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in both instances the statement below: “Ensure the pricing of securities is accurate and complete to ensure the reliability of prices”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the verification of security prices are independent, timely and designed to detect errors or omissions in the pricing of securities”</p> <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure security pricing discrepancies are identified...”</p> |
| IV. Underwriting capital | <p>The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure all new issue transactions are documented and the appropriate documentation is kept on file”</p> <p>The term <i>ensure</i> should be revised to <i>oversee that</i> in the statement below: “Ensure the dealer effectively monitors its underwriting commitments in relation to the capital position of the dealer”</p> |
| Operations and Settlement | |

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| I. Clearing organizations and settlements | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the margin calculation for unsettled trades for broker and clearing accounts are correctly performed” |
| II. Acceptable back office arrangements | The term <i>ensure</i> should be revised to <i>review</i> in the statement below: “Ensure the dealer's governance practices consider authority and review of outsourcing arrangements” |
| | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure that detailed assessment of risks pertaining to outsourcing arrangements are performed” |
| IV. Stock record balancing and unresolved differences | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the brokerage accounting system captures and tracks the trades, settlements, and custody of transactions accurately” |
| | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the calculation of margin on unresolved” |
| V. Liquidity and financing | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure that the dealer has sufficient liquid assets to meet its obligations” |
| Protections of Firm and Client Assets | |
| I. Custody and related internal control requirements | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure that internal securities locations are secure and appropriate for the dealer's business needs” |
| II. Segregation | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure internal control standards and policies...” |
| | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure the proper infrastructure is in place...” |
| IV. Safekeeping requirements | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure securities held for safekeeping are adequately identified and recorded” |
| V. Internal control requirements for safeguarding cash and securities | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure there are adequate internal controls to safeguard clients' and the dealer's cash and securities” |
| Other Capital Provisions | |
| II. Provider of capital concentration charge | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure reporting is completed for each provider of capital in compliance with regulatory requirements” |
| III. Foreign exchange | The term <i>ensure</i> should be revised to <i>confirm</i> in the statement below: “Ensure that appropriate foreign exchange counterparties are selected” |