

MEMBER REGULATION



INVESTMENT DEALERS
ASSOCIATION OF CANADA

notice



ASSOCIATION CANADIENNE DES
COURTIERS EN VALEURS MOBILIÈRES

Contact:

MR0273

W. D'Silva: (416) 865-3032 – wdsilva@ida.ca

February 27, 2004

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

Responding to Deficiency Notices via NRD

Deficient applications must be corrected, by submitting a Notice to correct or add specific items in the original application.

The following are the types of Notices that can be filed to correct errors in a deficient application:

- Individual name Change
- Residential Address Change
- Personal Information Change
- Citizenship Information Change
- Proficiency Information Change
- Exemption Refusal Information Change
- Employment Location Change
- Current Employment change
- Regulatory Disclosure Change
- Criminal Disclosure Change
- Civil disclosure Change
- Financial Disclosure Change
- Related Securities Firms Change

Deficiencies in the following areas cannot be corrected by submitting a corrective Notice.

- Address or Agent for Service
- Registration/Approval Categories
- Terminations and Resignations

In order to ensure that these corrections are given the proper priority by IDA staff, Authorized Firm Representatives (“AFRs”) are reminded to identify these submissions as corrections. The IDA has implemented an automatic reassignment function for certain notice types to increase efficiency in respect of IDA-ON and Atlantic submissions.

As a result, although it has always been good operating practice to tag a correcting notice to a submission, it is now of greater importance for members to tag relevant notices as responding to deficiencies in pending applications. Without the tag, notices sent to the Ontario and Atlantic offices will be routed to someone other than the senior registration officer reviewing the application. It will then have to wait for identification and redirection by the person to whom it is assigned, **causing a delay in approval of the application.**

The procedure to tag deficiency corrections is as follows:

- Prior to completing the submission, NRD displays a screen prompting the AFR to indicate whether the submission is related to a deficiency. (See page 155 of the Filers Manual for an illustration of this screen).
- The AFR must select “Yes” and enter the submission number of the original submission. Press the “Continue” button to continue with the submission.

Finally, members are reminded that the best way to ensure timely approval, is to perform a thorough review of every application to eliminate deficiencies prior to its submission through NRD.