



Appendix A – Foreign custodian questionnaire and certificate

FOREIGN CUSTODIAN QUESTIONNAIRE AND CERTIFICATE

(Dealer Member Name) (“Dealer Member”)

On behalf of the Board of Directors or duly constituted committee thereof, we certify that the following information is true and correct and after considering the criteria in this certificate have approved _____ (“custodian”) located in _____ (country) as custodian of the Dealer Member securities holdings.

Please answer the following questionnaire:

**ANSWERS
(YES/NO)**

1. The holding of Dealer Member assets in the country is consistent with the best interests of the Dealer Member’s shareholders and clients after giving due regard to the following considerations:

- whether applicable law would restrict access by the Dealer Member’s external auditors to books and records kept by a custodian in that country;
- whether applicable foreign law would restrict the Dealer Member’s ability to recover assets in the event of the failure of the custodian in that country;
- whether applicable foreign law would restrict the Dealer Member’s ability to recover assets that are lost while under the control of the custodian in that country;
- the likelihood of expropriation, nationalization, freezes or confiscation of Dealer Member assets in that country;
- whether difficulties exist in converting Dealer Member assets to Canadian dollars are reasonably foreseeable.

2. The holding of Dealer Member assets by this custodian is consistent with the best interests of Dealer Member shareholders and clients after giving due regard to the following considerations:

- the financial strength of the custodian, its general reputation and standing in the country, its ability to efficiently provide



Please answer the following questionnaire:

**ANSWERS
(YES/NO)**

the custodial services required and the relative costs for those services;

- whether the custodian would provide a level of safeguards for maintaining Dealer Member assets not materially different from that provided by a Dealer Member's Canadian custodians in maintaining Dealer Member securities in Canada;
- whether the custodian has branch offices in Canada to facilitate the assertion of jurisdiction over and enforcement of judgments against the custodian.

3. The Dealer Member has executed a written custodial agreement with the custodian and is in compliance with the provisions in section 4353 of the IROC Rules.

4. The Dealer Member has established a system of monitoring the foreign custody arrangements to ensure that securities held at this custodian are limited to an amount reasonably necessary to effect the Dealer Member's foreign securities transactions.

5. The Board of Directors or committee thereof, at least annually will review and approve the continuance of this custodial arrangement to ensure that it is consistent with the best interests of the Dealer Member and its shareholders and clients.

6. If at any time it is determined that the continuance of the arrangement with the custodian is not consistent with the best interests of the Dealer Member and its shareholders and clients, or if the custodian is no longer approved by the IROC, the Dealer Member undertakes to withdraw assets held for it from the custodianship of that particular custodian as soon as reasonably practical, and in any event no longer than 180 days of the date of determination.

Chief Executive Officer

Chief Financial Officer