

**GENERAL SECTION: QUESTIONS FOR ALL REGISTRANTS**

**Certification**

This certification must be completed by your ultimate designated person.

I certify that I have reviewed the Risk Assessment Questionnaire completed by our firm. To the best of my knowledge, the responses to the Risk Assessment Questionnaire are complete, accurate, free from any misstatements and are not misleading in any respect.

Name:

Phone number:

Date:

**Important information**

This questionnaire is intended for investment fund managers, portfolio managers, exempt market dealers, restricted portfolio managers, and restricted dealers. Please verify the information below. If there are any discrepancies, contact Susan Pawelek at (416) 593-3680, Jeff Sockett at (416) 593-8162, or Georgia Striftobola at (416) 593-8103 immediately, and do not proceed with answering the questions.

Company name

NRD number

**Registered as**

Investment fund manager

Portfolio manager

Exempt market dealer

Restricted portfolio manager

Restricted dealer

**NRD:** National Registration Database

**Question 1 – Revenue**

Fill in the table below.

	Amount in calendar year 2013 (in CAD dollars)	Amount in calendar year 2012 (in CAD dollars)
Total revenue of your firm	<input type="text"/>	<input type="text"/>
Specified Ontario revenue	<input type="text"/>	<input type="text"/>

**Specified Ontario revenue:** Definition of specified Ontario revenue can be found under section 1.1 of Ontario Securities Commission (OSC) Rule 13-502 Fees. Refer to the OSC website for the rule [http://www.osc.gov.on.ca/documents/en/Securities-Category1/rule\\_20130131\\_13-502\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category1/rule_20130131_13-502_unofficial-consolidated.pdf)

**Question 2 – Specified affiliates**

How many specified affiliates does your firm have?

**A specified affiliate:** A person or company that is a parent of the firm, a **specified subsidiary** of the firm, or a specified subsidiary of the firm's parent.

**A specified subsidiary:** A person or company of which another person or company has **significant control**.

**Significant control:** A person or company has significant control of another person or company if the person or company:

- directly or indirectly holds voting securities representing more than 20 per cent of the outstanding voting rights attached to all outstanding voting securities of the other person or company, or
- directly or indirectly is able to elect or appoint a majority of the directors (or individuals performing similar functions or occupying similar positions) of the other person or company.

**Question 3 – Board of directors**

Does your firm have a Board?

- a) Yes
- b) No

If yes, fill in the table below.

Number of directors on the Board	Number of directors on the Board who are independent of your firm, entities related to your firm and your investment funds

**Question 4 – Special committees**

Does your firm have committees responsible for the following functions? Check all that apply.

- a) Risk management
- b) Policy review
- c) New product review
- d) Investment
- e) Fair valuation
- f) Audit
- g) Other - provide details in comment box below
- h) None

**Questions 5 to 8 below relate to registrants that advise or deal in derivatives, or act as a counterparty or otherwise participate in a transaction involving derivatives**

**Question 5 – Over-the-counter (OTC) derivatives**

Do you deal, advise or act as a counterparty in transactions involving OTC derivatives? Check all that apply.

- a) Yes - we deal with OTC derivatives
- b) Yes - we advise in OTC derivatives
- c) Yes - we act as a counterparty in transactions involving OTC derivatives
- d) Yes - other, briefly explain in comment box below
- e) No

**Question 6 – Exchange-traded derivatives (commodity futures contracts and options)**

Do you deal or advise in exchange-traded derivatives? Check all that apply.

- a) Yes - we deal with exchange-traded derivatives
- b) Yes - we advise in exchange-traded derivatives
- c) Yes - other, briefly explain in comment box below
- d) No

**Question 7 – Reporting counterparties**

If you answered yes to question 5, are you a reporting counterparty or do you anticipate becoming a reporting counterparty to comply with the OTC derivatives reporting requirements in OSC Rule 91-507 *Trade Repositories and Derivatives Data Reporting* (OSC Rule 91-507)?

- a) Yes
- b) No – indicate which firm(s) act(s) as your reporting counterparty in comment box below
- c) Not applicable – did not answer yes to question 5

**A reporting counterparty:** A counterparty to a transaction as determined under section 25 of OSC Rule 91-507 that is required to report derivatives data under section 26 of OSC Rule 91-507. Please refer to the OSC website for the rule. [http://www.osc.gov.on.ca/en/SecuritiesLaw\\_rule\\_20131114\\_91-506\\_91-507\\_derivatives.htm](http://www.osc.gov.on.ca/en/SecuritiesLaw_rule_20131114_91-506_91-507_derivatives.htm)

**Question 8 – Legal entity identifier**

If you answered yes to question 5, do you have a legal entity identifier (LEI) or a pre-LEI?

- a) Yes
- b) No
- c) Not applicable - did not answer yes to question 5

**A legal entity identifier:** A 20-character code used to identify entities that enter into financial transactions. It is an initiative endorsed by the Group of Twenty Finance Ministers and Central Bank Governors (G20) and administered by the Global LEI System as a public good. Refer to the OSC website for further details [http://www.osc.gov.on.ca/en/Derivatives\\_legal-entity-identifier\\_index.htm](http://www.osc.gov.on.ca/en/Derivatives_legal-entity-identifier_index.htm)

**Question 9 – Excess working capital calculation**

(A) Has your firm's excess working capital (as calculated using Form 31-103F1) been less than zero at any time in the last two years ending March 31, 2014 (including a deficiency that was rectified within 48 hours)?

- a) Yes - provide details in comment box below
- b) No

(B) If you answered Yes to Part (A), have you notified the OSC of this deficiency?

- a) Yes
- b) No - provide details in comment box below
- c) Not applicable - our firm's excess working capital has not been less than zero in the stated period

**Question 10 – Marketing**

(A) Fill in the table below.

Marketing practice	Does your firm use this marketing practice?
Word of mouth	
Cold calling	
Electronic media (e.g. websites, email)	
Social media sites (e.g. blogs, Twitter, Facebook)	
Printed media (e.g. newspapers, magazines, brochures, pamphlets)	
Audio/visual media (e.g. TV, radio)	
Presentations to prospective clients, seminars, conferences	
Other - provide details in comment box below	

(B) Are your marketing materials reviewed and approved by the chief compliance officer or other individuals with appropriate authority and proficiency prior to their use?

- a) Yes
- b) No
- c) Not applicable - we do not use marketing materials

(C) How do you control and monitor the use of social media by your registered and permitted individuals? Check all that apply.

- a) Establish written policies and procedures on the use of social media, supervision and record retention
- b) Train employees on the social media policies and procedures
- c) Have a designated individual responsible for the supervision and approval of social media communications
- d) Other, provide details in comment box below
- e) Not applicable – social media is not used by our registered and permitted individuals





**Question 14 – Business continuity plan (BCP)**

Have you tested your BCP?

- a) Yes – the BCP is tested annually
- b) Yes – the BCP is tested on a less frequent basis than annually
- c) No – the BCP has not been tested
- d) No – do not have a BCP

**Question 15 – Complaints**

Fill in the table below.

	In the past twelve months as of	
	March 31, 2014	March 31, 2013
Percentage (%) of complaints (i.e. total number of complaints received divided by total number of clients/investors)	<input type="text"/> %	<input type="text"/> %

**Question 16 - Claims**

Which statement best describes any pending litigation and/or claims against your firm?

- a) No claims or litigation outstanding
- b) Potentially some claims or litigation outstanding
- c) Some claims or litigation outstanding
- d) Potentially significant claim(s) or litigation outstanding
- e) Significant claim(s) or litigation outstanding

**Question 17 – Breaches of securities law**

Are you aware of any ongoing or pending investigations, allegations of breaches of securities legislation, or breaches of the rules of an SRO against your firm and/or affiliates?

- a) Yes - provide details in the comment box below
- b) No

**SRO:** Self-Regulatory Organization

**Question 18 - Compliance staff**

(A) Fill in the table below.

Number of compliance staff or employees that spend more than 50% of their time assisting the CCO to carry out compliance duties as at March 31, 2014	<input type="text"/>
Percentage turnover of compliance staff in the last two years as of March 31, 2014	<input type="text"/> %

(B) Has your firm identified a qualified individual who has the experience and education required to act as CCO if the current CCO leaves?

- a) Yes
- b) No

**Question 19 – Other business activities**

Do any of your registered or permitted individuals engage in other employment or business activities in addition to your firm's registered business activities? Check all that apply.

- a) Yes – engage in activities in the financial services industry and/or licensed in another industry (e.g. insurance, mortgage brokerage, financial planning, real estate)
- b) Yes – engage in other activities that may influence potential clients (e.g. teacher, health care provider, trustee, having power of attorney, religious leader, not for profit organization leader)
- c) Yes – provide other professional services (e.g. practicing lawyer, accountant)
- d) Yes – as an employee, or the mind and management of an issuer product that you distribute
- e) Yes – engage in business activities other than those described above, provide details in comment box below
- f) No

**Question 20 – Updating registration forms**

How do you ensure your registration information is up-to-date? Check all that apply.

- a) File notices of change to the information previously submitted in the Form 33-109F6 for the firm and the Form 33-109F4 for individuals shortly after the change occurs
- b) File notices of termination when employment is terminated
- c) Conduct annual reviews of NRD to ensure that only active individuals are listed
- d) Send annual reminders to sponsored individuals to ensure that they update their information previously submitted
- e) Conduct annual reviews of the information previously submitted for the firm and individuals to ensure information has not changed
- f) Other – provide details in comment box below

**NRD:** National Registration Database

**Question 21 – Background checks**

How do you perform background checks prior to sponsoring an individual for registration? Check all that apply.

- a) Reference check
- b) Prior employer check, including obtaining reason why individual left
- c) Credit check
- d) Confirmation of proficiency requirements/courses
- e) Disciplinary history
- f) Other – provide details in comment box below
- g) Not applicable – do not have any other registered employees

**Question 22 – Obtaining notice of termination**

When sponsoring a new individual, do you obtain a copy of the Form 33-109F1 (termination notice) from the prior firm?

- a) Yes – in all cases where Form 33-109F1 is applicable
- b) Yes – in some cases, provide explanation in comment box below
- c) No
- d) Not applicable – do not have any other registered employees

**Question 23 – Proof of course completion**

Do you require proof of completion of the required courses/designations from registered individuals?

- a) Yes
- b) No
- c) Not applicable - do not have any other registered employees

Reference only

**Certification**

This certification must be completed by your ultimate designated person.

I certify that I have attached the Excel spreadsheet containing all the requested fund-level information for all non-prospectus qualified funds managed by our firm. To the best of my knowledge, the responses to the fund-level questions are complete, accurate, free from any misstatements and are not misleading in any respect.

NAME

DATE

**Question 1 – Assets under management (AUM)**

Fill in the table below for all the funds that you manage.

For investment funds that have a fund-of-fund structure, the AUM should only be counted once if you are both the investment fund manager of the top and the underlying fund(s).

Enter zero in the rows that are not applicable to you.

Type of fund	AUM as at March 31, 2014 (in CAD dollars)	Number of funds as at March 31, 2014	AUM as at March 31, 2013 (in CAD dollars)	Number of funds as at March 31, 2013
<b>Prospectus qualified funds:</b>				
Open-end/conventional mutual funds (other than money market funds)				
Money market funds				
Closed-end funds				
Exchange-traded funds				
Commodity pools				
Labour-sponsored investment funds				
Scholarship plans				
Flow-through limited partnerships				
Other – complete row and specify fund type below				
<b>Sub-total</b>	\$0.00	0	\$0.00	0
<b>Non-prospectus qualified funds:</b>				
Alternative strategies funds				
Money market funds				
Pooled funds (other than alternative strategies funds or money market funds)				
Flow-through limited partnerships				
Other - complete row and specify fund type below				
<b>Sub-total</b>	\$0.00	0	\$0.00	0
<b>Total</b>	\$0.00	0	\$0.00	0

**Alternative strategies funds:** Investment pools that use alternative investment strategies not generally available to traditional mutual funds such as taking both long and short positions and using arbitrage, leverage, options, futures, bonds and other financial instruments to capitalize on market conditions.

If you manage any non-prospectus qualified funds, fill in the Excel spreadsheet that we sent to you in our email, and attach the completed spreadsheet using the attach function below - click on the icon with the paperclip to attach your file.

Types of other prospectus qualified funds

Types of other non-prospectus qualified funds

**Question 2 – Business structure**

Is your firm also the portfolio manager of all or some of the funds that you manage as indicated in question 1?

a) Yes - indicate the AUM of those funds in the table below

b) No

Enter zero in the row that is not applicable to you.

Type of fund	AUM as at March 31, 2014 (in CAD dollars)
Prospectus qualified funds	
Non-prospectus qualified funds	
<b>Total</b>	

**Question 3 – Performance returns**

Fill in the tables below for your prospectus qualified and non-prospectus qualified funds.

Enter zero in the rows that are not applicable to you.

Prospectus qualified funds			
Range of annual performance returns	Number of funds within annual performance range in calendar year 2013	Number of funds within annual performance range in calendar year 2012	Number of funds within annual performance range in calendar year 2011
Greater than or equal to 80%			
60% to less than 80%			
40% to less than 60%			
20% to less than 40%			
0% to less than 20%			
-20% to less than 0%			
-40% to less than -20%			
-60% to less than -40%			
-80% to less than -60%			
Less than or equal to -80%			
<b>Total</b>	0	0	0

Enter zero in the rows that are not applicable to you.

Non-prospectus qualified funds			
Range of annual performance returns	Number of funds within annual performance range in calendar year 2013	Number of funds within annual performance range in calendar year 2012	Number of funds within annual performance range in calendar year 2011
Greater than or equal to 80%			
60% to less than 80%			
40% to less than 60%			
20% to less than 40%			
0% to less than 20%			
-20% to less than 0%			
-40% to less than -20%			
-60% to less than -40%			
-80% to less than -60%			
Less than or equal to -80%			
<b>Total</b>	0	0	0

**Question 4 – Custodian information**

(A) Fill in the table below for your investment funds.

Not applicable – we do not use a custodian, provide explanation in comment box below

Name of custodian	Type of fund	Amount of assets held with each custodian for the type of fund as at March 31, 2014 (in CAD dollars)	Is the custodian an affiliate?	Type of custodian	Country where custodian is domiciled

Name of the regulator if type of custodian chosen is "other"

**Affiliate:** A company shall be deemed to be an affiliate of another company if one of them is the subsidiary of the other or if both are subsidiaries of the same company or if each of them is controlled by the same person or company.

(B) Is there any party(s) other than your firm who has signing authority over the custodial accounts?

a) Yes – provide details in the comment box below, including name of the other party(s) and the nature of relationship with your firm

b) Not applicable – no other party(s) has signing authority except our firm



**Question 6 – Service providers**

Provide details of your service providers in the table below.

If a function is performed by more than one service provider, provide details of the other service provider(s) in the comment box below.

	Name of service provider	Related to registrant?	If related, provide nature of relationship
Fund accounting			
Transfer agency			
Trust accounting			
Portfolio management			
Audit (investment fund manager)			
Audit (funds)			
Legal			
Trustee for the fund(s) if set up as trusts			

**Question 7 – Change in service providers**

Has there been a change in the last 2 years as of March 31, 2014 in any of your service providers?

- a) Yes - fill in the table below
- b) No

	Was there a change in service provider in the last two years as of March 31, 2014?	Name of the previous service provider	Reason(s) for the change
Fund accounting			
Transfer agency			
Trust accounting			
Portfolio management			
Audit (investment fund manager)			
Audit (funds)			
Legal			
Trustee for the fund(s) if set up as trusts			

Use comment box below if you require additional space.

**Question 8 – Oversight of service providers**

(A) How do you oversee the service provider who performs the fund accounting function? Check all that apply.

- a) Review daily reports provided by the service provider
- b) Review weekly reports provided by the service provider
- c) Review monthly reports provided by the service provider
- d) Review quarterly reports provided by the service provider
- e) Meet with key personnel of the service provider
- f) Continuous communication via email and/or phone
- g) Annual performance review of the service provider
- h) Other - provide details in comment box below
- i) Not applicable - our firm performs this function in-house

(B) How do you oversee the service provider who performs the trust accounting function? Check all that apply.

- a) Review daily reports provided by the service provider
- b) Review weekly reports provided by the service provider
- c) Review monthly reports provided by the service provider
- d) Review quarterly reports provided by the service provider
- e) Meet with key personnel of the service provider
- f) Continuous communication via email and/or phone
- g) Annual performance review of the service provider
- h) Other - provide details in comment box below
- i) Not applicable - our firm performs this function in-house

(C) How do you oversee the service provider who performs the transfer agency function? Check all that apply.

- a) Review daily reports provided by the service provider
- b) Review weekly reports provided by the service provider
- c) Review monthly reports provided by the service provider
- d) Review quarterly reports provided by the service provider
- e) Meet with key personnel of the service provider
- f) Continuous communication via email and/or phone
- g) Annual performance review of the service provider
- h) Other - provide details in comment box below
- i) Not applicable - our firm performs this function in-house

**Question 9 – Funds’ investment portfolios**

How do you monitor the investment portfolios of your funds? Check all that apply.

- a) Periodic review of portfolios for compliance with stated investment objectives and restrictions
- b) Periodic review of portfolios to ensure investment risks are being managed adequately and appropriately
- c) Periodic review of fund performance
- d) Meet with portfolio managers to discuss any of the above periodically
- e) Continuous communication with the portfolio managers via email and/or phone
- f) Annual compliance certificate provided by portfolio managers
- g) Other - provide details in comment box below
- h) Not applicable - reviews are not completed

**Question 10 – Receipt of trade orders**

How do you receive trade orders from investors? Indicate the approximate volume of trades based on the 2013 calendar year.

Enter zero in the rows that are not applicable to you.

	<b>Volume of trades in each category (as a percentage of total trade transactions)</b>	
a) FundSERV		%
b) Fax		%
c) Email		%
d) Phone		%
e) Mail		%
f) Other – provide details in comment box below		%
g) Not applicable – trades are processed directly through a stock exchange		%
<b>Total volume</b>		%

**Question 11 – Distribution of funds**

Indicate below how your funds are distributed. Check all that apply.

- a) We distribute through our dealer registration
- b) We distribute by relying on the exemption under section 8.6 of NI 31-103
- c) Related dealers
- d) Third-party dealers
- e) Other – provide details in comment box below

**Question 12 – Private or illiquid securities**

Fill in the table below for all non-prospectus qualified funds that you manage.

Enter zero in the rows that are not applicable to you.

Percentage of private or illiquid securities held in non-prospectus qualified funds	Number of non-prospectus qualified funds that hold private or illiquid securities in the respective range as at March 31, 2014	Total AUM of non-prospectus qualified funds that hold private or illiquid securities in the respective range as at March 31, 2014 (in CAD Dollars)	Total dollar amount of private or illiquid securities held in non-prospectus qualified funds in the respective range as at March 31, 2014 (in CAD dollars)
No private or illiquid securities (0%)			
Less than 10%			
10% to less than 25%			
25% to less than 50%			
Greater than or equal to 50%			
<b>Total</b>	0	\$0.00	\$0.00

**Illiquid asset:** Illiquid asset is defined under section 1.1 of National Instrument 81-102 Mutual Funds, refer to the OSC website: [http://www.osc.gov.on.ca/documents/en/Securities-Category8/rule\\_20090918\\_81-102\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category8/rule_20090918_81-102_unofficial-consolidated.pdf)

**Question 13 – Valuation of securities**

How do you value securities where a public price is not available? Check all that apply.

- a) Independent dealer quotes
- b) Quotes from counterparties to OTC transactions
- c) Internal valuation models
- d) Independent valuation agents
- e) Financial information from manager of underlying fund in a fund-of-fund structure
- f) At cost until an event occurs which would prompt a change in price
- g) Input from investment committee (e.g. discussions with management of the investee company(s), research by the traders, discussions with portfolio managers)
- h) Other - provide details in the comment box below
- i) Not applicable

Reference only

**Question 14 – Management expense ratios (MER)**

Fill in the table below for all investment funds that you manage.

Enter zero in the rows that are not applicable to you.

MER of funds	Number of funds as at March 31, 2014	AUM of funds as at March 31, 2014
--------------	---	--------------------------------------

Exchange-traded funds/index funds:

0% to less than 0.5%		
0.5% to less than 0.75%		
0.75% to less than 1%		
1% to less than 1.5%		
1.5% to less than 2%		
2% and greater		

Funds other than exchange-traded  
funds/index funds :

0% to less than 2%		
2% to less than 3%		
3% to less than 4%		
4% to less than 5%		
5% to less than 6%		
6% and greater		

**Question 15 – Fund fees and expenses**

How are fees and expenses charged to your investment funds? Check all that apply.

- a) Charging a fixed rate administration fee
- b) Charging direct expenses for services provided by third party suppliers
- c) Charging operating expenses using a rate capped by the firm
- d) Allocating the firm's overhead expenses for functions performed in-house
- e) Other – provide details in comment box 1 below
- f) Not applicable - provide details in comment box 2 below

Comment box 1

Comment box 2

**Question 16 – Performance fees**

Fill in the table below. Enter zero if none of your investment funds were subject to performance fees or they were not required to pay performance fees.

	Calendar year 2013	Calendar year 2012	Calendar year 2011
Total AUM of funds subject to performance fees			
Number of funds subject to performance fees			
Performance fees charged to funds (i.e. performance fees earned by your firm)			





**Question 19 – Net asset value (NAV) errors**

Did you have any NAV errors (as determined in accordance with your internal policies) in the past 12 months as of March 31, 2014?

- a) Yes – Provide details in the table below  
 b) No

Total number of NAV errors	Total number of NAV restatements required due to NAV errors	Dollar amount reimbursed to funds due to NAV errors (in CAD dollars)	Dollar amount reimbursed to investors due to NAV errors (in CAD dollars)

**Question 20 – Independent review committee (IRC)**

(A) Did you refer any conflict of interest matters to your funds' IRC (other than matters that had been addressed by standing instructions already) in the past 12 months as of March 31, 2014?

- a) Yes  
 b) No  
 c) Not applicable - our funds do not have an IRC

(B) Did the IRC of your funds provide any of the following reports in the past 12 months as of March 31, 2014? Check all that apply.

- a) A written report to your firm, indicating a breach of your policies or procedures as a result of the IRC's assessment  
 b) A written report to your firm, indicating a breach of a condition imposed by the IRC in a recommendation or approval  
 c) A written report to securityholders, indicating that you acted in a conflict of interest matter to which the IRC did not give a positive recommendation  
 d) A written report to securityholders, indicating that you acted in a conflict of interest matter and that you did not meet a condition imposed by the IRC in its standing instructions  
 e) None – the IRC reports did not contain any of the above  
 f) Not applicable - our funds do not have an IRC

**Question 21 – Mutual fund sales practices**

(A) Did you participate in activities relating to mutual fund sales practices in 2013?

- a) Yes - fill in the dollar amount below  
 b) No

Total amount spent on mutual fund sales practices in 2013 (in CAD dollars)	
--	--

(B) Which type(s) of activities did you participate in? Check all that apply.

- a) Cooperative marketing practices, section 5.1 of National Instrument 81-105 Mutual Fund Sales Practices (NI 81-105)  
 b) Mutual fund sponsored events, section 5.2 of NI 81-105  
 c) Third party sponsored events, section 5.3 of NI 81-105  
 d) Industry association sponsored events, section 5.4 of NI 81-105  
 e) Participating dealer sponsored events, section 5.5 of NI 81-105  
 f) Not applicable

Refer to OSC website for NI 81-105 [http://www.osc.gov.on.ca/documents/en/Securities-Category8/rule\\_20090918\\_81-105\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category8/rule_20090918_81-105_unofficial-consolidated.pdf)

**PM SECTION: QUESTIONS FOR PORTFOLIO MANAGERS**

**Question 1 – Assets Under Management**

Provide your assets under management (AUM) for your Canadian advisory services as of the dates indicated below. Enter zero in rows that are not applicable to you.

Type of Client	AUM as at March 31, 2014 (in CAD dollars)	AUM as at March 31, 2013 (in CAD dollars)
Individuals		
Institutional		
<b>Total</b>		

Individuals are natural persons and their personal corporations, foundations, charitable organizations or trusts. Institutions include clients such as pensions, corporations and investment funds.

**Question 2 – Type of Authority and Products**

(A) Do you have discretionary trading authority over client assets?

- a) Yes
- b) No
- c) Not applicable - provide details in the comment box below

(B) If you have discretionary trading authority over client assets, fill in the table below for types of products you purchase for client accounts. Enter zero in rows that are not applicable to you.

Product	Approximate percentage of total AUM
Equities (exchange traded)	%
Equities (non-exchange traded)	%
Fixed income	%
Prospectus qualified funds (excluding exchange traded funds)	%
Exchange traded funds	%
Non-prospectus qualified funds	%
Cash equivalents	%
Other (describe below)	%
<b>Total</b>	%

**Question 3 – Investment Strategies**

Do you use any of the following investment strategies? Check all that apply.

- a) Margin
- b) Leverage
- c) Short selling
- d) Complex strategies (e.g. arbitrage, computerized trading, high-frequency trading)
- e) Derivatives (e.g. options, swaps)
- f) Not applicable – do not use any of these strategies

**Question 4 – Related or Connected issuers**

A) Do you advise clients in securities of any related or connected issuers?

- a) Yes - provide the name of the issuer(s) and the nature of the relationship in the comment box below
- b) No - we have related and connected issuers, however we do not advise in any of them
- c) Not applicable - we do not have any related or connected issuers

B) If you advise clients in securities of related or connected issuers, how are these products distributed? Check all that apply.

- a) We distribute through our dealer registration
- b) We distribute by relying on the exemption under section 8.6 of NI 31-103
- c) Related party dealers
- d) Third party dealers
- e) Not applicable - we do not advise client in any related or connected issuers
- f) Other - provide details in the comment box below

**Related issuer:** A person or company is a related issuer of another person or company if:

1. the person or company is an influential securityholder of the other person or company
2. the other person or company is an influential securityholder of the person or company
3. each of them is a related issuer of the same third person or company

**Influential securityholder:** Influential securityholder is defined in section 1.1 of NI 33-105, please refer to the OSC website: [http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule\\_20090918\\_33-105\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule_20090918_33-105_unofficial-consolidated.pdf)

**Connected issuer:** Connected issuer is defined in section 1.1 of NI 33-105, please refer to the OSC website: [http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule\\_20090918\\_33-105\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule_20090918_33-105_unofficial-consolidated.pdf)

**Question 5 – Involvement in Companies**

Are you actively involved in the management of the companies you invest in for clients? Check all that apply.

- a) Representation on the board of directors
- b) Direct involvement in the appointment of managers
- c) A say in material management decisions
- d) Other - provide details in the comment box below
- e) No - not actively involved in the management of companies invested in

**Question 6 – Residency of Clients**

Provide the residency of the firm's portfolio management clients in the table below:  
Provide the number of clients (i.e. not the number of client accounts, or the number of client households).  
Enter zero in the rows that are not applicable to you.

	Number of clients
a) Ontario	
b) In Canada but outside Ontario	
c) United States	
d) Europe - list country of residence below	
e) Asia - list country of residence below	
f) Other - list country of residence below	
<b>Total:</b>	

**Countries in Europe**

**Countries in Asia**

**Other countries**

**Question 7 – Access to client assets**

Check all of the boxes below that apply to your firm's portfolio management client assets, excluding assets of your investment funds.

(If a client opens a custodial account at a broker and provides you with discretionary trading authority over that account, it does not mean that you have access to the client's assets for the purpose of this question.)

- a) you hold clients' securities certificates for any period of time (e.g. physical possession of share certificates on your premises or at your lawyer's premises)
- b) you receive and hold clients' cash for any period of time (e.g. cash pending investments in a trust account or a cheque made payable to you)
- c) you accept client cash from a custodian (e.g. client's money is deposited in a trust account prior to issuing a cheque to the client)
- d) you have, in any capacity, legal ownership of clients' cash or securities
- e) you have the authority to withdraw cash or securities from client accounts (e.g. under a power of attorney)
- f) you act in the capacity of a trustee or executor for clients
- g) you have the ability to access clients' online accounts using the clients' personal user names and passwords
- h) you provide bill-paying services for clients (e.g. you have the authority to withdraw cash from the clients' account to pay bills on behalf of the clients)
- i) you have the authority to debit client accounts other than for your portfolio management fees
- j) you hold client assets in your firm's name in an omnibus account at a third party custodian
- k) you have access in any other ways not described above (provide details in the comment box below)
- l) not applicable – none of the above apply to our firm



**Question 10 - Direct Electronic Access**

(A) Do you have any trading arrangements for direct electronic access to marketplaces?

- a) Yes - provide the name(s) of the dealer(s) through which you have this access in the comment box below
- b) No

Please note that direct electronic access excludes orders using an order execution service or other electronic access arrangements in which a portfolio manager uses the website of a dealer to enter orders since these services and arrangements do not permit the portfolio manager to enter orders using a participant dealer's marketplace participant identifier.

(B) Are you a marketplace participant?

- a) Yes – provide information below
- b) No

Provide a high level description in the comment box below of your:

i) risk management and supervisory controls (including automated pre-trade controls); and

ii) policies and procedures

that are designed to manage the financial, regulatory and other risks associated with marketplace access as required under section 3 of NI 23-103 *Electronic Trading and Direct Electronic Access to Marketplaces*.

**Marketplace participant** means a member of an exchange, a user of a quotation and trade reporting system, or a subscriber of an alternative trading system as defined in section 1.1 of National Instrument 21-101 *Marketplace Operation* (NI 21-101). Please refer to the OSC website for NI 21-101 [http://www.osc.gov.on.ca/documents/en/Securities-Category2/ni\\_20120701\\_21-101\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category2/ni_20120701_21-101_unofficial-consolidated.pdf)

**Question 11 – Trading and Brokerage Practices**

Which of the following apply to your trading and brokerage practices for client accounts? Check all that apply.

- a) Have an approved list of broker-dealers that is reviewed at least annually
- b) Document in writing, at least annually, your evaluation if best execution is achieved
- c) Trading is done by staff other than those responsible for investment decision making
- d) Do not use client brokerage commissions to pay for eligible research and order execution goods and services (soft dollar arrangements)
- e) Do not use affiliated dealers
- f) Do not cross trade between eligible client accounts
- g) Not applicable (e.g. trading is done by another party such as a sub-adviser)

**Question 12 – Trade Order Management**

A) Do you use an automated trade order management system for placing trades, allocating trades and trade processing?

- a) Yes
- b) No - we primarily use manual processes
- c) Other - provide details in the comment box below
- d) Not applicable - trading is done by another party (e.g. sub-advisor)

B) If you use an automated trade order management system, does it have programmed trade compliance checks that you use?

- a) Yes
- b) No
- c) Not applicable - we do not use an automated system
- d) Not applicable - trading is done by another party (e.g. sub-advisor)

C) How do you monitor compliance with client investment objectives and restrictions? Check all that apply.

- a) Pre-trade
- b) Post-trade
- c) Periodic review of client holdings with rebalancing
- d) Not applicable – reviews are not completed

**Question 13 – Performance Data**

A) Do you market performance returns?

- a) Yes
- b) No

B) Do you market hypothetical performance returns (e.g. back tested, model portfolio)

- a) Yes
- b) No

C) Do you market performance returns of a past firm?

- a) Yes
- b) No

Reference only

**Question 14 – Know Your Client (KYC) Information**

A) How do you collect and document KYC information for clients (e.g. investment needs and objectives, financial circumstances, risk tolerance, and if the client is an insider)? Check all that apply.

- a) Collect KYC information in face-to-face meetings and document KYC information in writing
- b) Collect KYC information on a telephone call with clients and document KYC information in writing
- c) KYC information is collected from clients by email or online without directly speaking to an advising representative
- d) KYC information is collected by someone other than you, such as a referral agent (provide details in the comment box below)
- e) KYC information is collected but is not documented in writing
- f) No formal process for collecting and documenting KYC information

B) How do you ensure each client's KYC information is up-to-date? Check all that apply.

- a) Relying on the client to notify you if their circumstances have changed and update the client's KYC documentation
- b) Periodically contacting the client (at least annually) with face-to-face meetings or telephone calls to assess if their circumstances have changed and update the client's KYC documentation
- c) Periodically contacting the client (at least annually) via email or online to ask if their circumstances have changed and update the client's KYC documentation
- d) KYC information is kept up-to-date by someone other than you (provide details in the comment box below)

**Question 15 – Know Your Product**

What are the components of your know your product process? Check all that apply

- a) Not applicable – do not have an investment review process (explain why in the comment box below)
- b) Rely on due diligence conducted by, or analyst report or assessment prepared by, another registered firm or credit rating agency
- c) Use a list of criteria to accept or reject an investment
- d) Analyze investments recommended to clients (e.g. financial information, risk factors, investment objectives, investment structure and features)
- e) Meet with management to review corporate structure, corporate strategy, management reputation, experience and business plans
- f) Assess quality of issuer's underlying operations and risks of the issuer
- g) Analyze issuer's financial statements to understand the issuer's current and expected financial condition, profitability, liquidity, operating cash flow and debt covenants
- h) In addition to conducting the initial product due diligence, continue to monitor the financial condition (e.g. review ongoing financial statements) and progress of the products

**Question 16 – Online Business Activity**

Does your firm engage in any of the following advising activities online (i.e. use of the internet for the delivery of advisory services)? Check all that apply.

- a) Collecting, documenting and updating KYC information
- b) Suitability analysis and assessment
- c) Providing general advice in securities, not tailored to an individual and their circumstances
- d) Providing specific advice in securities, tailored to an individual and their circumstances
- e) Other services (describe briefly in the comment box below)
- f) None of the above

**Question 17– Personal Trading**

Which of the following apply to your employee personal trading practices? Check all that apply.

- a) Employees are required to follow written personal trading policies and procedures and a code of ethics
- b) Employees subject to personal trading policies and procedures are required to pre-clear personal trades
- c) Records of employee trades subject to personal trading policies and procedures are reviewed on a regular basis
- d) Not applicable, we do not permit employee personal trading
- e) None of the above

Reference only

**EMD: QUESTIONS FOR EXEMPT MARKET DEALERS**

**Question 1 – Business Model**

(A) Which of the following business models best describe your dealer activities from April 1, 2012 to present? Check all that apply.

- a) Service oriented – Mergers and acquisitions: provide assistance in mergers and acquisitions and disposition of corporations; find potential buyers/investors for acquisitions or divestitures
- b) Service oriented – Debt/equity financing: provide advice on capital structuring to raise financing and/or distribute private placements; find potential lenders/investors to invest in debt/equity securities
- c) Service oriented – Relationship facilitator: facilitate relationships between investors and registrants, or investors and third parties; do not distribute securities or products
- d) Product distribution – Distributor of prospectus-qualified products
- e) Product distribution – Distributor of prospectus-exempt products
- f) Other business model – provide details in comment box 1 below
- g) Have not commenced any business activities. State in comment box 2 below when you intend to begin business activities and why you are currently registered as an EMD

Comment box 1

Comment box 2

**Business model:** For more information on business models, see Ontario Securities Commission (OSC) Staff Notice 11-758 – *Review of Limited Market Dealers* on the OSC website at: <http://www.osc.gov.on.ca/en/14626.htm>

**Prospectus-qualified products:** Investment products (including mutual funds) offered by prospectus

**Prospectus-exempt products:** Investment products sold under a prospectus exemption

(B) Does your firm trade or facilitate trading in listed securities on or off an exchange?

- a) Yes
- b) No

(C) Other than general marketing to the public, does your firm operate or plan to operate any form of online website, portal or platform to collect client information or provide services to investors without directly dealing with them?

- a) Yes
- b) No

**Question 2 – Investor Clients**

Provide the number of investor clients the firm has had over the last 12 months in each of the following categories:

Enter zero in the rows that are not applicable to you.

	Number of investor clients
a) Clients that meet the permitted client definition	
b) Clients that meet the accredited investor definition but are not permitted clients	
c) Other - clients that are not included in a) or b) above	
<b>Total:</b>	

**Permitted client:** For a definition of permitted client, see section 1.1 of NI 31-103 on the OSC website at: [http://www.osc.gov.on.ca/documents/en/Securities-Category3/ni\\_20130715\\_31-103\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category3/ni_20130715_31-103_unofficial-consolidated.pdf)

**Accredited investor:** For a definition of accredited investor, see section 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* on the OSC website at: [http://www.osc.gov.on.ca/documents/en/Securities-Category4/rule\\_20120413\\_45-106\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category4/rule_20120413_45-106_unofficial-consolidated.pdf)

**Question 3 – Investor Client Residency**

Provide the residency of the firm's investor clients over the last 12 months in the table below:

Enter zero in the rows that are not applicable to you.

	Number of investor clients
a) Ontario	
b) In Canada but outside Ontario	
Alberta	
British Columbia	
Quebec	
Other provinces	
c) United States	
d) Europe – list country of residence in comment box below	
e) Asia – list country of residence in comment box below	
f) Other – list country of residence in comment box below	
<b>Total:</b>	

Countries in Europe

Countries in Asia

Other Countries

**Question 4 - Prospectus Exemptions**

What prospectus exemptions do you rely on to sell investment products and/or provide services to your clients? Check all that apply.

- a) Section 2.3 of National Instrument 45-106 Prospectus and Registration Exemptions (NI 45-106) - accredited investor exemption
- b) Section 2.10 of NI 45-106 - minimum investment of \$150,000
- c) Section 2.4 of NI 45-106 - private issuer exemption
- d) Section 2.9 of NI 45-106 - offering memorandum exemption for clients outside of Ontario
- e) Other exemptions, including any exemptions granted by the OSC – provide details in comment box 1 below
- f) Not applicable – do not rely on any prospectus exemptions – explain in comment box 2 below why a prospectus exemption is not required

Comment box 1

Comment box 2

**Question 5 – Access to Client Assets**

Check all of the boxes below that apply to your firm's dealer client assets.

- a) you hold clients' securities certificates for any period of time (e.g. physical possession of share certificates on your premises or at your lawyer's premises)
- b) you receive and hold clients' cash for any period of time (e.g. cash pending investments in a trust account or a cheque made payable to you)
- c) you accept client cash from a custodian (e.g. client's money is deposited in a trust account prior to issuing a cheque to the client)
- d) you have, in any capacity, legal ownership of clients' cash or securities
- e) you have the authority to withdraw cash or securities from client accounts (e.g. under a power of attorney)
- f) you act in the capacity of a trustee or executor for clients
- g) you hold client assets in your firm's name in an omnibus account at a third party custodian
- h) you have signing authority on bank accounts for related / connected issuers
- i) you have access in any other ways not described above, provide details in comment box below
- j) not applicable – none of the above apply to our firm

**Related issuer:** A person or company is a related issuer of another person or company if:  
1. the person or company is an influential securityholder of the other person or company  
2. the other person or company is an influential securityholder of the person or company  
3. each of them is a related issuer of the same third person or company

**Influential securityholder:** Influential securityholder is defined in section 1.1 of NI 33-105, please refer to the OSC website: [http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule\\_20090918\\_33-105\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule_20090918_33-105_unofficial-consolidated.pdf)

**Connected issuer:** Connected issuer is defined in section 1.1 of NI 33-105, refer to the OSC website: [http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule\\_20090918\\_33-105\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category3/rule_20090918_33-105_unofficial-consolidated.pdf)

**Question 6 – Size of Dealer Activities - Dealing Representatives**

Enter the number of dealing representatives currently registered in Canada by province/country in which they reside\*.

\* If a dealing representative is registered in more than one province, only include the dealing representative once in the province/other country where he/she resides.

	Number of dealing representatives resident in
a) Ontario	<input type="text"/>
b) In Canada but outside Ontario	
(i) Alberta	<input type="text"/>
(ii) British Columbia	<input type="text"/>
(iii) Quebec	<input type="text"/>
(iv) Other provinces	<input type="text"/>
c) Other - list country of residence in comment box below	<input type="text"/>
<b>Total dealing representatives</b>	<input type="text"/>

Other country and corresponding number of dealing representatives

**Question 7 – Role of the Chief Compliance Officer**

Does your chief compliance officer also act as a dealing representative for your firm?

a) Yes

b) No

**Question 8 – Size of Dealer Activities – Revenue**

Provide the following information in the table below:

- i) Your firm's revenue for the last two years ending March 31, 2014 for each line of business
- ii) Your firm's total revenue and net income or loss for the last two years ending March 31, 2014

**Enter zero in the rows below where there was no revenue earned during the period. Enter zero in each of the rows below if you did not charge sales commissions or fees for your dealing activities during the period. For example, if you are an investment fund manager or a portfolio manager that conducts dealing activities, but only collects management or advisory fees enter zero.**

	Revenue for the year ended	
	March 31, 2014	March 31, 2013
a) Service oriented – Mergers and acquisitions: provide assistance in mergers and acquisitions and disposition of corporations; find potential buyers/investors for acquisitions or divestitures		
b) Service oriented – Debt/equity financing: provide advice on capital structuring to raise financing and/or distribute private placements; find potential lenders/investors to invest in debt/equity securities		
c) Service oriented – Relationship facilitator: facilitate relationships between investors and registrants, or investors and third parties; do not distribute securities or products		
d) Distributor of prospectus-qualified products		
e) Distributor of prospectus-exempt products		
f) Other – provide details below		
<b>Total revenue for the year ended:</b>		
<b>Net income (loss) for the year ended:</b>		

Other revenue – describe the nature of these revenues in comment box below:

**Prospectus-qualified products:** Investment products (including mutual funds) offered by prospectus

**Prospectus-exempt products:** Investment products sold under a prospectus exemption

**Question 9 – Capital Raised**

How much capital has your firm raised from investors in the last two years?

a) Not applicable - do not raise capital from investors

b) Less than \$1 million

c) \$1 million but less than \$5 million

d) \$5 million but less than \$20 million

e) \$20 million or more

**Question 10 – Investment Products – Types of Products**

Select the types of investment products you have distributed in the last two years ending March 31, 2014, and whether these products are those of your related/connected issuers:

- a) Not applicable – do not distribute investment products
- b) Distribute investment products – provide information in the following table:

Investment products	Do you sell this product?	Is this a product of a related or connected issuer?
Asset backed securities		
Blind pools / capital pool companies		
Common or preferred shares		
Contracts for difference		
Debt securities (e.g. promissory notes, bonds, debentures)		
Foreign exchange contracts		
Guaranteed debt		
Life settlements		
Limited partnerships		
Mutual funds, other investment funds (e.g. hedge funds, pooled funds)		
Other derivatives		
Principal protected notes / principal at risk notes		
Private equity / venture capital funds		
Structured products		
Tax sheltered products / charity / not-for-profit		
Trusts		
Other – describe in comment box below		

**Question 11 – Investment Products – Type of Business or Industry**

Select the types of business / industry of the investment products you have distributed in the last two years ending March 31, 2014; and whether these products are those of your related/connected issuers:

- a) Not applicable – do not distribute investment products
- b) Distribute investment products – provide information in the following table:

Type of business / industry	Do you sell products of this business / industry?	Are these products of your related / connected issuers?
Financial services – factoring (purchase of accounts receivables)		
Financial services – mortgage investment entities		
Financial services – non-conventional loans financing		
Mining – exploration, development or production		
Oil & gas		
Real estate investment trusts		
Real estate – land development / construction development		
Real estate – rental or leasing		
Other – describe in comment box below		



**Question 14 – Investment Products – Top 10 Related/Connected Issuer Products**

If (a) or (c) in Question 12 was selected, Question 14 will be disabled and you are not required to answer this question.  
 If you selected (b) or (d) in Question 12, proceed with responding to this question.

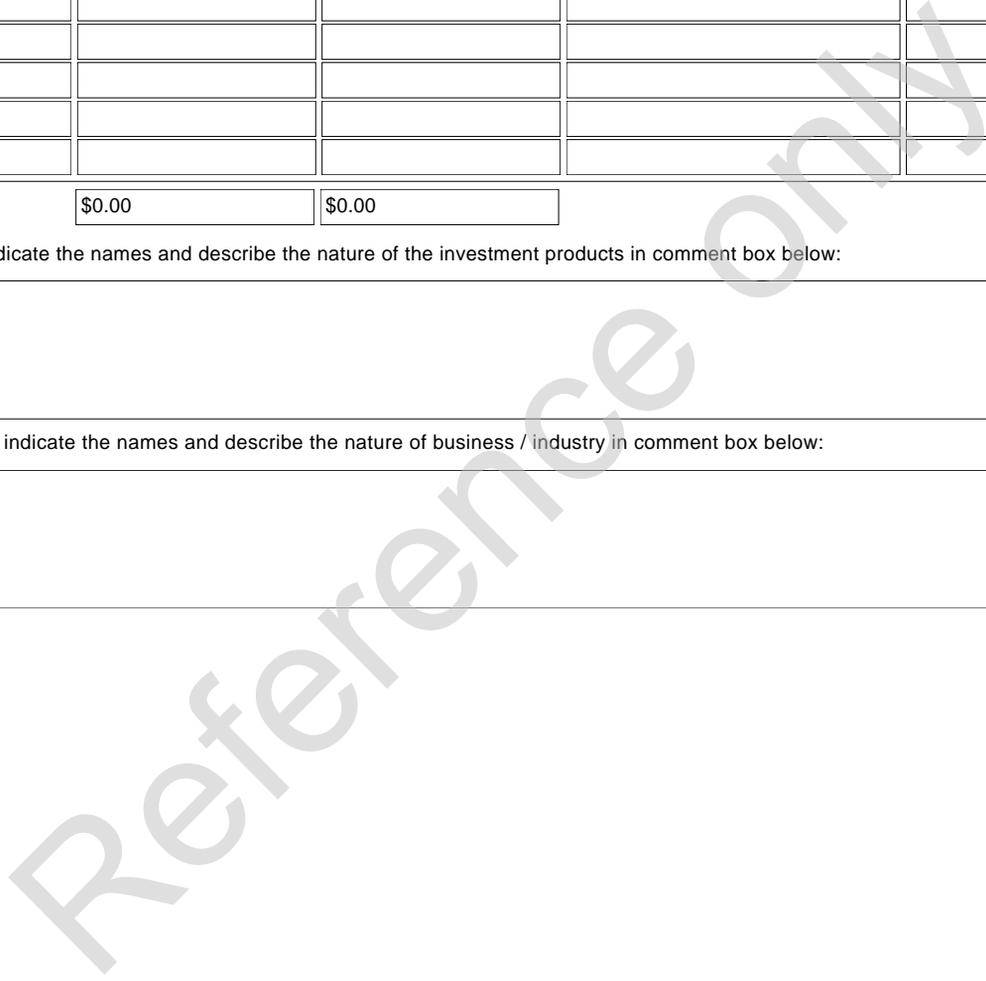
For the related/connected issuer products that you have distributed, provide details about the top 10 products for which you raised the most capital in the last two years ending March 31, 2014.

Name of product	Amount of capital raised in the last two years ending March 31, 2014	Amount of revenue earned in the last two years ending March 31, 2014	Type of product	Type of business / industry

Other types of product – indicate the names and describe the nature of the investment products in comment box below:

Other business / industry – indicate the names and describe the nature of business / industry in comment box below:



**Question 15 – Distribution of Related and Connected Issuers**

If (a) or (c) in Question 12 was selected, Question 15 will be disabled and you are not required to answer this question.  
If you selected (b) or (d) in Question 12, proceed with responding to this question.

(A) Do any third party dealers distribute the products of your related / connected issuers?

- a) Yes
- b) No

(B) What percentage of your revenue for the year ended March 31, 2014, was derived from selling products of related / connected issuers?

- a) Less than 25%
- b) 25% but less than 50%
- c) 50% or more

(C) How long have you been trading / distributing products of related / connected issuers?

- a) Less than 1 year
- b) 1 to less than 5 years
- c) 5 to less than 10 years
- d) 10 years or more

(D) How many related / connected issuer products are currently being sold to investors?

- a) Zero
- b) 1 - 5 (list names of related / connected issuers in comment box below)
- c) 6 - 10 (list names of related / connected issuers in comment box below)
- d) 11 - 30 (list names of related / connected issuers in comment box below)
- e) 31 or more (list names of related connected issuers in comment box below)

(E) How many related / connected issuer products are no longer being sold to investors but are still active issuers?

- a) Zero
- b) 1 - 5
- c) 6 - 10
- d) 11 - 30
- e) 31 or more

**Question 16 – Delivery of audited financial statements**

If you distribute investment products, are issuers' audited financial statements provided to each investor client? Check all that apply.

- a) Not applicable – do not distribute investment products
- b) No – do not provide audited financial statements of issuers to clients
- c) Yes – provide audited financial statements of third party issuers at time of sale
- d) Yes – provide audited financial statements of third party issuers annually to each client
- e) Yes – provide audited financial statements of related/connected issuers at time of sale
- f) Yes – provide audited financial statements of related/connected issuers annually to each client

**Question 17 – Loans or advances from issuers**

If you distribute investment products, have you received loans or advances from the issuers of these products? Check all that apply.

- a) Not applicable – do not distribute investment products
- b) Yes – received loans or advances from related/connected issuers. Provide names of issuers in comment box 1 below:
- c) Yes – received loans or advances from third party issuers. Provide names of issuers in comment box 2 below:
- d) No – have not received loans or advances from related/connected or third party issuers

Comment box 1

Comment box 2

**Question 18 – Returns of Investment Products Sold**

Do you sell investment products that offer a fixed return (e.g. bonds or notes)? Check all that apply.

- a) Yes – return offered is 12% or more (list names of products in comment box 1 below)
- b) Yes – return offered is at least 8% but less than 12% (list names of products in comment box 2 below)
- c) Yes – return offered is at least 4% but less than 8%
- d) Yes – return offered is less than 4%
- e) Not applicable – do not sell investment products that offer a fixed return

Comment box 1

Comment box 2

**Question 19 – Sales Commissions**

What is the range of sales commissions that you receive on investment products that you sell? Check all that apply.

- a) None - do not receive a sales commission
- b) Less than 3%
- c) 3% but less than 6%
- d) 6% but less than 11%
- e) 11% or more – list names of issuers in comment box below
- f) Not applicable – do not sell investment products

**Question 20 – Trailing Commissions**

What is the range of trailing commissions that you receive on investment products that you sell? Check all that apply.

- a) None – do not receive a trailing commission
- b) Less than 2%
- c) 2% but less than 5%
- d) 5% or more
- e) Not applicable – do not sell investment products

**Question 21 – Type of Know Your Client (KYC) Information Collected from Investor Clients**

What KYC information is collected from your investor clients? Check all that apply.

- a) Not applicable – do not have investor clients or sell investment products
- b) Client name
- c) Client age
- d) Client contact information
- e) Risk tolerance
- f) Investment knowledge
- g) Investment objectives
- h) Investment time horizon
- i) Approximate annual net income
- j) Approximate net worth or amount of net financial assets
- k) Occupation
- l) Amount of client investments in other exempt or high risk products
- m) Percentage of client concentration in the product you sell (i.e. subscription amount divided by the investor's net financial assets)
- n) Amount of leverage used (i.e. money borrowed to make the investment)
- o) Other – provide details in the comment box below

**Question 22 – Type of KYC Information Collected – Service Oriented**

If you provide a service (e.g. mergers and acquisitions, debt/equity financing, or relationship facilitating), what KYC information is collected for each client? Check all that apply.

- a) Not applicable – do not provide a service
- b) General information about the client (e.g. background on the company, its management and its business activities)
- c) Past revenue and potential revenue growth of the client
- d) Reason for transaction
- e) The client's customer base
- f) Organizational structure and employees
- g) The client's key success factors
- h) Information on the industry in which the client operates
- i) Financial information on the client (e.g. financial statements and financial analysis)
- j) Other – provide details in the comment box below

**Question 23 – Process for Collecting and Documenting KYC Information**

How do you collect and document KYC information? Check all that apply.

- a) Collect KYC information in face-to-face meetings with clients and document KYC information in writing
- b) Collect KYC information via other means (e.g. e-mail, telephone) and document KYC information in writing
- c) Collect KYC information on online platform (e.g. website, portal) for clients to enter and/or upload KYC information without directly dealing with a dealing representative
- d) Rely on a third-party (e.g. financial planner) to collect initial KYC, but review KYC prior to making the trade
- e) KYC information is collected but is not documented in writing
- f) No formal process for collecting and documenting KYC information
- g) Not applicable – no clients at present time

**Question 24 – Accredited Investor Exemption**

How do you determine whether a client qualifies as an accredited investor under the prospectus exemption in section 2.3 of NI 45-106? Check all that apply.

- a) Self-certification – Clients confirm their status as accredited investors by checking a box in a subscription agreement or other document, which also identifies applicable category of accredited investor
- b) Your firm makes its own written assessment of your client's status as an accredited investor
- c) There is no process in place to ascertain your client's status as an accredited investor
- d) Not applicable – do not deal with accredited investors

**Accredited investor:** For a definition of accredited investor, see section 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* on the OSC website at: [http://www.osc.gov.on.ca/documents/en/Securities-Category4/rule\\_20120413\\_45-106\\_unofficial-consolidated.pdf](http://www.osc.gov.on.ca/documents/en/Securities-Category4/rule_20120413_45-106_unofficial-consolidated.pdf)

**Question 25 – Know Your Product (KYP)**

What are the components of your KYP process? Check all that apply.

- a) Not applicable – do not have an investment review process
- b) Do not have an investment review process because we distribute related issuers
- c) Rely on due diligence conducted by, or analyst report or assessment prepared by, another registered firm
- d) Rely on due diligence conducted by, or analyst report or assessment prepared by, issuer or unregistered third party
- e) Use a list of criteria to accept or reject an investment
- f) Analyze investment products recommended to clients (e.g. financial information, risk factors, investment objectives, investment structure and features)
- g) Have professional staff (e.g. CFA, CPA, CA) with adequate skills and experience to analyze investments
- h) Meet with management to review corporate structure, corporate strategy, management reputation, experience and business plans
- i) Review and assess any applicable laws or regulations that may apply
- j) Review and assess the completeness and adequacy of the documents provided to investors and marketing materials relating to the investment
- k) Assess the existence of any conflicts of interest arising from factors such as the compensation structure and how to deal with these issues
- l) Compliance staff review and approve the investment
- m) Perform background check of issuers and their principals (e.g. cease trade order check, disciplined person check)
- n) Analyze issuer's past and expected use of investor proceeds
- o) Assess quality of issuer's underlying operations and risks of the issuer
- p) Analyze issuer's financial statements to understand the issuer's current and expected financial condition, profitability, liquidity, operating cash flow and debt covenants
- q) Understand the fees and costs paid to the registrant, issuer and other parties (e.g. commissions, sales charges, trailer fees, management fees, incentive fees, referral fees, embedded fees, executive compensation)
- r) In addition to conducting the initial product due diligence, continue to monitor the financial condition (i.e. ongoing review of financial statements) and progress of the products
- s) Have a training program for employees who recommend investments to clients

**Question 26 - Types of Documents Provided to Clients**

What type of disclosure do you provide to your investor clients about the investment products you sell and/or the services you provide? Check all that apply.

- a) Offering memorandum
- b) Term sheet
- c) Subscription agreement
- d) Client agreement
- e) Relationship disclosure information
- f) Other written material
- g) None of the above

Reference only



Reference only