MEMBER REGULATION

notice

INVESTMENT DEALERS ASSOCIATION OF CANADA

ASSOCIATION CANADIENNE DES COURTIERS EN VALEURS MOBILIÈRES

Contact:

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MR0327

January 5, 2005

ATTENTION:
Ultimate Designated Persons
Chief Financial Officers
Panel Auditors

Distribute internally to:

- ❑ Corporate Finance
- ❑ Credit
- ❑ Institutional
- ❑ Internal Audit
- ■ Legal & Compliance
- ❑ Operations
- ■ Registration
- ❑ Regulatory Accounting
- ❑ Research
- ■ Retail
- ❑ Senior Management
- ❑ Trading desk
- ■ Training

Trade Names

This Notice sets out the process for reporting Trade Names to the Association. Members are reminded that the Association may prohibit a Member or approved person from using any trade name that is contrary to the provisions of By-law 29.7 or is objectionable or contrary to the public interest.

(1) Trade Names used by a member firm

Under IDA By-law 29.7A (3), prior to the use of any business, trade or style names other than the Member's legal name, the Member must notify the Association. Written notice in the form of a letter is to be sent to the Association Secretary confirming that the member firm has conducted the registration process with the appropriate ministries or agencies in those jurisdictions in which the trade name will be used. Members may wish to include a copy of the search and registration documentation.

(2) Trade Names used by an Approved Person

All Trade Names used by an approved person that are not owned by the member and previously reported to the IDA must be reported to the Association. Members are not required to forward proof that the registration process has been completed, however it is recommended that they conduct the necessary due diligence and file it as a supporting document with the applicable IDA Registration office.

For filings through NRD: Members are to provide separate employment entries under item 10 for any individual who conducts business through the investment dealer name and also through a Trade Name. The submission on the Trade Name must answer all Item 10 questions. Members are requested to provide clarification in any situation where confusion may arise on the number of hours spent with each entity under the item which begins: "Describe the type of business or employment and your duties". When the Approved Person uses the Trade Name to conduct all of his or her business activities on behalf of the Member, the number of hours for Item 10 for the trade name business should match the number of hours indicated for the sponsoring firm. The description must also contain confirmation that the sponsoring firm has given written consent to the use of the



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trade name.

TORONTO Suite 1600, 121 King Street West, Toronto, Ontario M5H 3T9 Telephone: (416) 364-6133 Fax: (416) 364-0753
CALGARY Suite 2300, 355 Fourth Avenue S.W., Calgary, Alberta T2P 0J1 Telephone: (403) 262-6393 Fax: (403) 265-4603
HALIFAX Suite 1620, TD Centre, 1791 Barrington Street, Halifax, Nova Scotia B3J 3K9 Telephone: (902) 423-8800 Fax: (902) 423-0629
MONTRÉAL Suite 2802, 1 Place Ville Marie, Montréal, Québec, H3B 4R4 Téléphone: (514) 878-2854 Télécopieur: (514) 878-3860
VANCOUVER Suite 1325, P.O. Box 11614, 650 West Georgia Street, Vancouver, B.C. V6B 4N9 Telephone: (604) 683-6222 Fax: (604) 683-3491

For filings outside of NRD: In those case in which the member is required to file outside of NRD (i.e., in Quebec), the Trade Name is to be reported via a letter addressed to the Registration department signed by a Partner, Director or Officer of the firm.

Provincial securities commissions may also require notification of trades names used by a registered firm or individual. Any such notification is separate from the notification to the IDA under By-law 29.7A described in this notice.