

MEMBER REGULATION



INVESTMENT DEALERS
ASSOCIATION OF CANADA

notice



ASSOCIATION CANADIENNE DES
COURTIERS EN VALEURS MOBILIÈRES

Contact:

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

MR0364

August 15, 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

Acceptable Institutions and Acceptable Counterparties Listing

Please find attached the 2005 Domestic and Foreign Acceptable Institutions (AI) and Acceptable Counterparties (AC) listing printed August 5, 2005. This listing supercedes all previous listings.

Also attached is a supplement listing of “Basle Accord” countries and “Regulated Entities” for purposes of the AI/AC definitions.

The purpose of this list is to assist Member firms in the coding of customer accounts that meet AI or AC criteria as defined in the General Notes and Instructions to the Joint Regulatory Financial Questionnaire and Report (IDA Form #1). **This listing is not intended to be exhaustive.** Member firms are required to substantiate the net worth of any account classified as an AI or AC but not included in the attached list by providing financial statement evidence to support the AI/AC classification to their SROs and Panel Auditors upon examination of the accounts.

Member firms are advised that any changes in the financial circumstances of any counterparty listed in the attachment to this Notice, which adversely affects their status as an Acceptable Institution or Acceptable Counterparty, should be considered by the Member firm in the ongoing credit risk assessment and account categorization of its customers.

We specifically direct your attention to the listing of removed AI/ACs that have been identified in our update research of the listings that no longer meet the AI/AC definition and accompanying explanation. Members must take immediate action to review this list, and the AI downgrades to AC list to ensure proper account coding for margin computations and custody arrangements.

A copy of the AI/AC 2005 Listing on a Microsoft Excel spreadsheet is available upon request.

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