



REJECTED TRADE QUERY

Rep Name _____ 7767 _____ RE: Client Name _____ Client Account # _____ Date _____

This order or account application form is being returned to you because of a deficiency. We may not have on file a valid KYC for your client noted above, or the trade ticket has an error on it.

IF the KYC information on file is stale dated or missing one or more requirements, please have the client sign an updated KYC.

The Know Your Client (“KYC”) is an essential component in ensuring that your business practice conforms to regulatory requirements. Maintaining meticulous records of KYC information protects both you and your clients, as it supports and confirms your effort to ensure the suitability of recommended trades. KYC information must be specific to your clients’ individual accounts.

Within the next 5 business days, please review the account and the KYC and respond with the corrective actions taken. As you are aware, accounts are frozen when trading is attempted without a complete KYC.

Here are some of the common problems that might apply to this account. Some of these may have been circled to bring your attention to specific issues.

- 1) Leverage Disclosure Document needed for every ACCOUNT.
- 2) Please specify the fund company on the trade order.
- 3) Please specify the fund company account number on the order.
- 4) Specify whether the purchase is DSC, LL, or FE.
- 5) Trade or current investments not suitable or suitability review not included with purchase or partial redemption.
- 6) Investment knowledge must be in line with proposed investment, or is not in line on the account.
- 7) KYC on the system does not match KYC on the paperwork or was not posted to system.
- 8) Rep signature missing.
- 9) Client signature missing.
- 10) Client cheque has an error or is post-dated
- 11) Order is post-dated, or intended to go through at a later date.
- 12) Fund has not been approved for sale and is not on system.
- 13) Order has not been properly entered on our system.
- 14) Wrong type of form used, i.e. Trade Order Form used to open account.
- 15) Client signature date will be more than 4 days prior to trade date at fund company.
- 16) Signature guarantee not in order.
- 17) Account Opening documents are missing or not current.
- 18) DSC disclosure document required for this DSC trade.
- 19) No date stamp on order for when it left sub-office.
- 20) Whiteout or scratch-out of client information without client approval.
- 21) No evidence that client is aware of DSC fees on the redemption order.
- 22) This includes a non-current version of the required forms.
- 23) First page missing.
- 24) Missing MRS form or missing B2B Trust form.
- 25) DSC duration is longer than client’s investment time horizon.

Other _____

Thank you for your prompt attention to this matter. A copy of this letter will be maintained in your personnel file.

Sincerely,

Edith Reid
Chief Compliance Officer

Compliance Stamp and Date

Edith G. Reid | President & Chief Compliance Officer | e-mail: edith@altimum.ca