

Form B

Investment Dealer Trading in Specified OTC Issuer Securities

General Instructions

1. *The objective of Form B is to provide information to regulators about the risks posed by dealers trading securities of specified OTC issuers through a British Columbia office. This Form describes the disclosure required by the Conditions of Registration – Investment Dealers with a BC Office that Trade in the U.S. Over-the-Counter Markets. This disclosure is in addition to the general requirement under Canadian securities legislation for a registered firm to manage the risks associated with its business in accordance with prudent business practices.*

2. *A term used in this form has the same meaning as in the Securities Act, National Instrument 14-101 Definitions, National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, National Instrument 45-106 Prospectus and Registration Exemptions, Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets, or British Columbia Instrument 13-5** Electronic Delivery of Reports Under Conditions of Registration – Investment Dealers with a BC Office that Trade in the U.S. Over-the-Counter Markets if it is defined or interpreted in that instrument..*

3. *Round percentages to two decimal places.*

1. For the purposes of this form,

“holder” means an individual identified under condition 6(a) or (b) who is a beneficial owner or who controls or directs, directly or indirectly, a beneficial owner, that is not an individual, of securities in a specified OTC issuer.

2. Date of reporting period: [drop-down calendar]__ to [drop-down calendar]____

3. Name of the firm: _____

o Nil Report

4. For each dealing representative trading specified OTC issuer securities through an office in British Columbia, enter the following information in the table below:

(a) Dealing representative’s NRD number

(b) total agency commissions earned from trading specified OTC issuer securities during the calendar quarter,

- (c) total agency commissions earned from trading equity securities, other than specified OTC issuer securities, during the calendar quarter, and
- (d) percentage of commissions referred to in item 4(a) relative to the sum of the commissions referred to in items 4(a) and (b).

Dealing representative	(a) Dealing representative's NRD number	(b) Specified OTC issuer securities commissions	(c) Other equity securities commissions	(d) Percentage of commissions
				%
				%

5. Total agency commissions earned by the firm during the calendar quarter from trading specified OTC issuer securities through offices in British Columbia (the sum of column (a) of item 4): _____

6. Total agency commissions earned by the firm during the calendar quarter from trading equity securities, other than specified OTC issuer securities, through offices in British Columbia, including the agency commissions earned by dealing representatives that do not trade specified OTC issuer securities (the sum of column (b) of item 4, plus the commissions earned by dealing representatives that do not trade specified OTC issuer securities): _____

7. Percentage of commissions referred to in item 5 relative to the sum of the commissions referred to in items 5 and 6: _____%

8. Total number of deposits of specified OTC issuer securities refused under condition 11: _____

Provide relevant information for each attempted deposit including the following:

Date of attempted deposit: _____
 Name of issuer: _____
 Number of securities: _____
 Last name of individual client: _____
 First name of individual client: _____
 Middle name of individual client: _____
 Name of client, if the client is not an individual: _____
 Jurisdictions linked to the attempted deposit: _____

From the following list, select the reason that best describes why the deposit was refused and any other relevant information:

- CTO
other relevant information
- delisted issuer
other relevant information
- disciplinary history
other relevant information
- filings not up-to-date
other relevant information
- gifted or third-party name certificate
other relevant information
- insufficiently documented acquisition
other relevant information
- insufficiently documented corporate beneficial owner
other relevant information
- insufficiently documented individual identity
other relevant information
- inability to form a reasonable belief that you know the identity of every individual who controls or directs, directly or indirectly, the beneficial owner
other relevant information
- issuer with insufficient trading history
other relevant information
- potential conflict of interest
other relevant information
- unacceptable risk
other relevant information

Instruction

You must select a reason for each refused deposit of specified OTC issuer securities.

Select from the list all the jurisdictions that you identified as linked to the attempted deposit.

Provide the full legal name of the client whenever possible.

9. For each holder, if the securities held, controlled, or directed by the holder through a British Columbia office were 10% or more of the specified OTC issuer's outstanding securities on the date your firm accepted the most recent deposit or purchase, enter the following information in the table below

- (a) The legal name of the holder,
- (b) the legal name of the specified OTC issuer,
- (c) the ticker symbol of the specified OTC issuer,
- (d) the total number of securities of a specified OTC issuer held, controlled, or directed by the holder identified in item 9(a) with your firm,
- (e) the number of securities of the specified OTC issuer that are outstanding, and
- (f) the percentage of a specified OTC issuers' securities outstanding that item 9(d) constitutes.

(a) Legal name of the holder	(b) Legal name of the specified OTC issuer	(c) Ticker symbol of the specified OTC issuer	(d) Number of securities held, controlled, or directed	(e) Number of securities outstanding	(f) Percentage of specified OTC issuer's outstanding securities
					%
					%

Instruction

Enter the legal name of the holder beginning with the holder's last name, followed by the holder's first name, and then by any middle names.

10. For securities of a specified OTC issuer held, controlled, or directed by a holder through the firm's British Columbia office, if the holder's percentage of the outstanding securities of the specified OTC issuer, as calculated at the time of the most recent deposit, were among the highest three percentages under 10% of any specified OTC issuer's and exceeded 20,000 units of the specified OTC issuer's outstanding securities, enter the following information in the table below:

- (a) the legal name of the holder,
- (b) the legal name of the specified OTC issuer,
- (c) the ticker symbol of the specified OTC issuer,
- (d) the total number of securities held, controlled, or directed by the holder identified in item 10(a) with your firm,
- (e) the number of securities of the specified OTC issuer that are outstanding, and
- (f) the percentage of a specified OTC issuers' securities outstanding that item 10(d) constitutes.

(a) Legal name of the holder	(b) Legal name of the specified OTC issuer	(c) Ticker symbol of the specified OTC issuer	(d) Number of securities held, controlled, or directed	(e) Number of securities outstanding	(f) Percentage of specified OTC issuer's outstanding securities
1.					%
2.					%
3.					%
4. (in case of a tie)					%
5. (in case of a tie)					%

Instruction

We require reporting for some holders with securities of a specified OTC issuer that are below the 10 percent reporting threshold in item 9. When completed, an item 10 filing will provide information about the three highest levels of securities concentrations below the item 9 reporting threshold.

You must report information about securities of a specified OTC issuer held through the dealer's offices in British Columbia for all the holders at the three highest-percentage concentrations under 10 percent. If more than one holder has the same percentage concentration, then file information about all holders with that percentage of concentration.

Enter the legal name of the holder beginning with the holder's last name, followed by the holder's first name, and then by any middle names.

11. For a specified OTC issuer for which the firm facilitates trading, if the firm facilitated trading that meets or exceeds 20% of the units traded in that specified OTC issuer on all markets during a calendar week, enter the following information in the table below:

- (a) the legal name of the specified OTC issuer,
- (b) the ticker symbol of the specified OTC issuer,
- (c) the date range for that week,
- (d) total number of units of securities of the specified OTC issuer your firm traded,
- (e) number of units traded on all markets, and
- (f) item 11(d) expressed as a percentage of item 11(e).

(a) Legal name of the specified OTC issuer	(b) Ticker symbol of the specified OTC issuer	(c) Date range for the week	(d) Total units of the specified OTC issuer your firm traded	(e) Number of units traded on all markets	(f) Percentage of trading
					%
					%

Instruction

If a calendar quarter ends during a workweek, then include information from that workweek's trading in your filing for the calendar quarter for which the information is being reported (the calendar quarter that ended mid-work week).

12. For the three specified OTC issuers with the largest trading in excess of 100,000 units, on all markets, facilitated by the firm in the calendar quarter, enter the following information in the table below:

- (a) the legal name of the specified OTC issuer,
- (b) the ticker symbol of the specified OTC issuer, and
- (c) number of units of the specified OTC issuer traded that the firm facilitated that met or exceeded 100,000 units.

(a) Legal name of the specified OTC issuer	(b) Ticker symbol of the Specified OTC issuer	(b) Number of units of the specified OTC issuer, that met or exceeded 100,000 traded
1.		
2.		
3.		

Additional comments: _____

 Date

 Individual designated under condition 8

Submit this form electronically through BCSC e-services.