

Ontario Securities Commission

Form 13-502F4

Unofficial consolidation current to 2019-10-18

This document is not an official statement of law or policy and should be used for reference purposes only.

**FORM 13-502F4
CAPITAL MARKETS PARTICIPATION FEE CALCULATION**

General Instructions

1. This form must be completed and returned to the Ontario Securities Commission by December 1 each year, as required by section 3.1 or 3.2 of OSC Rule 13-502 *Fees* (the Rule), except in the case where firms register after December 1 in a calendar year or provide notification after December 1 in a calendar year of their status as an unregistered capital markets participant. In these exceptional cases, this form must be filed within 60 days of registration or notification after December 1.
2. This form is to be completed by firms registered under the *Securities Act* or by firms that are registered under both the *Securities Act* and the *Commodity Futures Act*. This form is also completed by unregistered capital markets participants.
3. For firms registered under the *Commodity Futures Act*, the completion of this form will serve as an application for the renewal of both the firm and all its registered individuals wishing to renew under the *Commodity Futures Act*.
4. IIROC members must complete Part I of this form and MFDA members must complete Part II. Unregistered capital markets participants and registrant firms that are not IIROC or MFDA members must complete Part III.
5. IIROC Members may refer to Statement E of the Joint Regulatory Financial Questionnaire and Report for guidance.
6. MFDA members may refer to Statement D of the MFDA Financial Questionnaire and Report for guidance.
7. If a firm's permanent establishments are situated only in Ontario, all of the firm's total revenue for the previous financial year is attributed to Ontario. If permanent establishments are situated in Ontario and elsewhere, the percentage attributed to Ontario for a previous financial year will ordinarily be the percentage of the firm's taxable income that is allocated to Ontario for Canadian income tax purposes for the same financial year. For firms that do not have a permanent establishment in Ontario, the percentage attributable to Ontario will be based on the proportion of total revenues generated from capital markets activities in Ontario.
8. All figures must be expressed in Canadian dollars. All figures other than the participation fee must be rounded to the nearest thousand.
9. Information reported on this form must be certified by an individual specified in section 3.3 of this Rule to attest to its completeness and accuracy.

Certification

I, _____, of the registrant firm / unregistered capital markets participant noted below have examined this Form 13-502F4 (the **Form**) being submitted hereunder to the Ontario Securities Commission and certify that to my knowledge, having exercised reasonable diligence, the information provided in the Form is complete and accurate.

(s) _____
Name: _____ Date: _____
Title: _____

1. Firm Information

Firm NRD number: _____

Firm legal name: _____

2. Contact Information for Chief Compliance Officer

Please provide the name, e-mail address, phone number and fax number for your Chief Compliance Officer.

Name: _____

E-mail address: _____

Phone: _____ Fax: _____

3. Membership Status (one selection)

- The firm is a member of the Mutual Fund Dealers Association (MFDA).
- The firm is a member of the Investment Industry Regulatory Organization of Canada (IIROC).

For a firm that does not hold membership with the MFDA or IIROC:

- The firm is an unregistered investment fund manager only
- All other firms

4. Financial Information

Is the firm providing a good faith estimate under section 3.2 of the Rule?

- Yes
- No (one selection)

If no, end date of previous financial year: ____/____/____
yyyy mm dd

If yes, end date of financial year for which the good faith estimate is provided: ____/____/____
 yyyy mm dd

5. Participation Fee Calculation

Previous financial
 year

Note: Dollar amounts stated in thousands, rounded to the nearest thousand.

Part I — IIROC Members

- | | | | |
|----|--|----------|---|
| 1. | Total revenue for previous financial year from Statement E of the Joint Regulatory Financial Questionnaire and Report | \$ _____ | |
| 2. | Less revenue not attributable to capital markets activities | \$ _____ | |
| 3. | Revenue subject to participation fee (line 1 less line 2) | \$ _____ | |
| 4. | Ontario percentage for previous financial year
(See definition of "Ontario percentage" in the Rule) | | % |
| 5. | Specified Ontario revenues (line 3 multiplied by line 4) | \$ _____ | |
| 6. | Participation fee (From Appendix B of the Rule, select the participation fee opposite the specified Ontario revenues calculated above) | \$ _____ | |

Part II — MFDA Members

- | | | | |
|----|---|----------|---|
| 1. | Total revenue for previous financial year from Statement D of the MFDA Financial Questionnaire and Report | \$ _____ | |
| 2. | Less revenue not attributable to capital markets activities | \$ _____ | |
| 3. | Revenue subject to participation fee (line 1 less line 2) | \$ _____ | |
| 4. | Ontario percentage for previous financial year
(See definition of "Ontario percentage" in the Rule) | | % |
| 5. | Specified Ontario revenues (line 3 multiplied by line 4) | \$ _____ | |
| 6. | Participation fee
(From Appendix B of the Rule, select the participation fee opposite the specified Ontario revenues calculated above) | \$ _____ | |

Part III – Advisers, Other Dealers, and Unregistered Capital Markets Participants Notes:

1. Total revenues is defined as the sum of all revenues reported on the audited financial statements, except where unaudited financial statements are permitted in accordance with subsection 3.6(3) of the Rule. Audited financial statements should be prepared in accordance

with NI 52-107. Items reported on a net basis must be adjusted for purposes of the fee calculation to reflect gross revenues.

2. Redemption fees earned upon the redemption of investment fund units sold on a deferred sales charge basis are permitted as a deduction from total revenue on this line.
3. Administration fees permitted as a deduction are limited solely to those that are otherwise included in total revenues and represent the reasonable recovery of costs from the investment funds for operating expenses paid on their behalf by the registrant firm or unregistered capital markets participant.
4. Where the advisory services of a registrant firm, within the meaning of this Rule or OSC Rule 13-503 (Commodity Futures Act) Fees, or of an unregistered exempt international firm, are used by the person or company to advise on a portion of its assets under management, such sub-advisory costs are permitted as a deduction on this line to the extent that they are otherwise included in gross revenues.
5. Trailer fees paid to registrant firms or unregistered exempt international firms described in note 4 are permitted as a deduction on this line to the extent they are otherwise included in gross revenues.

1. Total revenue for previous financial year (note 1) \$ _____

Less the following items:

2. Revenue not attributable to capital markets activities \$ _____

3. Redemption fee revenue (note 2) \$ _____

4. Administration fee revenue (note 3) \$ _____

5. Advisory or sub-advisory fees paid to registrant firms or unregistered exempt international firms (note 4) \$ _____

6. Trailer fees paid to registrant firms or unregistered exempt international firms (note 5) \$ _____

7. Total deductions (sum of lines 2 to 6) \$ _____

8. Revenue subject to participation fee (line 1 less line 7) \$ _____

9. Ontario percentage for previous financial year %
 (See definition of "Ontario percentage" in the Rule)

10. Specified Ontario revenues (line 8 multiplied by line 9) \$ _____

11. Participation fee \$ _____
 (From Appendix B of the Rule, select the participation fee beside the specified Ontario revenues calculated above)