

A.S.C. Notice 9

Statement of Financial Position Required by Section 74(2) of the Regulations

1. A dealer that is not a member of a self regulating body shall provide to its clients, on request, a statement of its financial position as at the end of its latest financial year, and the statement shall
 - 1.1 be available within 105 days after the end of the dealer's financial year,
 - 1.2 be accompanied by a report of its auditor stating that the statement fairly summarizes the financial position of the dealer, and
 - 1.3 contain, at a minimum, information such as the following or similar items for items which are material:
 - Current Assets
 - Cash
 - Receivables from brokers and dealers
 - Receivables from customers
 - Inventory of securities at the lower of cost or market value or at market value (state basis of valuation)
 - Miscellaneous accounts receivable
 - Other Assets (state basis of valuation)
 - Investment in subsidiary and affiliated companies
 - Fixed assets
 - Current Liabilities
 - Call loans and bank overdrafts
 - Payable to brokers and dealers
 - Payable to customers
 - Accounts payable, accrued expenses and income taxes
 - Securities sold short at the higher of cost or market value or at market value (state basis of valuation)
 - Capital in the Business
 - Shareholders' equity (including subordinated loans and retained earnings) Partners' equity

2. Any statement of financial information of the dealer published shall be either the statement of financial position or a complete set of audited financial statements.

Effective date: March 15, 1987