

## MEMBER REGULATION



INVESTMENT DEALERS  
ASSOCIATION OF CANADA

# notice



ASSOCIATION CANADIENNE DES  
COURTIERS EN VALEURS MOBILIÈRES

Contact:  
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**MR0197**

February 18, 2003

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

### NRD Transition Period

The following affects all applications filed with the IDA, outside of the province of Quebec:

#### *Acceptance of the 1-U-2000*

Under Multilateral Instrument 33-109, the new NRD form 33-109F4 must be used for all paper applications submitted on or after February 21, 2003. However, the IDA will continue to accept the 1-U-2000 for all applications received on or prior to March 30, 2003.

#### *Enrolment in NRD*

In order to access the NRD, all members must enroll with CDS Inc., using the Enrolment forms found on enrollment section of the [www.cds-info.ca](http://www.cds-info.ca) web site and on the IDA Web site at [http://www.ida.ca/IndIssues/NRD\\_en.asp](http://www.ida.ca/IndIssues/NRD_en.asp). CDS has set up a Help line (toll free number 1-800-219-5381) to answer questions on the enrollment form and the enrollment process. The CDS Help line is available between 7 am and 7 pm, EST.

#### *Applications during the freeze period*

The IDA will continue to approve applications received between March 7, 2003 and March 30, 2003, however pursuant to Multilateral Instrument 31-102, these applications will require resubmission through NRD within specified time periods after access to NRD has been granted.

We highly recommend that those applications which are exempted from ongoing registration filing outlined in Multilateral Instrument 33-109 not be submitted to the regulators so that all efforts can be given to those applications which must continue to be filed with the IDA. A 30 day period will be available to file these freeze period filings through NRD once access has been granted. These applications are:

- Changes to Business Location
- Appointments of non-trading officers, partners or directors
- Termination Notices

Although every attempt will be made to approve non-deficient applications received prior to March 6, 2003, in order to allow staff sufficient time to process applications before March 6, 2003, we are requesting that where possible applications be submitted prior to February 14, 2003. Deficient and non-deficient applications submitted after this date may result in the member having to file the information through NRD with additional costs.

To ensure our files contain the up-to-date personal information required for conversion into NRD, applications will be given the following priority (highest to lowest)

1. Name Changes
2. Transfers
3. Terminations
4. Change in registration categories
5. New applications

Please also refer to the [IDA web site](#) for NRD Info.

### ***Refunding of Fees for Resubmission of Ontario and Alberta Applications***

The IDA will refund the \$400 application fee for all Ontario and Alberta applications re-submitted via NRD, if

- (a) the submission was re-submitted to the IDA via NRD as a requirement of MI 33-109
- (b) The individual was approved by the IDA between March 6 and March 31, 2003.
- (c) The original fee was paid (via cheque or pending invoice)

### ***NRD Fees***

At its meeting on January 22, 2002 the Board of Directors passed an order requiring the payment of NRD user fees. The order was made pursuant to the Board's authority to set fees under by-laws 4.10, 7.2(2), and 18.10. The NRD Fees are:

- 1. NRD Enrollment fee**, based on the number of approved persons sponsored by the member as at February 3, 2003, except those approved only in Quebec, as follows:

<b>Number of Registered Individuals per Firm</b>	<b>Firm Enrolment Fee</b>
3,000 or more individuals	\$7,000
1,000 to 2,999	\$6,500
500 to 999	\$5,500
150 to 499	\$4,500
75 to 149	\$3,000
50 to 74	\$2,000
25 to 49	\$1,500
10 to 24	\$250
1 to 9	\$100
0	\$750

**2. Annual user fee**, based on each approved person sponsored by a Member and registered or recorded in one or more provincial securities regulatory jurisdictions, as follows:

- \$75 per approved person the first jurisdiction; and
- \$50 per approved person in each additional jurisdiction, to a maximum of \$250;

Except for the fee for 2003, which is due May 30, 2003, the annual user fee is due and payable in advance on December 31.

**3. NRD submission fee**, due and payable upon the submission of an application for approval or reactivation of approval after three months of the last approval date, as follows:

- \$75 for an application for Association approval or reactivation and registration or recording in any one provincial securities regulatory jurisdiction; and
- \$50 for each additional registration or recording another jurisdiction, to a maximum of \$250;

These NRD fees are in addition to the fees payable to the Association pursuant its by-laws, regulations and policies.