

MEMBER REGULATION



INVESTMENT DEALERS
ASSOCIATION OF CANADA

notice



ASSOCIATION CANADIENNE DES
COURTIERS EN VALEURS MOBILIÈRES

Contact:

L. Piergeti: (416) 865-3026 - lpiergeti@ida.ca

MR0344

March 29, 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

CFO Qualifying Examination – Late Completion Fee

As described in IDA Bulletin 3193 dated September 15, 2003, IDA by-law 7.5 and IDA Policy No 6, Part I (2A), all Member firms are required to appoint and register a qualified individual under the NRD registration category – Chief Financial Officer (“CFO”).

IDA staff will be seeking rule amendments to Policy 6 that will assess a late completion registration filing fee. This will also apply to any interim designate CFO that is subject to 90-day transition requirement in accordance with IDA by-law 7.5(b). In addition, pursuant to IDA Bylaw 30.5, the IDA also reserves the right, if circumstances are warranted, to impose early warning restrictions on any Member firm where there is demonstrable cause for concern over the regulatory financial accounting and reporting of that firm.

The new registration requirement came into effect January 5, 2004 and all existing CFOs that held that position at the time of implementation were granted an 18-month transition period to complete the CFO qualification exam. Proof of passing the qualification examination from the CSI must be filed with the IDA registration department via NRD **no later than July 15, 2005 for those writing the examination prior to July 5, 2005.**

To assist individuals in the study of the CFO qualification examination, and as a continued regulatory reference source, the IDA publishes on a quarterly basis CD ROM updates that contain an electronic library of all regulatory resources, including the CFO Qualification Study Manual (2nd Edition) for ease of access and search functionality using Adobe Acrobat Reader.

In addition, the Canadian Securities Institute (“CSI”) has scheduled another series of “CFO Qualifying Examination” seminars to be held on April 15 and 16, 2005 and a date yet to be determined in May 2005. For further information on upcoming seminars please log onto the CSI website at www.csi.ca.