

## Exempt Market Dealer Compliance Field Review List of Books and Records Requested for Review

### Instructions

Please furnish the following information for [name of registrant] (“Registrant”). Unless otherwise indicated please provide the requested records for the time period [insert review period] (“review period”). Where possible, please provide responses on Registrant’s letterhead.

Copies need not be made for those records for which only access is requested. However, please have such records collected and ready for the staff’s review. While certain books and records are specifically requested below, during the review the staff may request additional books and records if it becomes necessary.

During the review, the staff will also ask to interview persons responsible for various functions such as compliance and supervision, back office and marketing. To obtain an overall view of the Registrant’s business and its internal control environment, the staff will also speak with members of senior management early in the review process.

Please note that certain items listed below may not be applicable to your business operations. If you have any questions please contact OSC staff for assistance.

#### A. Planning-Field

1. A copy of the Registrant’s written policies and procedures manual, including its policies and procedures or any Code of Ethics governing the personal securities transactions.
2. A copy of the Registrant’s business continuity plan (BCP).
3. Access to client files, including those for clients lost during the review period.
4. A copy of the Registrant’s current organization chart, management structure and employee list with telephone numbers.
5. Business cards of all individuals who deal with clients, suppliers, and the public.
6. The name of the compliance officer and the name of the ultimate designated person.
7. A list of all salespersons of the Registrant.
8. A list of individuals on whom the Commission has imposed “close supervision” terms and conditions.

9. A list of branch offices of the Registrant, both active and dormant during the review period, and a description of the functions of each branch.
10. A list of all affiliated parties to the Registrant, and the nature of the relationships.
11. A copy of the Registrant's most recent audited or unaudited financial statements.
12. A breakdown of revenue generated by transaction type (i.e. product and/or service) and total revenue generated for the review period.
13. A copy of any reports issued during the review period by the Registrant's internal audit department as a result of their review of operations, including a copy of the management's response.
14. A copy of any management letters issued during the review period by the Registrant's external auditor as a result of their annual audit, including a copy of the management's response.
15. A copy of all minutes of meetings of the Board of Directors, Audit Committee, Investment Committee or other committees of the Registrant during the review period.
16. A list of any outstanding claims filed by or against the Registrant, identifying the nature of the claim and their expected outcome.
17. Complaint log and files for the review period.
18. A copy of any exemptions obtained from the Commission.
19. A copy of any contract or agreement executed by the Registrant with other third parties. (i.e. service provider, custodian).
20. A listing and access to all personal trading accounts of key personnel of the Registrant and family members who live in the same household.

## **B. Financial Condition and Custody**

21. A copy of the Registrant's financial statements dated as at the end of the most recent fiscal year and as at the end of the review period.
22. A copy of the most recent monthly capital calculation and those for the review period.
23. A copy of the current bonding certificate of renewal.
24. Access to monthly financial statements, trial balance, and general ledger for the review period.
25. Access to bank statements, deposit books, cancelled cheques and bank reconciliations for all trust accounts of the Registrant for the review period.
26. If the Registrant, its related persons or affiliates have custody or possession of, or access to any client funds or securities, a list which includes the names of all such clients, the current market value of all assets in possession or to which the Registrant

has access, and the location(s) where such assets are held or the name(s) of the firms holding them.

27. A copy of any written safe keeping agreement the Registrant has with any third parties.

### **C. Know Your Client (KYC) and Suitability**

28. Where applicable, a list of prospectus exempt and non-prospectus exempt securities distributed to clients during the review period, and a list of the clients that purchased each security.

29. Registrant's trading blotter for the review period, which lists transactions executed in prospectus exempt and non-prospectus exempt securities for all clients. If possible, provide the information in chronological order with the following fields of data:

- |                                       |                           |
|---------------------------------------|---------------------------|
| a) Type of transaction (i.e buy/sell) | b) Security name          |
| c) Transaction date                   | d) Number of shares/units |
| e) Principal dollar amount            | f) Total commission/fee   |
| g) Client name/account number         |                           |

30. Access to KYC, subscription forms, suitability review for the clients who purchased the securities referred to above.
31. Where applicable, a list of M&A deals/transactions and client names completed during the review period. Access to due diligence reports, client and engagement acceptance documentation, confidential information memoranda, letters of intent, share purchase agreements etc.
32. Where applicable, a list of private placements and the clients who purchased them during the review period.
33. Access to information on the private placement issuer, service agreements with the issuer, and KYC and suitability information for the clients who purchased the issue.
34. Access to KYC and suitability information regarding both buyer and seller in the transactions described above.
35. Where applicable, a list of prospectus exempt and non-prospectus exempt securities for which you acted as a relationship facilitator between the buyer and the seller of the securities and the names of the buyer and the seller in each case (e.g. the name of the offshore hedge fund and individuals/companies you provided to the fund company)

#### **D. Disclosure and Marketing**

36. A list of disclosure documents (e.g. Offering Memoranda, Prospectuses, Information Sheets) provided to clients regarding products distributed or services provided and access to a sample of these documents.
37. A copy of the relationship disclosure information provided to clients (document that outlines the relationship between the Registrant and the client).
38. A copy of any conflict of interest disclosure document provided to clients.
39. A copy of any promotional brochures, pamphlets, or other materials routinely furnished to prospective clients (e.g. proposals); and a copy of any marketing materials (e.g. newspaper or magazine ads, radio scripts, reprints, seminar materials etc.) used to inform or solicit clients during the review period. If the Registrant makes information about its services available on the Internet, the address at which such information is available.
40. A copy of all representative performance reports, data, or graphs disseminated to clients or prospective clients during the review period

#### **E. Referral Arrangements**

41. A list of individuals or companies who refer clients to you.
42. A list of individuals or companies that you refer clients to.
43. Access to a sample of contracts governing each referral arrangement
44. Copies of disclosure provided to clients regarding referral arrangements

#### **F. Client Accounts**

45. Access to trade confirmations provided to clients during the review period.
46. Access to client statements provided to clients during the review period.
47. Listing of any client accounts sold or assigned during the review period.

