

## Appendix 1 – Extract from IIROC’s Fee Model Guidelines

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3. The Annual Fee for each Dealer Member shall be determined with reference to the following components:
    - (a) Revenue Component;
    - (b) Approved Person Fees Component;
    - (c) Minimum Dealer Regulation Fee Component; and
    - (d) Risk Component.

The Annual Fee shall be the sum of the Revenue Component calculated in accordance with Section 4 and the Approved Person Fees Component calculated in accordance with Section 5, unless such sum is less than the applicable Minimum Dealer Regulation Fee Component set out in Section 6, in which case the Annual Fee shall be the applicable Minimum Dealer Regulation Fee. The Annual Fee of each Dealer Member is adjusted by the Risk Component prescribed in accordance with Section 7.

The amount of the Annual Fee calculated in accordance with the foregoing paragraph shall be reduced pursuant to Section 8 if the applicant is approved for membership by the Board at any time after April 1 in any Fiscal Year.

4. **Revenue Component.** The Revenue Component of the Annual Fee shall be an amount equal to the product of the Total Revenue of the Dealer Member for the previous calendar year as reported to IIROC and the Revenue Rate prescribed by the Board in its discretion for the applicable Revenue Component Tier set out in Appendix A. Revenue Rates will be reviewed and adjusted annually by the Board in its discretion.
5. **Approved Person Fees Component.** The Approved Person Fees Component of the Annual Fee shall be an amount equal to the product of the number of Approved Persons of the Dealer Member as at the last day of the previous Fiscal Year and \$250.
6. **Minimum Dealer Regulation Fee Component.** If the sum of the Revenue Component and the Approved Person Fees Component of a Dealer Member is less than \$27,500, the Minimum Dealer Regulation Fee is payable by that Dealer Member as follows:
  - (a) if the Total Allocated Costs of the Dealer Member are equal to or less than \$20,000, the Minimum Dealer Regulation Fee is \$15,000; and
  - (b) if the Total Allocated Costs of the Dealer Member are greater than \$20,000, the Minimum Dealer Regulation Fee is \$27,500.”

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## **INTERPRETATION**

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““Total Allocated Costs” means the operating cost of IIROC’s regulatory services allocated to a Dealer Member for a particular Fiscal Year on a prorated basis.”

**Appendix 2 – Proposed Amendments to Guidelines – Black-lined (see changes on pages 2 and 17)**