

## Client file contents

Regulatory file contents obligations apply to dealers.

Since client files are first assembled by the advisor, who has a direct relationship with the client, advisor must comply with the rules put in place by the dealer they work for and send them the relevant information that was initially collected from the client, as well as any information collected during periodic updates.

It is therefore good practice to make sure clients' files are complete because these allow advisors to ensure appropriate follow-ups and justify their recommendations.

Dealers maintain files for the purposes of:

- Accurately documenting their business activities, financial affairs and their clients' transactions.
- Documenting their compliance with applicable obligations in securities legislation.

## Files to maintained by the dealer

Below are files that dealers must keep that involve the advisor:

- Files on their relationships with clients. It should be noted that in terms of files on relationships with clients, all dealers must have a complaint policy and keep a record of complaints as well as a file for each complaint received. The Autorité's website provides further information on this topic.
- Files on client transactions.
- Files required under the [Proceeds of Crime \(Money Laundering\) and Terrorist Financing Act](#).

## Files on relationships with clients

Dealers must maintain client files that will allow information and documents about client relationships to be checked easily. Dealers may, therefore, require their advisors to include in client files:

- Account opening forms.
- Investor profile questionnaire.
- Disclosure forms for leveraged loans, if applicable.
- Copies of written disclosures of any client referral agreements.
- Powers of attorney or mandates, if applicable.
- Limited transaction authorization forms, if applicable.
- Information on any change in the client's situation.
- Margin account agreements and other agreements.
- Proof of compliance with obligations for complaint processing, including communications and measures taken with the client.
- All communications related to a conflict of interest.
- Details on products and services discussed.
- All correspondence with the client.
- Notes on all communications with the client.
- Meeting summaries (date, time, location, contents of discussions, people present).

Of course, each file should clearly indicate the client's name as well as the account they are linked to.

## Files on client transactions

This file must allow inventory of all transactions executed by the dealer on its own behalf and on behalf of each of its clients, including parties to the transaction and purchase or sale methods.

It must also contain all the documents that justify the transactions completed on behalf of clients.

Advisors must know both their client and their product well in order to comply with their duty to make an appropriate recommendation for the client. The documents in the client file must demonstrate that the advisor is complying with their obligations.

A dealer may require its advisors to keep the following items in client files:

- Client's investor profile questionnaire and updates.
- Their identity, needs, objectives, financial situation and risk tolerance.
- Whether or not they are an insider for a reporting issuer or any issuer whose securities are traded on a market.
- Their creditworthiness, if they are being granted a loan.
- Document from the Revenue Agency specifying the possible RRSP contribution, if applicable.
- Details on investments with other establishments.
- Projections prepared and provided to the client.
- Copy of any document justifying a recommendation.
- Client's instructions and orders.
- Warnings given to the client if their instructions are not appropriate for them.
- Transaction execution notices and transaction confirmations.
- Account statements and transaction statements.
- Any document related to a transaction with the client.
- Notes on all any transaction-related communications with the client.