

Exemption Application (Outside Holdings)

Dealer Members should use this form to apply for exemption under IDPC Rule section 3847 and MFD Rule section 5.8. Members are expected to attach copies of the relevant documents to support the information provided in this application. For questions regarding this application, contact memberpolicymailbox@ciro.ca.

Applications shall be sent to:

Member Regulation Policy
 Canadian Investment Regulatory Organization
 Suite 2600
 40 Temperance Street
 Toronto, Ontario M5H 0B4
 e-mail: memberpolicymailbox@ciro.ca

DEALER MEMBER INFORMATION	
Legal Name of Dealer Member:	
NRD Number:	
Contact Person for the Exemption Application:	
Contact Person Email:	
Contact Person Phone:	
EXEMPTION REQUEST DETAILS	
Exemption Application Type: <input type="checkbox"/> New Application <input type="checkbox"/> Extension of Existing Exemption [<i>please provide a brief summary of the current exemption</i>] <div style="border: 1px solid black; height: 60px; margin-top: 5px;"></div>	
Exemption Requested Under: <input type="checkbox"/> IDPC Rule Section 3847 [<i>please check this box if you are subject to the IDPC Rules</i>] <input type="checkbox"/> MFD Rule Section 5.8 [<i>please check this box if you are subject to the MFD Rules</i>]	
Exemption Requested From: [<i>Please indicate which of the client reporting requirement(s) set out in IDPC Rule subsection 3847 (1) / MFD Rule subsection 5.8 (1) you request an exemption from</i>] <div style="border: 1px solid black; height: 80px; margin-top: 5px;"></div>	
Reasoning Supporting the Exemption	

CIRO will consider exemption requests from Dealer Members who can demonstrate that the costs of building and administering reporting capability for client outside holdings [off-book client name positions] significantly outweigh the benefits to the client from such reporting. This includes but is not limited to the applicant:

- **demonstrating good faith effort to convert outside holdings into on-book nominee name positions**

While this will differ from applicant-to-applicant, please explain the work you are doing to convert the outside holding positions and the proposed timeline for completion.

- **not maintaining a material number or amount of outside holding positions**

Please provide the dollar amount and percentage of outside holding positions relative to total holdings. The criteria benchmark is 2% or less. If this threshold is exceeded, please present any arguments in favor of your application, including measures the applicant will take to align with the benchmark.

- **not promoting, or otherwise actively making available, the option of holding outside holdings positions**

Please provide information on how you plan to ensure that no promotion or facilitation of such positions occurs within your operations.

• **not receiving any ongoing compensation on the outside holdings**

Please provide information on how you plan to ensure that you do not receive compensation on exempt outside holdings or maintain any ongoing compensation inadvertently received (for example, some Dealer Members will undertake to donate the amounts received if they cannot return it).

• **other**

Please provide any other information in support of your cost – benefit case. Use this space to also explain instances when the Dealer Member may not fully meet the criteria listed in the previous bullets and arguments in support of considering such exceptional cases.

Supporting Documentation

Please attach any relevant documents to support your request (e.g., any prior CIRO exemptions granted to the applicant that are pertinent to this application, the applicant's policies and procedures and statistics supporting the representations provided in this application).

Please name the document:	
Please name the document:	

Confidentiality

Please indicate whether you request confidentiality of your application and the reason for this request. The decision for confidentiality will be at the discretion of the applicable CIRO decision maker

Yes No

DEALER MEMBER'S CERTIFICATION AND SIGNATURE

We certify that the foregoing statements and attachments to this application are true and accurate and undertake to notify CIRO in writing of any changes herein.

Full Name of Executive of the Member:

Business Title:

Signature of the Executive:

Date:

Notes

Please note that the information submitted in this application constitutes formal representations and undertakings by the applying Dealer Member. The granted exemption may become void if the exempt Dealer Member is found to be in breach of such representations and undertakings.

This application may be withdrawn at any time prior to a decision being made on the application.