

APPENDIX “A”

OPTION 1 (Recommended)

Option 1 is recommended because it provides the greatest protection of client data. This option requires Members to anonymize Household and Account Number information prior to submission.

For example, for anonymization of Household information, Members should:

1. Query all accounts to obtain the municipal address, account IDs and eldest birth year information
2. Group the query results by municipal address fields, meaning the results should contain one record for each distinct combination of street address lines (including suite/unit numbers), city, state/province, postal code, and country
3. Assign a new sequential number to each record in this query result. This will be used as the anonymized “Household ID”.
4. Store the results of this query in a table or similar object for use in subsequent processing.

A similar process would be followed to anonymize Account Numbers. If a Member is unable to anonymize client data as specified, the MFDA will provide technical assistance.

To compile the data for Option 1, Members will use 4 separate CSV files as described below.

Household Data – a list of anonymized unique Household IDs for each client municipal address location with city, province, country and forward sortation code information.

Account Data – a list of anonymized unique Account Number IDs for each client account with account type, leveraged account, inception date, Household ID, account holder(s) birth year(s), representative code, 1 year rate of return and 1 year charges and compensation information for each Account Number ID.

Position Data – a list of investment product codes and market values for each position held in each Account Number ID.

Representative Data – a list of each Representative Code with associated Representative Names and National Registration Database numbers.

Additional guidance and notes regarding the above files is attached under Appendix “B”.

OPTION 2

Option 2 does not require Members to anonymize Household and Account Number information. However, the data files must be GPG encrypted prior to submission.

For example, Members may use “GNU Privacy Guard for Windows” (GPG4WIN) to produce encrypted copies of the CSV data files. The MFDA will provide a download link and detailed installation instructions for this software, which is available at no cost. MFDA staff will also be available to provide technical assistance to Members.

To compile the data for Option 2, Members will use 3 separate CSV files as described below.

Household/Account Data – a list of unique Account Number IDs with address, account type, leveraged account, inception date, account holder(s) birth year(s), representative code, 1 year rate of return and 1 year charges and compensation information for each Account Number ID.

Position Data – a list of investment product codes and market values for each position held in each Account Number ID.

Representative Data – a list of each Representative Code with associated Representative Names and National Registration Database numbers.

Additional guidance and notes regarding the above files is attached under Appendix “B”.

File Format

For both Option 1 and 2, the data files must be submitted using the described CSV file format. There are no restrictions on the file size. Members using Option 1 may also choose to encrypt the file prior to submission using the encryption process described under Option 2.

File Transfer

All data files will be transferred via the MFDA’s Secure File Transfer Protocol (“FTP”) site. To facilitate the data transfer, a dedicated folder for each Member will be created and access to information will be provided only to the Chief Compliance Officer of the Member. Once a Member has submitted the required information to their dedicated folder on the FTP site, MFDA staff will transfer the files to the MFDA’s secure internal network. Files on the FTP site will then be deleted. At all times, access to the data files will be restricted to authorized personnel.

Data Analysis

The MFDA will enter into a written agreement with a data analysis firm to assist the MFDA in performing the data analysis. The transfer of information from the MFDA to the third party will be by an encrypted database. Only anonymized data will be transferred to the third party.

To further ensure data privacy and security, the MFDA will be running its own anonymization protocol on the Household and Account Number IDs for all records received.

The agreement between the MFDA and the data analysis firm will address the safeguarding, use, retention, and disclosure of data and information during the period in which the third party is engaged, and following the conclusion of the engagement. At no time will the third party be

permitted to use, share, or disclose any data or information provided to them as part of this project in any way that would breach confidentiality.

File Retention

All data files received by the MFDA as part of this project will be retained for a period no longer than 6 months from the submission due date.