

## **Instructions**

Please provide the following information for **REGISTRANT** (“Registrant”). Unless otherwise indicated please provide the requested records for the time period **START DATE** to **END DATE** (“review period”). Please upload the requested materials to the kiteworks link provided.

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, marketing, compliance and supervision and product distribution]. To obtain an overall view of the Registrant’s business and its internal control environment, we will also speak with senior management early in the review process.

### **EXEMPT MARKET DEALER RECORD REQUEST**

#### **General**

1. A copy of the Registrant’s most recent organization chart (indicating all related/associated companies and subsidiaries).
2. A list of all affiliated parties to the Registrant, and the nature of the relationships.
3. A list of any joint ventures or any other businesses in which the Registrant or any of the Registrant’s (or related parties’) officers or director, portfolio manager or traders participates or has any interests.
4. A copy of most recent personnel organization charts, management structure and employee list with telephone numbers.
5. Business cards of all individuals who deal with clients, suppliers, and the public.
6. For the individuals on whom the Commission has imposed “close supervision” terms and conditions, please provide the policies and procedures you have in place to supervise the individuals.
7. A list of branch and sub-branch offices of the Registrant, both active and dormant during the review period, and a description of the functions of each branch.
8. A list of any outstanding claims filed by or against the Registrant, identifying the nature of the claim and their expected outcome.
9. A copy of the complaint log and access to complaint files for the review period.

10. Copies of any internal audit reports issued during the review period and the response from management.
11. Copies 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 management's response.
12. Copies of all minutes of meetings of the Board of Directors, Trustees, Audit Committee, Investment Committee or other committees during the review period.
13. A copy of the policies and procedures manual.
14. A list of all active exemptions filed with and received by the Commission.
15. A list of third-party service providers and an explanation of the service provided.
16. Access to any contract or agreement executed by the Registrant with other third parties. (i.e. service provider, custodian, on-line portals, agency agreements with issuers).
17. A list of and access to all personal trading accounts of key personnel of the Registrant and family members who live in the same household.
18. A log of all instances of non-compliance with the Registrants' Code of Ethics and internal policies on personal investing for the review period, including their resolution.
19. A copy of the Registrant's business continuity plan.
20. A sample of agreements with employees (or each type of templated agreement), including:
  - Standard employment contracts (for example, templated contracts with dealing representatives ("DRs"), advising representatives ("ARs"), associate advising representatives ("AARs"), compliance staff, etc.)
  - Severance, settlement or other relevant agreements entered into with employees who have been terminated or have resigned
  - Non-disclosure and confidentiality agreements entered into with current employees
21. A list of both outstanding and closed employment-related and breach of confidentiality claims filed by or against the registrant, identifying the nature of the claim and the expected outcome.
22. A list and description of investigation files relating to breaches of confidentiality policies.

23. A list of DRs that have a business relationship or affiliation with any of the issuers that your firm distributes (e.g. DRs who are shareholders, directors, officers or employees of any issuer)
24. A list of all individuals who are responsible for meeting with clients, trading or underwriting securities, during the Review Period, on behalf of the Registrant.
25. A breakdown of revenue generated by transaction type (i.e. product and/or service) and total revenue generated for the Review Period.
26. A copy of the KYC form(s) used.
27. A copy of the Registrant's fee schedule as at the end of the review period.

### **Financial Condition and Custody**

28. A copy of the Registrant's financial statements as at the end of the review period.
29. A copy of the excess working capital calculation at the end of the review period and access to those during the review period
30. Access to monthly financial statements, trial balance, and general ledger for the review period
31. A list of all the Registrant's bank accounts, including the name on the account, the account number and the financial institution where the account is held.
32. Access to bank statements, deposit books, cancelled cheques and bank reconciliations for all trust accounts of the Registrant for the review period.
33. If the Registrant, its related persons or affiliates have custody or possession of, or access to any client funds or securities, a list (in spreadsheet format) which includes:
  - a) the names of all such clients,
  - b) the current market value of all assets in possession or to which the Registrant has access, and
  - c) the location(s) where such assets are held or the name(s) of the firms holding them.

### **Marketing**

34. A list of all marketing material used during the review period.
35. Access to marketing materials used during the review period.
36. If the Registrant makes information about its services available on the Internet, the address at which such information is available.

37. A list of all online advertising service providers used during the review period (e.g. Google AdWords).
38. A list of all social media platforms, including usernames, used by the Registrant and/or its registered employees during the review period.

### **KYC and Suitability**

39. A list of all clients during the review period.
40. 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 (in electronic form which is Microsoft Excel compatible form) 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. Price per unit
  - f. Principal dollar amount
  - g. Total commission/fee
  - h. Client name/account number
  - i. Jurisdiction of client's residence
  - j. Client's age/date of birth
  - k. Exemption relied on (see \* below)
  - l. the total cost of all securities purchased by the client under the OM exemption in the preceding 12-month period
  - m. Name of the DR that recommended the trade

\* i.e. *Accredited Investor, Offering Memorandum, Family, Friends and Business Associates, Others*

*Note – if the Registrant operates an online dealer system (i.e. a portal or platform for KYC collection and/or suitability assessment etc.), please see items under the heading “Online System” below and discuss with staff prior to providing any information on the transactions during the review period.*

41. Access to client files, including those for clients lost during the review period.
42. Access to KYC and suitability documentation, subscription forms, risk acknowledgement forms, investment limit forms, suitability review for the clients who purchased securities during the review period.

### **Products Distributed and Know Your Product (“KYP”)**

43. A list of prospectus exempt and non-prospectus exempt securities distributed to clients during the review period.

44. Access to offering memorandum (“OM”) and OM marketing materials.
45. Access to OM standard term sheets.
46. Access to copies of the financial statements of the issuer(s) of product(s) distributed by the Registrant dated as at the end of the most recent fiscal year and as at the end of the review period.
47. Access to due diligence reports, client and engagement acceptance documentation, confidential information memoranda, letters of intent, share purchase agreements etc.
48. 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).

### **Products Distributed and KYP – Crowdfunding Portal**

49. A list of eligible crowdfunding issuers distributed to clients during the review period.
50. A list of any eligible crowdfunding issuers that is connected with your firm.
51. A list including the dates of eligible crowdfunding issuers who:
  - a. were removed from your platform including, the reason for the removal
  - b. were denied access from your platform including, the reason for the denial
  - c. were terminated from your platform including, the reason for the termination
  - d. amended the crowdfunding offering document
52. Access to the due diligence file for each eligible issuer that was provided access to your online platform.
53. Access to due diligence files of each eligible issuer that was granted access to the online platform (including, issuer access agreements, background checks etc.)

### **Referral/Finder Arrangements**

54. A list of individuals or companies who refer clients to you. For each referral/finder arrangement in place, please provide the following:
  - a. Total compensation paid to the referring party,
  - b. Total number of clients they referred to you, and
  - c. Product you distributed to the client referred to you
55. A list of individuals or companies that you refer clients to. For each referral arrangement please provide the following:
  - a. Total compensation paid to you for the referral,

- b. Total number of clients you referred to the other party, and
  - c. Purpose of the referral
56. Access to contracts governing each referral/finder arrangement.
57. Access to copies of disclosure provided to clients regarding referral/finder arrangements.

### **Disclosure and Marketing**

58. A list of disclosure documents (e.g. Offering Memoranda, Prospectuses, and Information Sheets) provided to clients regarding products distributed or services provided and access to a sample of these documents.
59. A copy of the relationship disclosure information provided to clients (document that outlines the relationship between the Registrant and the client).
60. A copy of any conflict of interest disclosure document provided to clients.

### **Client Accounts**

61. Access to trade confirmations provided to clients during the review period.
62. Access to client statements provided to clients during the review period.
63. A listing of any client accounts sold or assigned during the review period.

### **Online System**

64. Access to and use of the Registrant's online dealer system from:
  - a. an investor's perspective,
  - b. the Registrant's DR perspective and
  - c. the Registrant's CCO's perspective.
65. A list of all questions completed online by investors that are used by the Registrant to determine the investor profile along with the scoring/system logic.
66. A list of all model "auto" plans offered to clients during the review period. For each auto plan, provide a description of the plan, its investments and each investment's percentage allocation.
67. Access to KYC and suitability documentation, subscription forms, risk acknowledgement forms, etc.

**For the following books and records requests, staff will discuss with you your online system's data fields, functionality and export capabilities. Please do not provide**

**any information to staff until these discussions have occurred and staff have finalised the request requirements. Generally, staff will be looking to extract information from your online system in the following areas during the compliance review:**

68. Clients approved and denied for access to the online platform during the review period.
69. Issuers approved and denied for access to the platform during the review period.
70. Transactions processed and denied during the review period, including reliance on prospectus exemptions and suitability assessments completed.
71. Automatic warnings issued and commitments cancelled during the review period (if applicable).
72. Automatic warnings issued and commitments completed during the review period (if applicable).