

policies and procedures to insure that CFG Online and its registered salespeople will not provide advice or recommendations regarding the purchase or sale of any commodity futures contract or commodity futures option;

10. Clients who request CFG Online or its registered salespeople to provide advice or recommendations or advise as to suitability will be referred to the full-service division of CFG;

11. CFG Online will not compensate its registered salespeople on the basis of transactional values;

12. Each client of CFG Online will be advised of the Order of the Commission and will be requested to acknowledge that:

(a) no advice or recommendation will be provided by CFG Online or its registered salespeople regarding the purchase or sale of any commodity futures contract or commodity futures options, and

(b) CFG Online and its registered salespeople will not determine the general investment needs and objectives of the client or the suitability of a proposed purchase or sale of a commodity futures contract or commodity futures option for the client;

(both (a) and (b) shall constitute the "Client Acknowledgement");

13. The Client Acknowledgement will provide the client with sufficient detail and will explain to each client the significance of not receiving either investment advice or a recommendation from CFG Online, including the significance of CFG Online not determining the general need and objectives of the client, or the suitability of a proposed purchase or sale of a commodity futures contract or commodity futures option;

14. Each client of CFG Online will be advised that he or she has the option of transferring his or her account or accounts to the full service division of CFG or another dealer at no cost to the client if the client does not wish to provide a Client Acknowledgement (the "Account Transfer Option");

15. All prospective clients of CFG Online will be advised and required to acknowledge that;

(a) no advice or recommendation will be provided by CFG Online or its registered salespeople regarding the purchase or sale of any commodity futures contract or commodity futures options, and

(b) CFG Online and its registered salespeople will not determine the general investment needs and objectives of the client or the suitability of a proposed purchase or sale of a commodity futures contract or commodity futures option for the client;

(both (a) and (b) shall constitute the "Prospective Client Acknowledgement", prior to CFG Online opening an account for such prospective clients;)

16. The Prospective Client Acknowledgement will provide the client with sufficient detail and will explain to each client the significance of not receiving either investment advice or recommendation from CFG Online including the significance of CFG Online not determining the general investment need and objectives of the client, or the suitability of a proposed purchase or sale of a commodity futures contract or commodity futures option;

17. CFG and CFG Online have adopted policies and procedures to insure that evidence of all Client Acknowledgements and Prospective Client Acknowledgements is established and retained pursuant to the record keeping requirements of the Commodity Futures Act, the Rule and the Investment Dealers Association of Canada;

18. CFG Online has adopted policies and procedures to insure that:

(a) CFG Online operates separately from the full-service division of CFG,

(b) registered salespeople of CFG Online are clearly employed by CFG Online and do not handle the business or clients of the full-service division of the CFG, and

(c) a list of registered salespeople of CFG Online is maintained at all times.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested in that the suitability requirements contained in the Rule shall not apply to CFG Online, a division of CFG, and its registered salespeople.

IT IS ORDERED:

1. THAT, pursuant to subparagraph 5.4 of the Rule, the suitability obligation contained in subparagraphs 3.25(1) and (2) of the Rule, shall not apply to CFG Online, a division of CFG, and its registered salespeople, on the following conditions:

(a) CFG Online and its registered salespeople do not provide any advice or recommendation regarding the purchase or sale of any commodity futures contract or commodity futures option;

(b) Clients who request CFG Online or its registered salespeople to provide advice or recommendations or advice as to suitability are referred to the full-service division of CFG or a full-service investment dealer;

(c) CFG Online operates independently and operates using its own letterhead, accounts, registered salespeople and account documentation;

- (d) CFG Online does not compensate its registered salespeople on the basis of transactional values;
- (e) Each client of CFG Online is advised of the Order of the Commission and requested to make a Client Acknowledgement or transfer his or her account to the full-service division of CFG or another investment dealer if the client does not wish to make a Client Acknowledgement;
- (f) CFG Online and its registered salespeople will not permit transactions in an account for which a Client Acknowledgement has not been received;
- (g) Each prospective client of CFG Online is advised of the Order of the Commission and required to make a Prospective Client Acknowledgement prior to CFG Online or its registered salespeople servicing such prospective clients;
- (h) Evidence of all Client Acknowledgements, Prospective Client Acknowledgements and Account Transfer Options is established and retained pursuant to the record keeping requirements of the Rule and the Investment Dealers Association of Canada;
- (i) For any client who elects to exercise the client's Account Transfer Option, CFG Online transfers such account or accounts to the full-service division of CFG or another investment dealer in an expeditious manner and at no cost to the client;
- (j) CFG Online accurately identifies and distinguishes client accounts for which a Client Acknowledgement or Prospective Client Acknowledgement has therefore been provided and client accounts for which no Client Acknowledgement has been provided;
- (k) CFG has in force policies and procedures to insure that;
- (i) CFG Online can operate separately and continue to operate separately from the full-service division of CFG,
 - (ii) registered salespeople of CFG Online are clearly employed by CFG Online and do not handle the business or clients of the full-service division of CFG, and
 - (iii) a list of registered salespeople of CFG Online is maintained at all times.

2. THAT the fee for this Order is \$650.00.

BY ORDER OF THE COMMISSION

Director

