

**RULE SEVEN  
OPERATIONS OF APPROVED PARTICIPANTS**

**Section 7001 - 7075  
Financial Conditions - General**

**7001 Compliance with Legal Requirements**  
(01.04.93, 13.09.05, 22.03.10)

Every approved participant must comply with the requirements of any legislation applicable to the regulation of brokerage and accounts, examination and information and must provide or make available to the Bourse all information which the Bourse may request for the purpose of any examination or investigation of the business or operations of such approved participant. Failure to comply with any of the provisions of applicable laws or with any requirements of the Bourse pursuant thereto shall be deemed an act detrimental to the interest and welfare of the Bourse.

**7002 Form of Reports**  
(01.04.93, 13.09.05, 22.03.10)

The Special Committee may set the scope, the preparation method and the form of any report that must be submitted to the Bourse by approved participants pursuant to the Rules of the Bourse, to the provisions of a securities legislation or pursuant to a decision, an order or a specific request of the Bourse or of one of its committees, including the Special Committee and the specifications of any system permitting to ensure the implementation and maintenance of books or records to be used by approved participants in connection with the carrying on of their business.

**7003 Disclosure to Customers of Approved Participants' Financial Condition**  
(30.10.89, 01.02.93, 01.04.93, 13.09.05, abr. 22.03.10)

**7004 Publication of a Consolidated Statement of Financial Condition**  
(01.02.93, 01.04.93, 13.09.05, abr. 22.03.10)

**7005 Definitions**  
(01.04.93, 13.09.05, 22.03.10, 14.01.16)

For the purposes of this Rule Seven, unless otherwise specified, terms used are defined either in article 1102 of the Rules of the Bourse or in the Investment Industry Regulatory Organization of Canada "Joint Regulatory Financial Questionnaire and Report" form (Form 1).

**7006 Capital Requirements**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7007 Restricted Trading Permit Holders**  
(01.05.89, 01.04.93, 13.09.05, 14.01.16, abr. 01.12.17)

**7008 Joint Account**  
(01.04.93, 13.09.05, abr. 01.12.17)

**7009 Subordinated Loans**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7010 Early Warning System**

(01.09.89, 01.07.91, 01.10.92, 01.04.93, 11.03.98, 08.05.03, 29.07.03, 13.09.05, abr. 22.03.10)

**7011 Establishing and maintaining adequate internal controls**

(00.00.96, 13.09.05, 22.03.10)

Every approved participant must establish and maintain adequate internal controls to assist in achieving the objective of ensuring, as far as practical, the orderly and efficient conduct of the approved participant's business.

**Section 7076 - 7150  
Insurance (abr. 22.03.10)**

**7076 Insurance**

(28.02.87, 09.10.87, 30.12.88, 06.08.90, 20.12.91, 01.05.92, 03.03.93, 01.04.93, 01.12.94, 08.11.95, 20.12.96, 01.07.97, 01.04.03, 01.01.05, abr. 22.03.10)

**7077 Reporting of Insurance Claims**

(01.04.93, 13.09.05, abr. 22.03.10)

**Section 7151 - 7159  
Financial Reports**

**7151 Canadian Approved Participants – Financial Questionnaires and Reports**

(01.04.93, 13.09.05, 22.03.10, 14.01.16)

Canadian approved participants must file with the Bourse, when requested by it, a copy of the most recent audited regulatory financial questionnaire and report completed in the form prescribed by the Investment Industry Regulatory Organization of Canada.

**7152 Foreign Approved Participants Members of Other Recognized Exchanges or Regulatory or Self-Regulatory Organizations – Financial Questionnaires and Reports**

(01.04.93, 13.09.05, 22.03.10, 14.01.16)

Where a foreign approved participant of the Bourse is also a regulated entity, as defined in the Investment Industry Regulatory Organization of Canada “Joint Regulatory Financial Questionnaire and Report”, and prepares reports and financial statements as required by another recognized exchange or regulatory or self-regulatory organization, the Bourse will accept, in lieu of the questionnaire and report to which article 7151 refers, a copy of the most recent audited reports and financial statements filed by the foreign approved participant with this other exchange or regulatory or self-regulatory organization along with a written confirmation from such other exchange or regulatory or self-regulatory organization that the foreign approved participant satisfies all of its requirements relating to the regulatory capital required to be maintained.

**7153 Trading activity statement - Restricted Trading Permit Holders**

(04.05.98, 13.09.05, 22.03.10, abr. 01.12.17)

**7154 Interim Questionnaires**

(01.04.93, 13.09.05, abr. 22.03.10)

**7155 Monthly Financial Report**  
(01.04.93, 11.03.98, 13.09.05, abr. 22.03.10)

**7156 Working Papers**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7157 Statistical Information**  
(01.04.93, 29.07.02, 01.10.02, 22.03.10, 14.01.16)

Every approved participant must provide to the Bourse, upon request, such statistical information with respect to its business as, in the opinion of the Bourse, may be necessary or in the interest of the Bourse or all approved participants of the Bourse.

**Section 7160 - 7170**  
**Audit Requirements**  
**(abr. 22.03.10)**

**7160 Audits**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7161 Appointment of Approved Participants' Auditors**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7162 Resignation of Approved Participants' Auditors**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7163 Auditor's Reports**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7164 Audit Deadline**  
(23.06.89, 01.04.93, 15.07.97, 13.09.05, abr. 22.03.10)

**7165 Audit Guidelines**  
(30.09.89, 01.04.93, 15.07.97, 13.09.05, abr. 22.03.10)

**Section 7201 - 7250**  
**Margins**

**7201 Margin Requirements**  
(01.02.91, 01.04.93, 13.09.05, 28.09.07, 14.01.16)

Every approved participant must obtain from clients the minimum margins prescribed by the market on which a security or derivative instrument is traded or, in the absence of such margins being prescribed by the market, by the regulatory or self-regulatory organization having jurisdiction over the approved participant for what regards regulatory capital.

Every approved participant must also apply to securities or derivative instruments held for its own account the minimum margins prescribed by the market on which such securities or derivative instruments

are traded or, in the absence of such margins being prescribed by the market, by the regulatory or self-regulatory organization having jurisdiction over the approved participant for what regards regulatory capital.

**7202 Listed Securities**

(15.12.86, 30.09.87, 18.06.88, 01.04.93, 11.02.00, 29.04.02, 16.09.02, 01.05.03, 17.05.04, 01.01.05, 13.09.05, 28.09.07, abr. 14.01.16)

**7202A Margin Offsets on Capital Shares**

(19.03.93, 01.04.93, 01.01.04, 13.09.05, abr. 14.01.16)

**7202B Instalment Receipts**

(20.12.96, 13.09.05, abr. 14.01.16)

**7203 Unlisted Securities Eligible to Margin**

(01.04.93, 18.02.00, 13.09.05, 25.11.05, 28.09.07, abr. 14.01.16)

**7204 Bonds, Debentures, Treasury Bills and Notes**

(01.07.86, 04.02.87, 15.09.89, 30.04.91, 09.10.91, 01.03.93, 01.05.93, 05.07.93, 01.04.93, 27.05.97, 18.02.98, 29.08.01, 17.05.04, 13.09.05, 28.09.07, 01.05.08, abr. 14.01.16)

**7204A Pairing for Margin Purposes**

(09.10.91, 27.05.97, 18.02.98, 19.08.98, 17.12.02, 01.01.05, 13.09.05, 27.02.06, 01.05.08, abr. 14.01.16)

**7204B Supplemental margin**

(09.10.91, 01.04.93, 13.09.05, abr. 14.01.16)

**7205 Bank Papers**

(01.04.93, 13.09.05, abr. 14.01.16)

**7206 Foreign Bank and Company Acceptable Papers**

(01.04.93, 13.09.05, abr. 14.01.16)

**7207 Margin Requirements for Repurchase, Resale and Cash and Securities Loan Transactions**

(01.01.94, 13.09.05, abr. 14.01.16)

**7208 Margin on Gold, Silver and Platinum**

(27.01.87, 01.03.90, 01.04.93, 13.09.05, abr. 14.01.16)

**7209 Mortgage - National Housing Act (N.H.A.)**

(01.04.93, 13.09.05, abr. 14.01.16)

**7210 Margin requirements on Unhedged Foreign Exchange Positions**

(03.09.96, 13.09.05, abr. 14.01.16)

**7211 Approved Participant Accounts**

(01.04.93, 13.09.05, abr. 14.01.16)

- 7212 Margin Calculations**  
(01.04.93, abr. 14.01.16)
  
- 7213 Exceptions to Margin Rules**  
(30.11.86, 15.12.86, 01.06.88, 01.01.92, 15.01.93, 10.05.93, 01.04.93, 25.02.94, 12.03.97, 21.12.98, 29.08.01, 18.07.03, 01.01.04, 17.05.04, 01.01.05, 13.09.05, 01.03.07, 28.09.07, abr. 14.01.16)
  
- 7214 Discretionary Margin**  
(01.04.93, 13.09.05, abr. 14.01.16)
  
- 7215 Maturity Date for Bonds with Embedded Options**  
(28.04.03, abr. 14.01.16)
  
- 7216 Margin Requirements on Options**  
(01.04.93, abr. 13.09.05)
  
- 7217 (Reserved for future use)**
  
- 7218 (Reserved for future use)**
  
- 7219 (Reserved for future use)**
  
- 7220 (Reserved for future use)**
  
- 7221 (Reserved for future use)**
  
- 7222 (Reserved for future use)**
  
- 7223 (Reserved for future use)**
  
- 7224 Margin Requirements for Underwriting Commitments**  
(01.06.88, 19.08.93, 01.03.05, abr. 14.01.16)
  
- 7225 (Reserved for future use)**
  
- 7226 Margin on Swaps**  
(01.05.92, 01.04.93, 01.01.04, 13.09.05, 08.09.08, abr. 14.01.16)
  
- 7226A Swap Positions Offsets**  
(01.01.04, abr. 14.01.16)
  
- 7227 Margin Offsets on Convertible Securities**  
(01.01.04, abr. 14.01.16)
  
- 7228 Margin Offsets on Exercisable Securities**  
(01.01.04, abr. 14.01.16)

**Section 7251 - 7300**  
**Registration of Securities (abr. 14.01.16)**

- 7251 Registration of Securities**  
(01.04.93, abr. 22.03.10)
- 7252 Redemption agent**  
(01.04.93, 01.03.94, 13.09.05, abr. 22.03.10)

**Section 7351 - 7400**  
**Offices and Employees**

- 7351 Addresses of Approved Participants**  
(01.04.93, 13.09.05, 22.03.10)

Every approved participant must provide the Bourse with an address where notices may be served and must subsequently inform the Bourse prior to any change thereof.

- 7352 Branch Offices**  
(01.08.87, 01.04.93, 21.08.02, 13.09.05, abr. 22.03.10)
- 7353 (Reserved for future use)**
- 7354 Hiring of Exchange Employees**  
(01.04.93, abr. 13.09.05)
- 7355 Use of Offices by Clients and other Non-Employees Prohibited**  
(01.04.93, 13.09.05, abr. 22.03.10)

**Section 7401 - 7449**  
**Approved Persons**  
**(22.03.10)**

- 7401 Approval**  
(01.04.93, 13.09.05, abr. 22.03.10)
- 7402 Classes of Registration**  
(01.04.93, 21.08.02, 13.09.05, abr. 22.03.10)
- 7403 Application for Approval as an Approved Person**  
(01.04.93, 13.09.05, 22.03.10, 11.07.18)

Any person employed by an approved participant or an affiliated corporation or subsidiary of an approved participant who wishes to have access to the electronic trading system of the Bourse in order to act as an approved person in accordance with the Rules must submit an application for approval to the Bourse beforehand. Such an application for approval shall not limit the rights of approved participants to give access to the electronic trading system of the Bourse in accordance with article 6366 b).

The application for approval as an Approved Person must be submitted in the form prescribed by the Bourse and must be signed by both the applicant, the approved participant and, where applicable, the affiliated corporation or subsidiary of the approved participant that employs the applicant.

**7404 Qualifications (Full Registration)**  
(01.04.93, abr. 21.08.02)

**7405 (Reserved for future use)**

**7406 Qualifications (Limited Registration)**  
(01.04.93, abr. 21.08.02)

**7407 Qualifications (Restricted Registration)**  
(01.04.93, abr. 21.08.02)

**7407 General Restrictions applicable to Approved Persons**  
(01.04.93, 13.09.05, 22.03.10, 11.07.18)

Subject to the prior written approval of the Bourse to the contrary, an approved person may only transact business for the account of the approved participant for whom the approved person is acting in accordance with article 7403, and for the accounts of the approved participant's clients.

In all cases, the approved participant is responsible for all acts and omissions of such approved person. Any act or omission of an approved person which would constitute an infraction of any rule, policy or procedure of the Bourse shall be deemed to be an infraction by the approved participant.

**7408 Joint Accounts**  
(13.09.05, 22.03.10, 11.07.18)

No approved participant must permit the opening of a joint account in which an approved person has an interest of any kind, whether direct or indirect.

**7409 Dealings with Other Firms by Approved Persons**  
(01.04.93, 13.09.05, 22.03.10, 11.07.18)

No approved person must maintain, in his own name or any other name, an account in securities, options or futures contracts over which he has, directly or indirectly, trading authority or control with any approved participant other than the approved participant, without the written consent of the approved participant as required by article 7454.

**7410 Fixed Duties**  
(02.04.91, 01.04.93, 07.04.03, abr. 22.03.10)

**7411 Outside Remuneration Prohibited**  
(06.08.90, 01.04.93, 13.09.05, abr. 22.03.10)

**7412 Arrangements with Clients**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7413 Notice to the Bourse of Termination of Employment or of Lawsuits and other proceedings**  
(01.04.93, 13.09.05, 22.03.10)

Every approved participant must give to the Bourse, within the prescribed delays, notice of the termination of the employment of any person approved by the Bourse and, in the case of a dismissal for cause, a statement of the reasons therefore.

In addition, any approved participant must provide to the Bourse, as soon as possible, a report of any information it has regarding any lawsuit, investigation or proceedings affecting the approval of any of its persons approved by the Bourse by any regulatory or self-regulatory organization.

**7414 Transfers of Approved Persons**  
(01.04.93, 13.09.05, 22.03.10, 11.07.18)

No approved participant or affiliated corporation or subsidiary of an approved participant must employ an approved person formerly employed by any other approved participant until the Bourse has given its prior approval to such employment. Any application for such consent must be submitted in the form prescribed by the Bourse and must be signed by both the approved person and the approved participant as well as, as the case may be, by the affiliated corporation or subsidiary of an approved participant proposing to employ him.

The Bourse will not approve an application for such consent if it is established that the approved participant has not transmitted to the Bourse the notice of termination of employment required pursuant to article 7413.

If the period of time between the date of the approved person termination of employment and the date on which this approved person employment with another approved participant or an affiliated corporation or subsidiary of another approved participant started is ninety (90) days or more, the Bourse will not approve the application for consent filed pursuant to this article and an application for approval pursuant to article 7403 of this Rule shall be submitted to the Bourse.

**7415 Suspension or Revocation of Approval of a Person Approved by the Bourse**  
(01.04.93, 13.09.05, 22.03.10, 11.07.18)

If an approved person no longer meets the required qualifications or any other condition or requirement that may be prescribed by the Bourse, the Bourse may suspend or revoke its approval.

In the event of a suspension or revocation of the approval of an approved person pursuant to this article or pursuant to article 4105 of the Rules of the Bourse, unless otherwise ordered by the Vice president of the Regulatory Division, the approved participant, the affiliated corporation or subsidiary of the approved participant employing this person must immediately discontinue such employment as an approved person and thereafter this person must not be employed in the same capacity by any approved participant, any affiliated corporation or subsidiary of an approved participant without the permission of the Vice president of the Regulatory Division. Any such permission may be revoked at any time by the Vice president of the Regulatory Division.

The approval by the Bourse of any person shall be automatically revoked when this person, following the termination of this person employment with an approved participant, an affiliated corporation or subsidiary of an approved participant, does not reintegrate an employment requiring such an approval with another approved participant, an affiliated corporation or subsidiary of the other approved participant within a delay of ninety (90) days following the date on which this person employment was terminated.

**7416 Approved Participant's Responsibility**  
(01.04.93, 13.09.05, 22.03.10, 11.07.18)

Each approved participant must ensure that all its employees, approved persons and designated representatives who are duly approved pursuant to article 3501 comply with the provisions of all Rules and Policies of the Bourse.

**7417 Mutual Fund Units Sales Incentives**  
(19.09.94, 13.09.05, abr. 22.03.10)

**Section 7450 - 7475**  
**Conduct of Accounts**

**7450 Business Conduct**  
(01.04.93, 13.09.05, 22.03.10, 01.12.17)

All approved participants must at all times adhere to the principles of good business practice in the conduct of their affairs.

The business of approved participants or approved persons and their dealings amongst themselves and with the public must at all times comply with the standards set forth in the Bourse regulations.

**7451 Disclosure of Conflicts of Interests or Contrary Views**  
(11.03.85, 11.03.92, 13.09.05, abr. 22.03.10)

**7452 Diligence as to Accounts**  
17.06.86, 01.08.87, 05.09.89, 15.09.89, 04.12.92, 01.04.93, 02.07.96, 09.03.99, 23.08.02,  
21.11.03, 22.01.04, 13.09.05, 22.03.10)

- 1) Every approved participant must use diligence:
  - a) to learn and remain informed of the essential facts relative to every customer and to every order or account accepted;
  - b) to ensure that the acceptance of any order for any account is done in accordance with principles of good business practice;
  - c) to ensure, subject to paragraph d), hereunder, that the acceptance of any order for any account from a customer is suitable for such customer given his financial situation, his investment knowledge, his investment objectives and his risk tolerance;
  - d) to ensure, when recommending to a customer the purchase, sale, exchange or holding of any derivative instrument listed and traded on the Bourse, that the recommendation is suitable for such customer given his financial situation, his investment knowledge, his investment objectives and his risk tolerance.
- 2) Every approved participant must designate a person responsible for the supervision and surveillance of the trading activities in derivative instruments listed on the Bourse and where necessary to ensure continuous supervision, one or more alternate person to this responsible person.

The responsible person and the alternate persons do not have to be approved by the Bourse, but approved participants must provide the Bourse with a list of those persons along with all necessary information to allow the Bourse to communicate with them as needed. Approved participants are also required to immediately inform the Bourse when changes are made to this list.

The responsible person is responsible for establishing and maintaining procedures and for supervising trading activities in derivative instruments listed on the Bourse. This person must ensure that the handling of each client orders is within the bounds of ethical conduct, consistent with just and equitable principles of trade and not detrimental to the reputation of the Bourse or the interests or the welfare of the public or the Bourse. This person must supervise activities relating to the trading of derivative instruments listed on the Bourse in accordance with Bourse requirements and policies. In the absence or incapacity of the responsible person, his authority and responsibilities must be assumed by an alternate responsible person.

**7453 Application as to Diligence of Accounts**  
(01.04.93, 13.09.05, 22.03.10)

1) Corporate Clients

In the case of an account carried by an approved participant for a corporation for the purpose of trading in derivative instruments, the approved participant must make sure that the corporation has the right under its charter and by-laws to engage in the intended transactions for its own account and that the persons from whom orders and instructions are accepted are duly authorized by the corporation to act on its behalf. It is advisable in each such case for the approved participant accepting the account to obtain a copy of the corporate charter, by-laws and authorizations.

Where it is not possible to obtain such documents, a partner, an officer or a director of the approved participant carrying the account must prepare and sign a memorandum for the files of the approved participant indicating the basis upon which he believes that the corporation may properly engage in the intended transactions and that the persons acting for the corporation are duly authorized to do so.

2) Nominee Accounts

When a nominee account is carried by an approved participant, its records must contain the name of the principal for whom the nominee is acting and written evidence of the nominee's authority.

**7454 Designation of Accounts and Transactions by Employees of Approved Participants**  
(01.04.93, 13.09.05, 22.03.10)

No approved participant must carry an account:

- 1) in the name of a person other than that of the client, except that an account may be designated by a number, a nominee name or other identification provided the approved participant maintains sufficient identification in writing to establish the beneficial owner of the account or the person or persons financially responsible for same. This information must be available at all times upon the request of the Bourse;
- 2) for a partner, officer, director or any employee of another approved participant either jointly or with another or others without the prior written consent of the employer; nor must make a derivative instrument transaction or carry an account in derivative instruments in which any of the above is

directly or indirectly interested. A copy of such consent of the employer must be kept in the client's file and duplicate reports and monthly statements must be sent to a partner, officer or director designated in such consent (other than the person for whom the account is carried). This paragraph does not apply to any director who is an outside investor with respect to the approved participant or its holding company and whose investment therein does not contravene Rule Three.

**7455 Confirmation and Statement of Account to Client**

(06.11.89, 01.04.93, 29.10.93, 30.09.94, 02.08.95, 18.02.97, 26.03.03, 13.09.05, abr. 22.03.10)

**7456 Conflict of interests**

(01.04.93, 13.09.05, 22.03.10)

No approved participant acting as agent for a customer to buy or sell derivative instruments listed on the Bourse may be the buyer or seller on his own account or otherwise act in such a manner as to create a conflict between his own interests and those of his client.

Notwithstanding the foregoing, an approved participant acting as a market-maker will be deemed not to act in a manner as to create a conflict of interest.

**7457 Transactions Prohibited**

(01.04.93, 13.09.05, abr. 22.03.10)

**7458 Service Fees**

(01.07.89, 01.04.93, 13.09.05, abr. 22.03.10)

**7459 Margin Agreements**

(01.04.93, 13.09.05, abr. 22.03.10)

**7460 Clients' Indebtedness - Approved Participants' Rights**

(01.04.93, 13.09.05, abr. 22.03.10)

**7461 Guarantees of Margin Accounts**

(01.05.87, 30.09.87, 01.09.92, 13.09.05, abr. 22.03.10)

**7461A Hedge Agreement**

(30.07.97, 13.09.05, abr. 22.03.10)

**7462 Account transfers**

(01.02.91, 01.04.93, 02.06.95, 06.10.99, 13.09.05, abr. 22.03.10)

**7463 (Reserved for future use)**

**7464 Discretionary Cash Settlement Rule**

(01.04.93, 13.09.05, abr. 22.03.100)

**7465 R.R.S.P.s Administered by Approved Participants and Other Similar Plans**

(01.04.93, 02.08.94, 13.09.05, abr. 22.03.10)

**7466 Complaints Record and Files**

(01.04.93, 13.09.05, 22.03.10)

- 1) Each approved participant must keep an up-to-date record of all written complaints received by the approved participant resulting from the conduct of the approved participant or of one of its approved persons in connection with orders or transactions in derivative instruments listed on the Bourse
- 2) Complaint files must be retained for seven (7) years. Furthermore, approved participants must maintain an up-to-date record of all complaints and subsequent documentation received relating to the conduct of the approved participant or of one of its approved persons in connection with orders or transactions in derivative instruments listed on the Bourse. Such record must be retained for a period of seven (7) years from the date of receipt of the complaint by the approved participant and must be made available to the Bourse upon request.
- 3) The complaint record must, at a minimum, contain the following information:
  - i) the complainant's name;
  - ii) the date of complaint;
  - iii) the name of the individual who is the subject of the complaint;
  - iv) the derivative instruments which are the subject of the complaint;
  - v) the materials reviewed in the investigation made by the approved participant;
  - vi) if applicable, the name and title of the persons who were interviewed by the approved participant in the course of its investigation of the complaint and the date of such interviews; and
  - vii) the date and conclusions of the decision rendered in connection with the complaint.

**7467 Keeping Records of Orders**

(08.09.89, 01.04.93, 02.07.96, 13.09.05, 22.03.10)

- 1) Every approved participant must maintain books and records necessary to record properly its trading activities in derivative instruments listed on the Bourse, including, without limitation:
  - a) Records containing an itemized daily record of all orders and trades in derivative instruments. Such records must contain the following information for each such order or transaction:

In the case of trades in all derivative instruments;

    - i) the identity of the client for whom or the account for which the order was received;
    - ii) the date and time on which the order was received;
    - iii) the identity of the person who received the order;
    - iv) the class and designation of the derivative instrument;
    - v) the expiry or delivery month and year of the derivative instrument;
    - vi) the date and time on which the order was entered into the electronic trading system of the Bourse;
    - vii) whether it is an opening or closing transactions;

- viii) the terms and conditions of the order, of any instruction and of any modification or cancellation thereof;
- ix) where the order is entered pursuant to the exercise of discretionary power of an approved participant, an indication to that effect;
- x) where the order relates to a fully disclosed introduced account or a fully disclosed omnibus account, the component accounts within the introduced or omnibus account on whose behalf the order is to be executed, and the intended allocation among the component accounts once the order has been executed;
- xi) where the order relates to managed accounts, the component accounts on whose behalf the order is to be executed, and the intended allocation among these component accounts once the order has been executed;
- xii) where the order or instruction is placed by an individual other than;
  - A) the person in whose name the account is operated, or
  - B) an individual duly authorized to place orders or instructions on behalf of a customer that is a company,  
  
the name, the number or the designation of the individual placing the order or instruction;
- xiii) the date and time on which the order was modified, executed or cancelled. If executed in more than one transaction, the date and time of each transaction executed to complete the order;
- xiv) the number of derivative instruments bought or sold. If the order has been executed in more than one transaction, the number of derivative instruments bought or sold for each transaction;
- xv) if the person who executed the order is not the person who received it, the identity of such person;
- xvi) if the order was executed by another approved participant acting as an executing broker for the approved participant, the identity of such other approved participant.

In the case of futures contracts,

- xvii) the price at which the futures contract was entered into.

In the case of options contracts,

- xviii) the premium;
- xix) the type of option (put or call);
- xx) the strike price.

- b) Derivative instruments records showing separately for each derivative instrument as of the trade date all long positions or short positions in such derivative instrument carried for the approved participant's account or for the account of customers and, in all cases, the name or designation of the account in which each position is carried.
- 2) All records of filled and unfilled orders, executed transactions and carried positions must be retained for a period of seven (7) years.
- 3) The Special Committee may grant exemptions from all or any part of the above requirements.

**7468 Forwarding Documents Concerning Securities Belonging to Non-Registered Clients**  
(29.07.88, 01.04.93, 13.09.05, abr. 22.03.10)

**7469 Cash and Securities Loan Transactions**  
(01.09.88, 15.03.93, 01.04.93, 13.09.05, abr. 22.03.10)

**7470 Introducing/carrying broker agreements**  
(26.07.88, 01.04.93, 01.07.97, 05.07.00, 07.05.02, 01.04.03, 13.09.05, abr. 22.03.10)

**Section 7476-7500  
Specific Provisions  
on Discretionary Accounts  
(abr. 22.03.10)**

**7476 Definitions**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7477 Obligation to comply**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7478 Written Authorization**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7479 Designation of a Supervisory Authority**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7480 Designation as a Portfolio Manager or Associate Portfolio Manager**  
(01.04.93, 21.08.02, 13.09.05, abr. 22.03.10)

**7481 Portfolio Management Committee**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7482 Quarterly Review of the Managed Accounts**  
(01.04.93, 13.09.05, abr. 22.03.10)

**7483 Investment Policies**  
(01.04.93, 13.09.05, abr. 22.03.10)

- 7484 Fees Agreement**  
(01.04.93, 13.09.05, abr. 22.03.10)
- 7485 Separate and Distinct Supervision for each Managed Account**  
(01.04.93, 13.09.05, abr. 22.03.10)
- 7486 Ethics**  
(01.04.93, 13.09.05, abr. 22.03.10)
- 7487 The Approved Participant's Mandate**  
(01.04.93, 13.09.05, abr. 22.03.10)

**Section 7501 - 7550**  
**Procedures Concerning the Custody, the Segregation**  
**and the Safekeeping of Clients' Securities and Free Credits**  
**(abr. 22.03.10)**

- 7501 Definitions**  
(01.10.86, 01.06.89, 01.04.93, 13.09.05, abr. 22.03.10)
- 7502 Clients Free Credit Balances**  
(01.04.93, 13.09.05, abr. 22.03.10)
- 7503 General Concept**  
(01.10.86, 01.06.89, 01.04.93, 13.09.05, abr. 22.03.10)
- 7504 Acceptable Internal Locations**  
(01.10.86, 01.06.89, 01.04.93, 13.09.05, abr. 22.03.10)
- 7505 Restrictions on the Use of Clients' Securities**  
(01.10.86, 01.06.89, 01.04.93, 13.09.05, abr. 22.03.10)
- 7506 Restrictions on Delivery of Customers' Securities**  
(01.10.86, 01.04.93, 13.09.05, abr. 22.03.10)
- 7507 Written Notice to Clients Required**  
(01.10.86, 01.04.93, 13.09.05, abr. 22.03.10)
- 7508 Determination of the Number of Securities to Be Segregated**  
(01.10.86, 01.06.89, 01.04.93, 02.06.95, 13.09.05, abr. 22.03.10)
- 7509 Segregation on a Timely Basis and Corrections to be Made**  
(01.10.86, 01.06.89, 01.04.93, 02.06.95, 13.09.05, abr. 22.03.10)
- 7510 Securities Held in Safekeeping**  
(01.04.93, 13.09.05, abr. 22.03.10)
- 7511 Acceptable Securities Locations**  
(01.10.86, 20.12.91, 01.05.92, 01.04.93, 13.09.05, abr. 22.03.10)