



Order Execution Only (OEO) – Survey Results

**Survey results are as of April 8, 2020*

On April 2nd, 2020, the IIAC issued a survey to our **Online Brokerage** members to assess the effect of the pandemic on their business operations. This is part of a series of surveys the IIAC is conducting to assess the unique needs of specific divisions of the investment industry, in order to better facilitate assistance for those needs.

IIAC is committed to working with members, the CSA, IIROC, the TMX Group, MFDA, the Canadian Bankers Association, multiple levels of government, regulators and others to ensure the wellbeing of the economy and the investment industry community at this time.

The results of the survey can be found below. Some responses have been moderated to ensure anonymity.

Executive Summary

As lockdown reaches the one month-mark, changes to infrastructure and BCP are becoming necessary. Roles and responsibilities for registrants have been adjusted to cover resource needs: some firms have had to improvise with supervisors becoming account approvers or moving supervisors from full service to OEO. There is a concern regarding CSI, and employees who need to complete courses. We anticipate that work force shortages or employee limitations due to lockdown restrictions will continue to present challenges.

Clients continue to be concerned about immediate market volatility, but survey participants are already looking ahead to the start-up of the economy post-lockdown, and how to support and engage with the investment community as individuals and businesses get back up on their feet.

As per last week's IIAC survey results, regulatory relief remains an ongoing priority for all.

What percentage of your employees are currently working remotely?

 More than 75%	57.14%
 Between 50-75%	14.29%
 Between 25-50%	28.57%

Are you having any difficulty connecting to financial market infrastructure?

- + No 57.14%
- + Sometimes 42.86%

What business functions, if any, are you finding difficult or not possible to carry out remotely. Please list:

- + Direct Mail
- + Physical signatures and ID meetings
- + Remote call recording
- + Trade desk functions

Which operational tasks have you been prioritizing? Please list:

- + Account opening
- + Margin calls
- + Money movements for customers (access to liquidity)
- + Trading & Supervision
- + Communications: Emails and secure messaging

Have you had to adjust roles and responsibilities for registrants in order to cope with resource needs?

- + Yes, supervisors are now account approvers
- + Yes, moving supervisors from full service to OEO

How are you handling communications with clients (particularly communications that would have been in person, prior to the COVID-19 crisis)?

- + Email, Chat, Phone, Platform messages
- + Explosion of emails from clients
- + Changes to Interactive voice response (IVR), Website, Emails
- + Exploring video conferencing

Based on your client communications during this period (COVID-19), what are your clients most concerned about?

- + Market volatility - getting out while its going down, getting in while it's going up
- + Timely account opening, timely funds transfers (money movement)
- + Trading speed
- + Delays in processing requests

What regulatory requirements are imposing the greatest challenges to your firm during the current period? Please list:

- ✚ Everything that has an implementation or final date in 2020 or 2021
- ✚ In-person ID verification and wet signatures
- ✚ IRS, CRA, FATCA.
- ✚ External pro statement reviews (paper) - requires staff in office
- ✚ Finding licensed individuals

Are there any rules for which a blanket exemption or relief would be helpful?

- ✚ Temporary removal of requirement to review employee external accounts
- ✚ Relief from signing account opening
- ✚ Blanket - Identity verification threshold conformance to federal anti-money laundering legislation (AML) requirements - relief from 10% to the threshold set out in federal AML requirements
- ✚ Client Focused Reforms delay would be helpful

Are you able to access information from associations, regulators and governments, and is that information useful?

- ✚ Yes

What additional information would you like to see communicated to our industry?

- ✚ Extraordinary relief requested from regulators by industry; blanket relief and/or alternative options to dealing with regulatory requirements
- ✚ The next step will be supporting the economy to get back on its feet. The average investor needs disposable income for OEO to grow. Government measures are announced. How should related and connected industries support economic measures (i.e. personal loans, credit card debt, small and medium business re-starts).
- ✚ BCP planning for CSI. Dealer Members have employees who need to take courses in order to be registered for the role they were hired.