

# Outreach Session for the 2022 Risk Assessment Questionnaire

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# Agenda

Part 1: Introduction

Part 2: Key Information and Navigating the 2022 Questionnaire

Part 3: Common Questions Received from Registrants

Part 4: Resources

Part 5: Question and Answer Session

# Part 1: Introduction

# Purpose

- The OSC uses a risk-based approach
- The information that we collect through the Risk Assessment Questionnaire (Questionnaire) will be used to support our oversight activities and evidence-based decision making

## Part 2: Key Information and Navigating the 2022 Questionnaire

# Key Information about the 2022 Questionnaire

## Things kept the same:

- Pre-populated responses
- Authentication to enhance data security
- UDP certification

# Key Information about the 2022 Questionnaire

## Things that have changed:

- UDP Okta account registration
- Question changes
  - Addition of question F4B in the IFM form to capture information on the use of sub-custodians
  - Changes to question P2 on the types of securities held by your clients in the PM section to add an additional asset class and allow for the entering of negative percentages to reflect short positions



## Key Information about the 2022 Questionnaire

- Information to be reported is for the periods ended December 31, 2020, and December 31, 2021.
- The deadline to complete and submit the Questionnaire is June 15, 2022.

## Key Information about the 2022 Questionnaire

- The Questionnaire FAQ and User Guide can be accessed using the following link:  
[https://www.osc.ca/sites/default/files/2022-05/da\\_20220504\\_raq-faq-user-guide.pdf](https://www.osc.ca/sites/default/files/2022-05/da_20220504_raq-faq-user-guide.pdf)
- User Guide to Okta Account Registration and Authentication can be accessed using the following link:  
[https://www.osc.ca/sites/default/files/2022-05/da\\_20220504\\_raq-okta-user-guide.pdf](https://www.osc.ca/sites/default/files/2022-05/da_20220504_raq-okta-user-guide.pdf)

We strongly recommend that you review both the FAQ and User Guide as well as the User Guide to Okta Account Registration and Authentication before you begin completing the Questionnaire as it will assist you with getting and knowing what to expect.

## Key Information about the 2022 Questionnaire Okta Account Registration and Authentication

The firm's UDP and CCO would have received an email on May 4, 2022, with the following two links:

**Step 1:** Click on this link to open the account registration dialogue box:

<https://oscraq2022.okta.com/signin/register>

**Step 2:** Once the Okta account has been created, you can use the below link to access your firm's 2022 RAQ:

<https://eforms1.osc.gov.on.ca/e-fillings/raq2022/>

# Key Information about the 2022 Questionnaire

## Okta Account Registration and Authentication

1. On the registration window, enter the following information:
  - a. First and Last name
  - b. Email address (CCO or UDP's email address, as reported on NRD)
2. Click on the "**Sign up**" button.

Enter your first name, last name, and email that is registered in NRD. Then click **Sign Up**

The screenshot shows the 'Sign up' registration window for the OSC. At the top is the OSC logo. Below it, the title 'Sign up' is centered. The form contains three input fields: 'First name', 'Last name', and 'Email'. These three fields are grouped together and enclosed in a red rectangular box. Below these fields is a dark blue 'Sign Up' button, which is also enclosed in a red rectangular box. At the bottom of the form, there is a link that says 'Already have an account?'. A blue callout box with a pointer indicates that the user should enter their first name, last name, and email (as registered in NRD) and then click the 'Sign Up' button.

# Key Information about the 2022 Questionnaire

## Okta Account Registration and Authentication

3. You will then be redirected to a new page where you'll be able to:

- Verify your email – this is an added layer of security to ensure that the correct email address has been entered.
- Select your password – this is the password you'll use to access the RAQ forms.
- Set up your security question – you'll use this question if you need to reset your password.




Follow steps 4, 5 & 6 to set up your security methods

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### Set up security methods

Security methods help protect your Okta account by ensuring only you have access.

Set up required

-  **Email**  
Verify with a link or code sent to your email  
[Set up](#)
-  **Password**  
Choose a password for your account  
[Set up](#)
-  **Security Question**  
Choose a security question and answer that will be used for signing in  
[Set up](#)

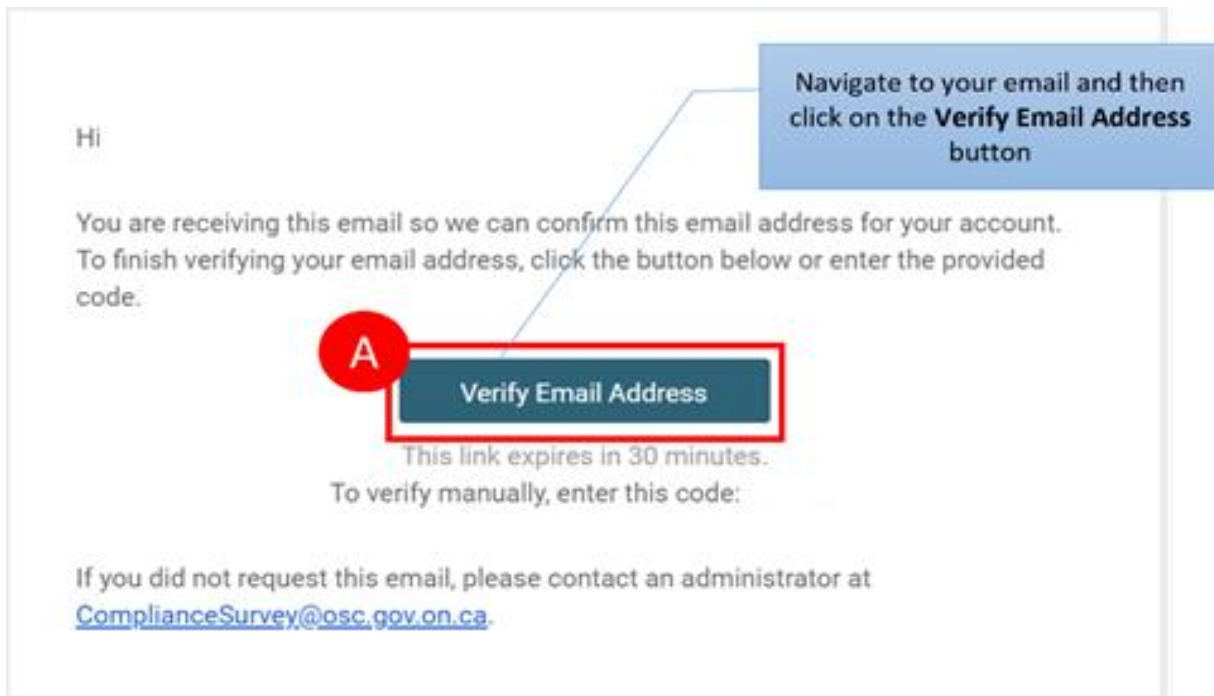
[Back to sign in](#)

## Key Information about the 2022 Questionnaire

### Okta Account Registration and Authentication

4A. Below the Email heading, click the **Set up** button.

- A verification email will be sent to your email from [noreply@Okta.com] with the subject line "Confirm your email address". Click on the "**Verify Email Address**" button in the email.

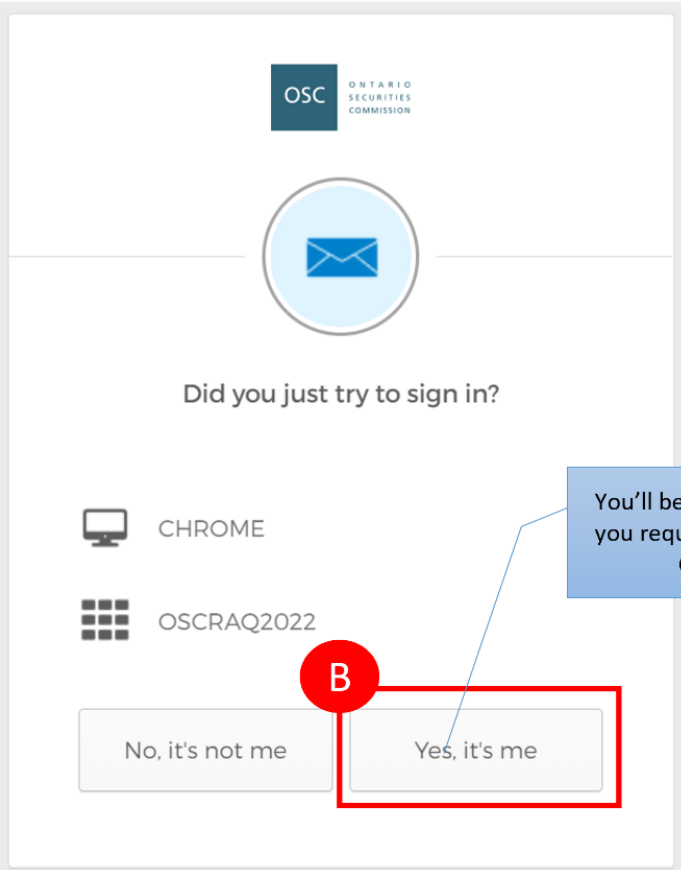


*Note that this link expires after 30 minutes so ensure you have your email readily available. If you don't see the verification email within a couple of minutes, check your junk or spam folder. If the link expires before you click on the Verify Email Address button, please contact*

*[ComplianceSurvey@osc.gov.on.ca](mailto:ComplianceSurvey@osc.gov.on.ca)*

## Key Information about the 2022 Questionnaire Okta Account Registration and Authentication

4B. You'll then be prompted to validate that you're trying to sign into Okta. Click **Yes, it's me** and then return to your Okta sign-up window.



The screenshot shows an Okta authentication window. At the top is the OSC (Ontario Securities Commission) logo. Below it is a blue envelope icon inside a circle. The text "Did you just try to sign in?" is centered. Underneath, there are two application icons: a Chrome browser icon labeled "CHROME" and a grid icon labeled "OSCRAQ2022". At the bottom are two buttons: "No, it's not me" and "Yes, it's me". A red circle with the letter "B" is placed over the "Yes, it's me" button, which is also enclosed in a red rectangular box. A blue callout box with a pointer to the "Yes, it's me" button contains the text: "You'll be prompted to verify that you requested to sign in to Okta. Click **Yes, it's me**".

## Key Information about the 2022 Questionnaire Okta Account Registration and Authentication

5. Below the Password heading, click the **Set up** button. Enter your password twice, then enter **Next**. Keep in mind that the password must be:

- i. At least 8 character(s)
- ii. At least 1 number(s)
- iii. At least 1 lowercase letter(s)
- iv. At least 1 uppercase letter(s)
- v. May not contain part of username

Set up password

Password requirements:

- At least 8 characters
- A lowercase letter
- An uppercase letter
- A number
- No parts of your u
- Your password cannot be any of your last 4 passwords

Enter password

Re-enter password

Next

Enter your password twice, then click on **Next**



## Key Information about the 2022 Questionnaire Okta Account Registration and Authentication

6. Below the Security Question heading, click the **Set up** button. Select a security question from the list, enter your answer and then click the **Verify** button.

Set up security question

☒ Choose a security question

☐ Create my own security question

Select a security question from the list, enter your answer and then select **Verify**

Choose a security question

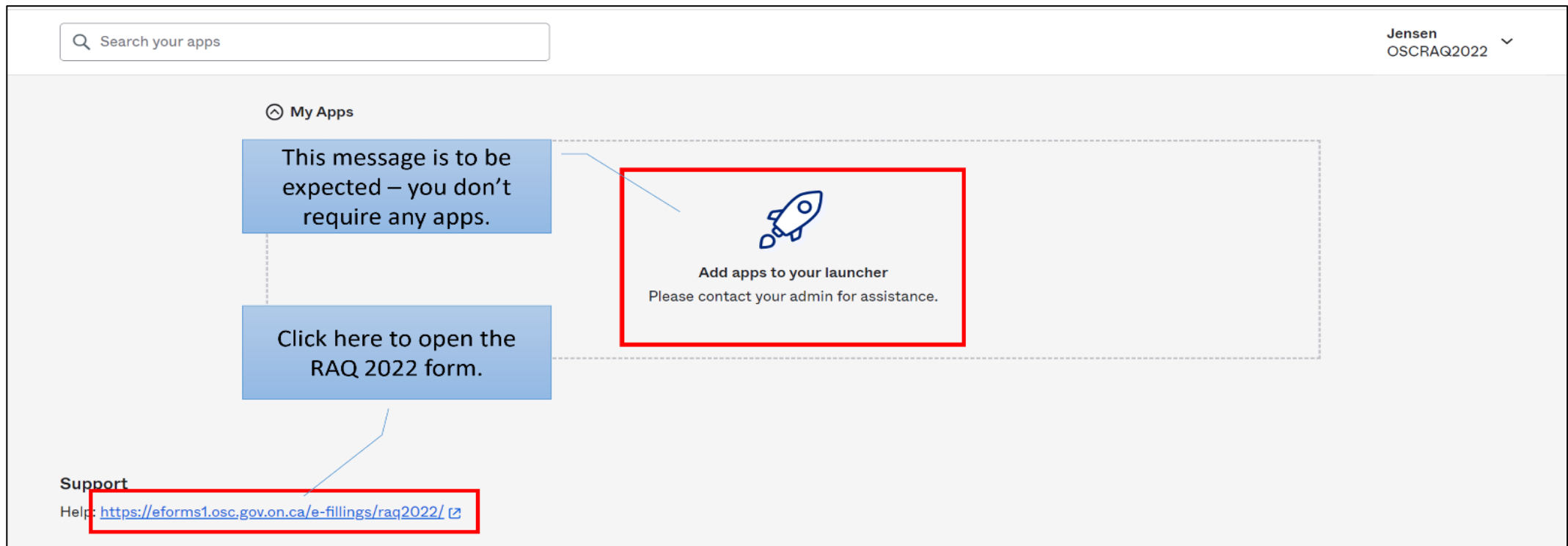
What is the food you least liked as a chi... ▼

Answer

Verify

## Key Information about the 2022 Questionnaire Okta Account Registration and Authentication

7. You're all set up with Okta and can either click the link at the bottom of the Okta Dashboard to open your firm's 2022 RAQ or use the second link in the email you received on May 4, 2022.



## Key Information about the 2022 Questionnaire Okta Account Registration and Authentication

- Here is the second link you would have received in the May 4, 2022 email.  
<https://eforms1.osc.gov.on.ca/e-fillings/raq2022/>
- If everything is setup properly you will be taken to the below screen where you may select your firm.

**Displaying Firm List For User** ComplianceSurvey@osc.gov.on

**Click the "Filing" button to start filing 2022 RAQ**

NRD Number	Firm Name	Filing For This Firm	Add/Remove Delegation(Optional)	Delegation Email
00001	Test Firm ABC	<input type="button" value="Filing"/>		
98765	Test Firm XYZ	<input type="button" value="Filing"/>		

## Key Information about the 2022 Questionnaire Okta Account Registration and Authentication

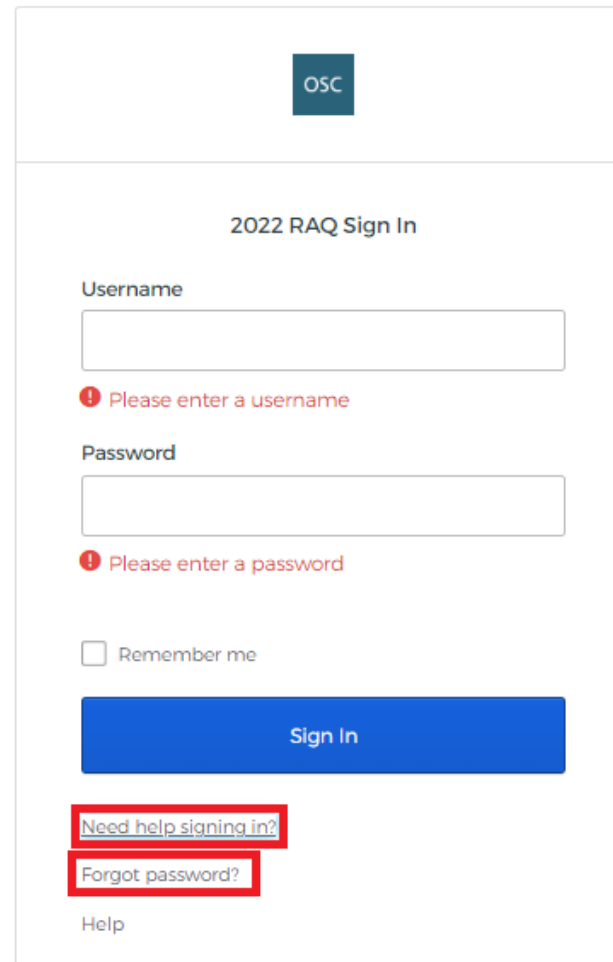
If you see the below message after signing into your Okta account, it means that your email address does not match the email address shown for your firm's CCO or UDP on the National Registration Database. It is the firm's responsibility to ensure that these emails are accurate and up to date. You will need to email the Compliance Survey mailbox to assist with fixing this issue.



# Key Information about the 2022 Questionnaire

## Resetting your password

1. Navigate to the 2022 RAQ Sign In page. Click on **Need help signing in?** and then **Forgot Password?** To launch the forgot password page.

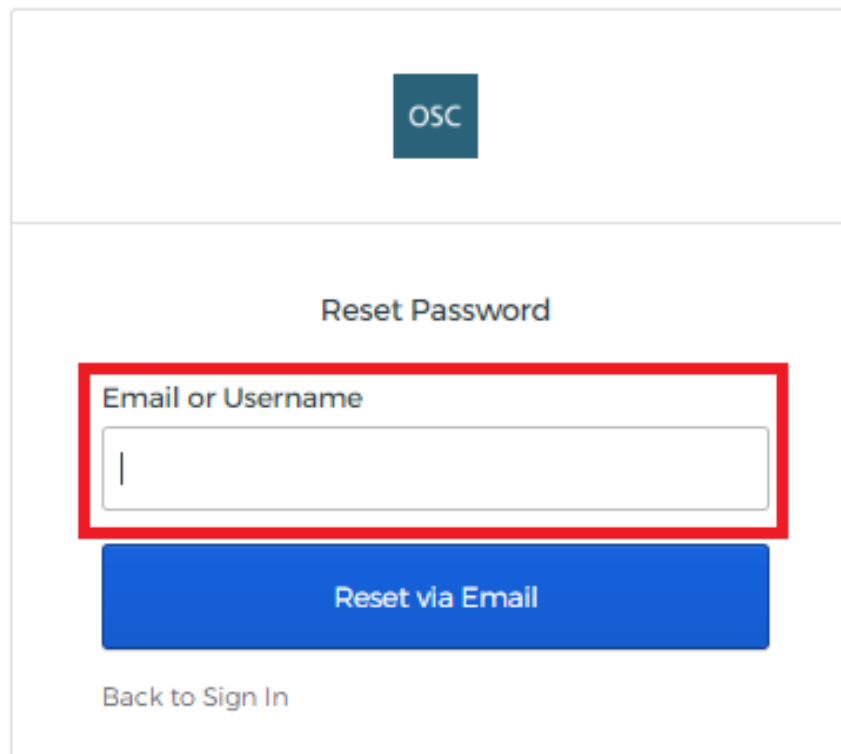


The screenshot shows the '2022 RAQ Sign In' page. At the top is the OSC logo. Below it, the title '2022 RAQ Sign In' is centered. There are two input fields: 'Username' and 'Password'. Both fields have red error messages below them: 'Please enter a username' and 'Please enter a password'. Below the password field is a checkbox labeled 'Remember me'. A blue 'Sign In' button is positioned below the checkbox. At the bottom of the form, two links are highlighted with red boxes: 'Need help signing in?' and 'Forgot password?'. A 'Help' link is located at the very bottom of the page.

## Key Information about the 2022 Questionnaire

### Resetting your password

2. On this page enter your email address and click "**Reset via Email**".

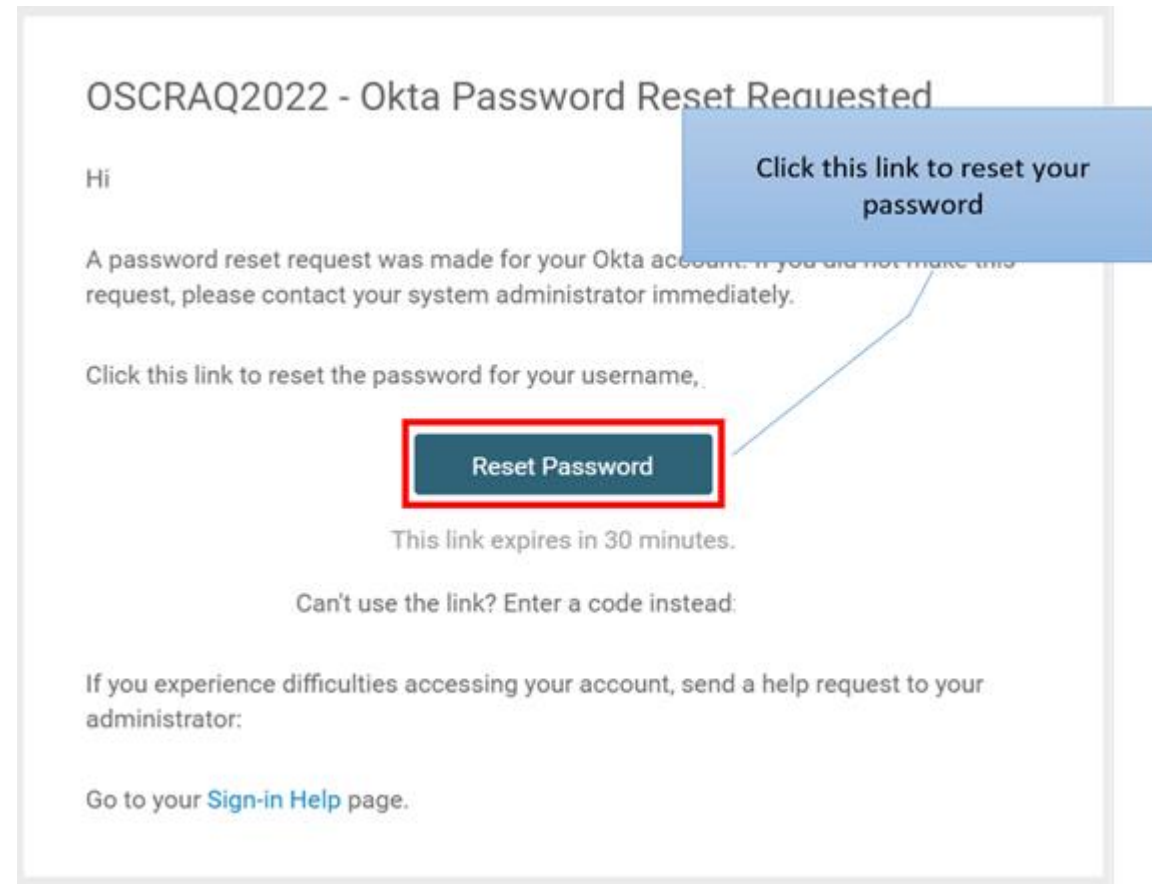


The screenshot shows the OSC (Ontario Securities Commission) logo at the top. Below it, the heading "Reset Password" is centered. A text input field labeled "Email or Username" is highlighted with a red border. Below the input field is a blue button labeled "Reset via Email". At the bottom, there is a link labeled "Back to Sign In".

## Key Information about the 2022 Questionnaire

### Resetting your password

3. An email with reset instructions will be sent to your email.
4. Navigate to your email. Open the Reset Password email from Okta and click on the **Reset Password** button. *Note this link expires after 30 minutes so ensure you have your email readily available. If you don't see the reset email within a couple minutes, check your junk or spam folder.*



## Key Information about the 2022 Questionnaire

### Resetting your password

5. Answer the prompt question based on the Security Question you set up in Step 6 of the Okta Account Registration Process.

6. On the next page enter a new password, following the provided instructions.

7. You can now login using your username and new password.

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Enter the answer to the security question

Verify with your Security Question

What is the food you least liked as a child?

Verify

Back to sign in

Reset your Okta password

Password requirements:

- At least 8 characters
- A lowercase letter
- An uppercase letter
- A number
- No parts of your username
- Your password cannot be any of your last 4 passwords

Create a new password following the provided instructions

New password

Re-enter password

Reset Password



## Sections of the Questionnaire that are Applicable to your Firm

- The Questionnaire has four sections and is customized to your firm's registration categories. For example, if your firm is not registered as an investment fund manager, your Questionnaire will not contain the IFM section.
- Make sure you review the registration categories checked off for your firm on the first page of the Questionnaire. Call the contact person immediately if there are any discrepancies.

Firm's registration category(ies):

Investment Fund Manager (IFM)

Portfolio Manager (PM)

Exempt Market Dealer (EMD)

Click [here](#) to confirm that the information above is valid.

## Functions of the Tool Bar

- Help
- FAQ & User Guide
- Print
- Save and return to home page
- Go to page...
- Next

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### 2022 Risk Assessment Questionnaire - General Section

[HELP](#) [FAQ & User Guide](#) [Print](#) [Save and return to home page](#)  [Next](#)

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### 2022 Risk Assessment Questionnaire - General Section

[HELP](#) [FAQ & User Guide](#) [Print](#) [Save and return to home page](#) [Submit](#)  [Previous](#)

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## Supported web browsers:

- **Google Chrome is the recommended browser** (Google Chrome 46 and future fix packs)
- Other supported browsers
  - Microsoft Internet Explorer 10 or 11
  - Mozilla Firefox 43 and future fix packs
  - Mozilla Firefox ESR 38 and future fix packs
  - Apple Safari 8.0 and future versions
  - Microsoft Edge 44 and future fix packs

***The Questionnaire may not function properly if other browsers are used.***

## Inactivity limit:

- After 120 minutes of inactivity, the Questionnaire session will expire and any unsaved data will be lost.
- The Questionnaire remains open and only when you click on Save will there be a notice that the session has expired.
- If you have not worked on the Questionnaire for sometime, re-open or try to save before you start working on it again.

***Save frequently!***

## Mandatory Fields

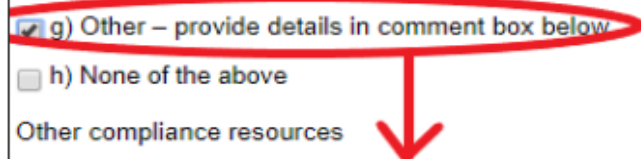
- Mandatory fields are highlighted in yellow
  - The firm must complete all mandatory fields in order to be able to submit the Questionnaire.
- Some answers require you to provide additional information in a comment box – the comment box will be highlighted yellow.

Question G14 – Compliance resources

Describe the compliance resources used to ensure ongoing compliance with securities law:

- ☐ a) Receive training and/or review newsletters or periodic updates from external legal counsel
- ☐ b) Receive training and/or review newsletters or periodic updates from a compliance consultant - provide the name of the compliance consultant in the comment box below
- ☐ c) Internal compliance staff (besides Chief Compliance Officer)
- ☐ d) Internal legal counsel
- ☐ e) Maintain membership in any industry associations (e.g. Portfolio Management Association of Canada, Investment Funds Institute of Canada, Private Capital Markets Association of Canada, National Exempt Market Association)
- ☐ f) Attend OSC Registrant Outreach program
- ☒ g) Other – provide details in comment box below
- ☐ h) None of the above

Other compliance resources



## Error Messages

- Mandatory information is not complete.
- Inputted value is not permitted or is outside of allowable range.
- In the example below letters have been entered into the field where a numerical value is required.

### Question G1 – Revenue

Fill in the table below.

	Amount in financial (fiscal) year ended in 2021 (in CAD dollars)	Amount in financial (fiscal) year ended in 2020 (in CAD dollars)
Total gross revenue of your firm	<input type="text" value="ABCD"/>	<input type="text"/>
Specified Ontario revenues	<input type="text"/>	<input type="text"/>

Don't add alphanumeric values to the input  
Enter a value between \$0 and \$900,000,000,000 CAD.

**Specified Ontario revenues:** Definition of specified Ontario revenues can be found in section 1.1 of Ontario Securities Commission (OSC) Rule 13-502 Fees. Refer to the OSC website for the rule:

[https://www.osc.gov.on.ca/documents/en/Securities-Category1/rule\\_20191018\\_13-502\\_unofficial-consolidated.pdf](https://www.osc.gov.on.ca/documents/en/Securities-Category1/rule_20191018_13-502_unofficial-consolidated.pdf)

## Saving the Questionnaire

- Save often by clicking the Save button.
- Look for the following screen to ensure information entered is successfully saved on our secure server.



Your responses have been successfully saved!

You can choose to continue working on your draft by clicking [CONTINUE](#). The system will bring you back to the Home page. Open the section and use the  on the tool bar to jump to the page that you last worked on.

or

You can click [Logout](#) to end your session.

## Navigating Between Pages

- If there is incomplete or invalid text entered on a page of the Questionnaire when clicking either the **Previous**, **Next** or using the **Go to page** functionality, the form will prompt an error message as outlined below.
- You may select **OK** to navigate to the selected page or **Cancel** to stay on the current page.

One or more of the items in this page contains an invalid value.  
Click OK to continue.

OK

Cancel



## Submitting the Questionnaire

- **Save your responses first** before submitting your Questionnaire to avoid any data being lost during the submission process.
- Ensure that you are **satisfied with your responses** prior to clicking the **Submit** button. Once a section has been submitted, you will not be able to make changes.
- The **Submit** icon is located on the **last** page of each section.

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### 2022 Risk Assessment Questionnaire - General Section

[HELP](#) [FAQ & User Guide](#) [Print](#) [Save and return to home page](#) [Submit](#) [Go to page...](#) [Previous](#)

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- **Each section of the Questionnaire must be submitted separately.**

## Submitting the Questionnaire

- If there is any incomplete or invalid text within the Questionnaire, the form will provide an error message when you click the **Submit** button and direct you to the missing or erroneous question.

One or more of the items in this form have not yet been completed correctly.

Please correct the item(s) and try again.

OK

## Submitting the Questionnaire

- Upon successfully submitting a section, you will see the following confirmation page.
- If the server is busy, this could take several minutes – do not close your browser until you receive your confirmation with submission ID.
- Wait until you see the submission ID before accessing the PDF file.



Thank you for your submission.

Submission ID: **RAQ1648556297420-847**.

Submission date and time: **2022-04-06 08:58**.

Please save a copy of your submission in PDF for your records by clicking .

You can choose to continue working on your other 2022 Risk Assessment Questionnaire sections by clicking [CONTINUE](#)

or

You can click [Logout](#) to end your session.

## Submitting the Questionnaire

- If you receive an error message regarding your submission, close the browser and login again to access the Home Page.
- Open the applicable section of the Questionnaire and resubmit the section.

## Part 3: Common Questions Received from Registrants

## IFM Section – Question F1: Assets Under Management (AUM)

- Report the AUM of investment funds where the firm is the investment fund manager.
- In the case of a fund-of-fund structure, the AUM should only be counted once. For example: If the Top Fund (AUM: \$50) is 100% invested in the Bottom Fund (AUM: \$100) and the firm is the IFM for both funds, then the firm should report a total of two funds and AUM of \$100.

### Question F1 – Assets under management (AUM)

(A) Are you the investment fund manager for any prospectus qualified funds?

- ☐ a) Yes - complete the table below
- ☐ b) No

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

Type of fund	Do you manage this type of investment fund? If yes, complete information across the row. If no, skip to the next row.	AUM as at December 31, 2021 (in CAD dollars)	Number of funds as at December 31, 2021	AUM as at December 31, 2020 (in CAD dollars)	Number of funds as at December 31, 2020
Open-end/conventional mutual funds (other than money market funds)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Money market funds	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Closed-end funds	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

## IFM Section – Question F3: Performance Returns

- Performance information should be reported net of fees
  - Report information at the fund level or fund series level
  - If reporting at the fund series level, use the fund series that has the greatest assets under management.

### Question F3 – Performance returns

(A) Are you the investment fund manager for any prospectus qualified funds that have at least a full year of performance?

- ☐ a) Yes – complete the table below in respect of such funds
- ☐ b) No

Range of annual net performance returns	In calendar years 2020 and 2021, did any of your funds have returns that fall within this range? If yes, provide the number of applicable funds in each year	Number of applicable funds in calendar year 2021	Number of applicable funds in calendar year 2020
Greater than or equal to 80%	<input type="text"/> ▼	<input type="text"/>	<input type="text"/>
60% to less than 80%	<input type="text"/> ▼	<input type="text"/>	<input type="text"/>
40% to less than 60%	<input type="text"/> ▼	<input type="text"/>	<input type="text"/>
20% to less than 40%	<input type="text"/> ▼	<input type="text"/>	<input type="text"/>

## IFM Section – Question F4A: Custodian Information

- When completing the Custodian Information, it is important for the Firm to include the full legal name of the Custodian.
- The total AUM reported in Part A of this question should match the total AUM reported in question F1 (if there are no fund-of-fund structures).
- Up to 20 rows can be added to Part A of this question by clicking the **Add Row** button. If the firm requires more than 20 rows, then that information should be entered into the Final feedback Box on the last page of the IFM Section.

Full legal name of custodian (refer to legal name used in custodial agreement or custodian statement)	Type of investment fund	Amount of assets held with the custodian for each type of fund (i.e. prospectus qualified or non-prospectus qualified funds) (in CAD dollars)	Do the investment funds have a fund- of-fund structure?	Is the custodian functionally independent from your firm?	Type of custodian	Country where custodian is domiciled
Full legal name of Custodian						
Total						\$0.00

Add Row




## IFM Section – Question F4B: Sub-custodian information

- Provide the requested information for each sub-custodian that the custodian(s) utilizes to hold assets of your investment funds as at December 31, 2021.
- Up to 20 sub-custodians can be added by clicking the **Add Row** Button.
- Aggregate assets held by each sub-custodian in a single row if the same sub-custodian is used by multiple custodians.
- If there are more than 20 sub-custodians used, click the check box and enter this additional information in the comment box at the bottom of this question.
- Do not fill out the table for any sub-custodians with which sub-custody agreements may exist but no actual assets are custodied with the sub-custodian as at December 31, 2021.

## IFM Section – Question F4B: Sub-custodian information

- This question is asking for the aggregate amount of assets held by the sub-custodians for funds for which you act as the investment fund manager.
- This means the question does not attempt to avoid double counting and so if your firm has a fund-of-fund structure where they are the investment fund manager of the top fund and the bottom fund, the AUM reported in this question may not match the AUM you reported in Question F1 or Question F4A.
- As an example, if Top Fund (AUM: \$50) is sub-custodied at ABC custody inc. and is 100% invested in Bottom Fund (AUM: \$100) which is sub-custodied \$50 at ABC custody inc. and \$50 at XYZ custody inc., you should report AUM of \$100 at ABC custody inc. and \$50 at XYZ custody inc.

## IFM Section – Question F4B: Sub-custodian information

Fund Name	Sub-custodian	Assets
Top Fund	ABC Custody Inc.	\$ 50.00
 100% Bottom Fund	ABC Custody Inc.	\$ 50.00
	XYZ Custody Inc.	\$ 50.00

Full legal name of sub-custodian (refer to legal name used in sub-custodial agreement or sub-custodian statement)	Amount of assets directly held with the sub-custodian (in CAD dollars)	Country where sub-custodian is domiciled	
ABC Custody Inc	100.00	Canada	-
XYZ Custody Inc	50.00	Canada	-
<b>Total</b>	<b>\$150.00</b>		

**Please note that the AUM reported in this question may be different from AUM reported in Question F1 and Question F4A.**

## IFM Section – Questions F17/F18: Fund Terminations/ Mergers

- Up to 15 rows can be added to these questions by clicking the **Add row to (A) and (B) button**. If the firm requires more than 15 rows, then that information should be entered into the Final feedback box on the last page of the IFM Section.
- Questions 17 and 18 on Fund Terminations/ Mergers includes an auto-sum function.

### Question F18 – Fund mergers

Did any of your funds merge in the past 12 months ending December 31, 2021?

☒ a) Yes, fill in the tables contained in parts (A) and (B) below

☐ b) No

(A) Add row to (A) and (B) Remove last row from (A) and (B)

	Name of non-continuing fund	Name of continuing fund	AUM of non-continuing fund prior to merger (in CAD dollars)	AUM of continuing fund prior to merger (in CAD dollars)	Reason funds were merged
1	Ending Fund	Continuting Fund	100.00	100.00	Example

(B) Fill in the table below for each fund merger reported in part (A).

	Total costs relating to the fund merger (in CAD dollars)	Merger costs paid by:			
		Investment fund manager (in CAD dollars)	Non-continuing fund (in CAD dollars)	Continuing fund (in CAD dollars)	Other parties (in CAD dollars) Provide name of other parties in the comment box below
1	\$40.00	10.00	10.00	10.00	10.00

## IFM Section – Question F19: Net Asset Value (NAV) Errors

- Report NAV errors in the past 12 months ending December 31, 2021.
- Example:
  - An incident occurred that affects the value of a fund over a five-day period. The fund has three classes of security holders, and NAV is struck daily.
- How should this incident be reporting?
  - Report one NAV error and 15 restatements of NAV.

### Question F19 – Net asset value (NAV) errors

Did you have any NAV errors (as determined in accordance with your internal policies) in the past 12 months ending December 31, 2021?

☒ 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)
1	15	0.00	0.00

## General Questions

### **Is there a difference in how I should respond to questions in the General Section, compared to questions in the specific registration category?**

- *Yes*
  - Responses to questions in the General Section should reflect the business activities at the firm level
  - Responses to the questions in the specific registration category (i.e. PM, IFM, EMD, etc.) should reflect the respective business lines

### **Which time period should I apply to the questions?**

- Use the specific time period stated in the question
- If the question does not have a specified time period, use December 31, 2021

# General Questions

## **How do I response to the questions when...**

- my firm is only recently registered in Ontario
- my firm is “inactive”, and I have not applied to surrender my registration
- my business model does not fit with the type of questions being asked.

## General Questions

### What if my firm isn't located in Ontario?

#### Firms registered with the OSC but:

- **located in a different country**
  - Fill out the General Section based on your world-wide activities
  - For each specific registration category, respond to questions based on your Canadian operations
- **principal regulator is another province**
  - Consider all of the firm's operations when answering the questions
- **are also registered with an SRO**
  - Consider your non-SRO operations when answering the questions



## General Section – Referral Arrangements

- Provide information about the arrangements under which the firm either receive or pay a referral fee as at December 31, 2021
- The question will be partially pre-populated with information provided in the 2020 RAQ
- Ensure that the pre-populated information is accurate, for example:
  - ensure all the individuals at a firm you pay, that are a party to the referral arrangement are identified. In addition to validating the pre-populated information in the table, you must attach a spreadsheet to provide additional names if there are more than 10 individuals
  - ensure the pre-populated percentage of the referral fee paid to the referrer out of the fee or commission earned from the arrangement is still correct

## General Section – Referral Arrangements

There are two ways to provide the information, depending on if you have more than 100 referral arrangements under which you pay a referral fee:

### Question G7 - Referral arrangements

(A) Do you have any **referral arrangements** under which you or one of your representatives **receives a referral fee** as at December 31, 2021 in relation to your Canadian clients?

- ☒ a) No  
☐ b) Yes - enter the total number of these referral arrangements below

The total number of referral arrangements under which you or one of your representatives **receives** a referral fee as at December 31, 2021 in relation to your Canadian clients:

(B) Do you have any referral arrangements under which you **pay** a referral fee as at December 31, 2021 in relation to your Canadian clients?

- ☐ a) No
- ☒ b) Yes, we have 100 or less of these referral arrangements – fill in the table below. If there are more than 10 individuals associated with an arrangement, add the first 10 individuals in the table below. Provide information about the remaining individuals in the spreadsheet provided and attach it below.
- ☐ c) Yes, we have more than 100 of these referral arrangements - fill in the table below with the first 100 referral arrangements. Provide information about the remaining arrangements in the spreadsheet provided and attach it below. In addition, if there are more than 10 individuals associated with an arrangement, add the first 10 individuals in the table below. Provide information about the remaining individuals in the same spreadsheet (under a different tab) and attach it below.

Click on the link below to obtain a copy of the spreadsheet. Save the information first before attaching it.

[https://www.osc.ca/sites/default/files/2022-05/da\\_20220504\\_ra-q7-g8-general.xlsx](https://www.osc.ca/sites/default/files/2022-05/da_20220504_ra-q7-g8-general.xlsx)

- click on the icon with the paperclip to attach your spreadsheet
- click on the trash can icon to remove the spreadsheet if you need to revise it
- click on the eyeglasses icon to open the spreadsheet



## General Section – Referral Arrangements

1. Provide information for the first 100 arrangements in the table illustrated

If the table is pre-populated, add any new arrangements or remove any arrangements that have been terminated

**Referral arrangement #1** Add Arrangement Delete Current Arrangement < 1 of 1 >

Is the party that you have a referral arrangement with a firm or an individual?

If the party is an individual, enter the individual's name  
First name Middle name Last name

If the party is a firm, enter the firm's full legal name

If the party is a firm, who at the firm is part of this referral arrangement? Enter the names of the individuals below. If there are more than 10 individuals, enter the additional names in the spreadsheet provided and attach it to the box above.

First name	Middle name	Last name

Make sure that you fill in all of the fields that are highlighted in Yellow. If the information below is properly filled, please navigate to the next arrangement by clicking the ">" button above.

## General Section – Referral Arrangements

2. If your firm has more than 100 arrangements, provide information about the remaining arrangements by completing a spreadsheet which can be downloaded from the link found in question G7 (B) in the General Section of the Questionnaire.

Upload the complete spreadsheet by clicking on the icon with the paperclip

(B) Do you have any referral arrangements under which you **pay** a referral fee as at December 31, 2021 in relation to your Canadian clients?




☐ a) No

☐ b) Yes, we have 100 or less of these referral arrangements – fill in the table below. If there are more than 10 individuals associated with an arrangement, add the first 10 individuals in the table below. Provide information about the remaining individuals in the spreadsheet provided and attach it below.

☒ c) Yes, we have more than 100 of these referral arrangements - fill in the table below with the first 100 referral arrangements. Provide information about the remaining arrangements in the spreadsheet provided and attach it below. In addition, if there are more than 10 individuals associated with an arrangement, add the first 10 individuals in the table below. Provide information about the remaining individuals in the same spreadsheet (under a different tab) and attach it below.

Click on the link below to obtain a copy of the spreadsheet. Save the information first before attaching it.  
[https://www.osc.ca/sites/default/files/2022-05/da\\_20220504\\_ra-q7-g8-general.xlsx](https://www.osc.ca/sites/default/files/2022-05/da_20220504_ra-q7-g8-general.xlsx)

-click on the icon with the paperclip to attach your spreadsheet  
-click on the trash can icon to remove the spreadsheet if you need to revise it  
-click on the eyeglasses icon to open the spreadsheet

## General Section – Finder's Fees

- Provide information about the arrangements under which your firm pays a finder's fee, solicitation fee or a similar fee as at December 31, 2021, in relation to your Canadian clients.
- This question will be partially pre-populated with information provided in the 2020 RAQ.
- Ensure that the pre-populated information is accurate. For example:
  - ensure that all individuals at a firm that are a party to the finder's arrangement are identified. In addition to validating the pre-populated information in the table, you must attach a spreadsheet to provide additional names if there are more than 10 individuals
  - ensure that the pre-populated percentage of finder's fee paid to the individual out of the fee or commission earned from the arrangement is still correct.

## General Section – Finder's Fees

- Provide information for all finder arrangements in the table illustrated
- If the table is pre-populated, add any new arrangements or remove any arrangements that have been terminated

**Finder arrangement #1** Add Arrangement Delete Current Arrangement < 1 of 1 >

Is the party that you have a finder arrangement with a firm or an individual?

If the party is an individual, enter the individual's name

First name:	Middle name:	Last name
<input type="text"/>	<input type="text"/>	<input type="text"/>

If the party is a firm, enter its full legal name

If the party is a firm, who at the firm is part of this finder arrangement? Enter the names of the individuals below. If there are more than 10 individuals, enter the additional names in the spreadsheet provided and attach it above.

First name:	Middle name:	Last name
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>

Is the party registered?

**Make sure that you fill in all of the fields that are highlighted in Yellow. If the information below is properly filled, please navigate to the next arrangement by clicking the ">" button above.**

## Portfolio Manager and Restricted Portfolio Manager Section – Advising vs Dealing

- **What is the difference between advising activity and dealing activity?**
- **How do I report each type of activity?**

### Advising activity

- where the firm has entered into an advisory agreement (or an investment management agreement) with the clients to provide advisory services to them, this is generally advising activity
- advising activity should be included in the portfolio manager and restricted portfolio manager section of the Questionnaire

### Dealing activity

- where the firm is selling, distributing, or trading exempt market products to clients that do not have an advisory relationship with the firm, this would most likely be dealing activity
- dealing activity should be included in the exempt market dealer and restricted dealer section of the Questionnaire

## Portfolio Manager Section – Assets Under Management

- Individuals include natural persons, and their personal holding companies, foundations or trusts [Row A]
- Institutions include clients that are not individuals, such as corporations, pension plans, charitable organizations and third-party investment funds where your firm is the PM to the funds only [Row B]
- If your firm is both the PM and IFM to an investment fund, please include in Row C.

**Question P1 - Assets under management**

Provide your assets under management (AUM) for your **Canadian** advisory services as of the dates indicated below. For example, a firm with its principal office in Canada is to provide the AUM for all of its clients, and a firm with its principal office outside of Canada is to provide the AUM for only its Canadian clients.

Enter zero in rows that are not applicable to you.

Type of Client	AUM as at December 31, 2021 (in CAD dollars)	AUM as at December 31, 2020 (in CAD dollars)
Row A: <b>Individuals</b> (refer to definition below)		
Row B: <b>Institutions</b> (refer to definition below)		
Row C: Investment funds where your firm is both the PM and IFM (proprietary investment funds)		
(To avoid double counting, exclude from row C the AUM of proprietary investment funds that your individual or institutional clients are invested in. For example, if you have AUM of \$1M from your individual managed account clients and that amount is invested in your proprietary investment funds, enter \$1M in row A under "individuals" and enter \$0 in row C under "investment funds where your firm is both the PM and IFM".)		
<b>Total AUM</b>	\$0.00	\$0.00

**Individuals** are natural persons and their personal holding companies, foundations, or trusts.  
**Institutions** include non-individuals such as third-party investment funds where your firm is the PM to the funds, pension plans, corporations, university endowments, charitable organizations and any other type of client that is not an individual.



## Portfolio Manager Section – AUM

### Example 1:

- individual managed account clients with AUM of \$1 million
- institutional managed account clients with AUM of \$1 million
- both clients are invested in the firm's proprietary investment funds

Type of Client	AUM as at December 31, 2021 (in CAD dollars)
Row A: <b>Individuals</b> (refer to definition below)	1,000,000.00
Row B: <b>Institutions</b> (refer to definition below)	1,000,000.00
Row C: Investment funds where your firm is both the PM and IFM (proprietary investment funds)  (To avoid double counting, exclude from row C the AUM of proprietary investment funds that your individual or institutional clients are invested in. For example, if you have AUM of \$1M from your individual managed account clients and that amount is invested in your proprietary investment funds, enter \$1M in row A under "individuals" and enter \$0 in row C under "investment funds where your firm is both the PM and IFM".)	0.00
<b>Total AUM</b>	<b>\$2,000,000.00</b>

## Portfolio Manager Section – AUM

### Example 2:

- firm has proprietary investment funds with AUM of \$2 million
- where the units of the firm's proprietary investment funds are distributed by third parties or by the firm acting as an EMD

Type of Client	AUM as at December 31, 2021 (in CAD dollars)
Row A: <b>Individuals</b> (refer to definition below)	0.00
Row B: <b>Institutions</b> (refer to definition below)	0.00
Row C: Investment funds where your firm is both the PM and IFM (proprietary investment funds)  (To avoid double counting, exclude from row C the AUM of proprietary investment funds that your individual or institutional clients are invested in. For example, if you have AUM of \$1M from your individual managed account clients and that amount is invested in your proprietary investment funds, enter \$1M in row A under "individuals" and enter \$0 in row C under "investment funds where your firm is both the PM and IFM".)	2,000,000.00
<b>Total AUM</b>	<b>\$2,000,000.00</b>

**Refer to additional examples in the Help Pages of the PM section**

## Portfolio Manager Section – Investment Products

For securities that you invest your clients in:

- If the investment is in a fund managed by your firm:
  - specify the underlying types of securities held within the investment fund, such as equities or fixed income
- If the investment is in a fund managed by another party,
  - specify the type of fund it is, such as prospectus qualified funds or exchange traded funds

(B) For those accounts where you have discretionary trading authority, what type of securities (investment products) do your clients hold in them?

Enter zero in rows that are not applicable to you.

Investment product	Approximate percentage of total AUM as at December 31, 2021
Equities (exchange-traded)	%
Equities (non exchange-traded)	%
Fixed income	%
Crypto	%
Prospectus qualified funds (excluding exchange-traded funds)	%
Exchange-traded funds	%
Non-prospectus qualified funds	%
Cash equivalents	%
Other (describe below)	%
<b>Total</b>	0.00 %

## Portfolio Manager Section – Investment Products

### Crypto investment product

- crypto includes crypto assets that are securities (security tokens), or instruments or contracts for the purchase, sale or delivery of crypto assets
- If you invest your clients in exchange-traded or publicly available investment products that hold an exchange-traded crypto fund, specify the underlying exchange-traded crypto fund held as Crypto
- Example: if you invest your clients in a crypto ETF, include the information in the row crypto, rather than row exchange-traded funds.

### Short positions in securities

- if your investment strategy for your clients includes short positions in products, report the short positions by types of securities by entering in negative values

## Portfolio Manager Section – Involvement in Companies

Consider the activities of your registered individuals, and your firm's officers, directors, employees and permitted individuals.

### Question P5 - 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 for clients

Provide details if d) is selected

## Portfolio Manager Section – Residency of Clients

When identifying the number of clients the firm has in each jurisdiction, provide the number of clients, not the number of accounts or the number of client households.

Example 1: the firm manages accounts for **two** individuals who are spouses, and where both individuals

- have an unregistered account,
- have an RRSP account,
- share a joint account, and
- share an account related to their holding company

The firm should reflect the client relationship with the two individuals as **two** clients in the relevant jurisdiction.

## Portfolio Manager Section – Residency of Clients

Where your firm advises a fund, do not include the underlying clients in the fund unless you have an advisory agreement with those underlying client (i.e. a signed investment management agreement).

Example 2: the firm manages **a fund** where there are **ten underlying clients**. The firm does not have signed investment management agreements with any of the underlying clients.

The firm should reflect the client relationship with the fund only, as a total of **one** client in the relevant jurisdiction.

**Refer to additional examples in the Help Pages of the PM section**

## Portfolio Manager Section – Age of Clients

Individual client definition here is the same described in question P1 that includes natural persons, and their personal holding companies, foundations or trusts.

Therefore, if a client has several different holding companies, foundations or trusts, the firm should count that client relationship once when determining the percentage of clients over 60 years old.

Example: A client who is 65 years old has

- an unregistered account
- an account for a holding company, and
- an account for a family trust

This client relationship should be counted as one in both the numerator and denominator when the firm calculates the percentage of individual clients that are 60 years or older.



## Portfolio Manager Section – Custodian Information

- Provide information for the custodians used by the firm's managed account clients to hold assets in their investment portfolios as at December 31, 2021.
- It is important to include the full legal name of the custodian
- The table allows input of information for up to 20 custodians.  
If your firm's clients use more than 20 custodians, provide the same information for the additional custodians in the Final feedback comment box located on the last page of the PM section.

Full legal name of custodian (refer to legal name used in custodial agreement or custodian statement)	Amount of assets held with the custodian (in CAD dollars)	Is the custodian functionally independent from your firm?	Type of custodian	Country where custodian is domiciled	Did your firm direct or arrange the use of this custodian?
Total		\$0.00			

Provide type of custodian and name of its regulator if type of custodian chosen is "Other".

## Portfolio Manager Section – Custodian Information

A custodian would not be considered to be functionally independent from your firm when any of the following scenarios apply (although there may be other examples as well):

- your firm and the custodian share the same mind and management, such that your firm and the custodian would not reasonably be considered to be operating independently
- the custodial activities are performed by the personnel that are not separate from, or are unable to act independently from, personnel of your firm
- there is lack of systems and controls to ensure the functional independence of personnel performing the custodial function.

## Exempt Market Dealer and Restricted Dealer Section

- If registered in multiple categories, in this section only respond to your activities as a dealer.
- Respond based only on actual results and activities carried out – theoretical results and future plans can be provided in the **Comment box** at the end of this section.

## Dealer Section – Investor Clients

- Who is an investor client of my firm?
  - investor clients are all individual and institutional clients the firm has actively serviced or distributed exempt products to during the two-year period ending December 31, 2021
  - can include both new clients and existing clients who the firm provided ongoing services to or distributed exempt products to during the two years

## Dealer Section – Investor Clients

- provide the number of clients during the review period; not the number of transactions (i.e. if a client made multiple purchases during the review period, report the client as one client)

## Dealer Section – Capital Raised

- What to include in capital raised?
  - generally, capital raised = the total amount of funds raised from the firm's investor clients through the distribution of securities
  - capital raised amount should be the gross amount (including fees, but excluding redemptions)
  - all values should be reported in Canadian dollars (please use a reasonable exchange rate for foreign currencies)

## Dealer Section – Revenue

- Only include revenue from dealer activity
- If revenue and expenses are not recorded separately for dealer activities, provide best estimates and include a comment that the figures are estimates and explain why estimates were used

## Dealer Section – Related or Connected Issuers

- Meaning of related issuer, influential securityholder and connected issuer
- Definition can also be found in question E9

### **Question E7 – Investment products – types of products**

Select the types of investment products you have sold/distributed/traded in the two years ending December 31, 2021, and whether these products are those of your related/connected issuers.

- ☐ a) Not applicable – do not sell/distribute/trade investment products
- ☒ b) Sell/distribute/trade investment products – provide information in the table below:

Type of investment products	(A) Do you sell/distribute/trade the following types of products?	(B) Are these products of your related/connected issuers?
Asset backed securities	No ▼	▼
Blind pools/capital pool companies	No ▼	▼
Common or preferred shares	Yes ▼	Yes ▼
Contracts for difference	No ▼	▼
Debt securities (e.g. promissory notes, bonds, debentures, etc.)	No ▼	▼



## Dealer Section – Types of Business or Industry of Products

- If a product fits multiple categories, select the product's main business or industry – then select Other and describe in comment box

### **Question E8 – Investment products – types of business or industry of products**

Select the types of business/industry of the investment products you have sold/distributed/traded in the two years ending December 31, 2021, and whether these products are those of your related/connected issuers. For investment products in multiple businesses/industries (e.g. pooled funds), select the products' main businesses/industries.

- ☐ a) Not applicable – do not sell/distribute/trade investment products
- ☒ b) Sell/distribute/trade investment products – provide information in the following table:

Type of business/industry of the investment products	(A) Do you sell/distribute/trade products of the following types of business / industry?	(B) Are these products of your related / connected issuers?
Financials	No ▼	▼
Energy	No ▼	▼
Materials	No ▼	▼
Industrials	No ▼	▼
Communication services	No ▼	▼
Information technology	No ▼	▼

## Dealer Section – Sales commissions

- Generally:
  - sales commission - any payment in connection with a sale, distribution or trade of a security to a registered firm or registered individual, from any party

### **Question E16 – Sales commissions**

What is the range of sales commissions that you receive on investment products sold/distributed/traded? 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) Receive other forms of compensation for investment products sold/distributed/traded – describe below
- ☐ g) Not applicable – do not sell/distribute/trade investment products

## Dealer Section – Trailing commissions

- Generally:
  - trailing commission - any payment related to a client's ownership of a security that is part of a continuing series of payments to a registered firm

### **Question E17 – Trailing commissions**

What is the range of trailing commissions that you receive on the investment products sold/distributed/traded? 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/distribute/trade investment products

## Part 4: Resources

## Resources

- FAQ and User Guide (accessible by clicking the icon on the tool bar of the form)

**FAQ & User Guide**

- Help Page in each section of the Questionnaire (accessible by clicking the icon on the toolbar of each form)

**HELP**

- Email us at [ComplianceSurvey@osc.gov.on.ca](mailto:ComplianceSurvey@osc.gov.on.ca)
- Call one of the contact people listed on the Home Page of the Questionnaire

# Questions?