

**City of Spokane  
Broker/Dealer Questionnaire**

**Section 1: Firm Information**

Firm Name: \_\_\_\_\_

Regional office: \_\_\_\_\_ Phone: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

National office: \_\_\_\_\_ Phone: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Does your firm maintain an office in the State of Washington?

Yes

No

**Section 2: Account Representatives**

Primary Representative

Manager/Partner-in-charge

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Identify all personnel who will be trading with or quoting securities to the City of Spokane.

Name

Phone

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Indicate which of the above agents currently are licensed, certified or registered, and by whom.

Agent

Licensed or registered by

\_\_\_\_\_

\_\_\_\_\_

Have they been authorized by your firm to be account representatives for the City of Spokane?

Yes  No

Have the account representatives listed above read and understand the Washington Revised Statutes relating to investments?

Yes  No

Have the account representatives listed above read and understand the City of Spokane Investment Policy?

Yes  No

### Section 3: Investment Information

Is your firm a member of FINRA?

Yes  No

Place an "X" by each regulatory agency that your firm is examined by and/or subject to its rules and regulations.

FDIC\_\_\_\_\_ SEC\_\_\_\_\_ NYSE\_\_\_\_\_

Does your firm have all required licenses to operate as a broker/dealer in the State of Washington?

Yes  No

If you are not a Bank, please provide the following information regarding your principal banking relationship.

Bank Name: \_\_\_\_\_

Address: \_\_\_\_\_

Person to contact: \_\_\_\_\_

Length of relationship: \_\_\_\_\_

Are you a financial institution approved by the Washington Public Deposit Protection Commission (RCW 39.58)?

Yes  No

Are you a primary dealer as recognized by the Federal Reserve Bank?

Yes  No

If so, for how long has your firm been a primary dealer? \_\_\_\_\_ Years

Are you a non-primary dealer qualified under US Securities and Exchange Commission Rule 15C3-1 and the Uniform Net Capital Rule?

Yes  No

**Section 4: Business Activities**

What was your firm's total volume in US Government and agency securities trading last year?

Firm-wide \$ \_\_\_\_\_ Number of transactions \_\_\_\_\_

Regional office \$ \_\_\_\_\_ Number of transactions \_\_\_\_\_

Describe the capital line and trading limits that support/limit the office that would conduct business with the City of Spokane.

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Do you participate in the SPIC insurance program? If not, explain why not.

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How many and what percentage of your transactions failed?

Last month? \_\_\_\_\_

Last year? \_\_\_\_\_

Which instruments are offered regularly by your local desk?

- |   |  |
|---|--|
| <input type="checkbox"/> T-bills              | <input type="checkbox"/> Municipals              |
| <input type="checkbox"/> Treasury notes/bonds | <input type="checkbox"/> BAs (domestic)          |
| <input type="checkbox"/> Agencies (specify)   | <input type="checkbox"/> BAs (foreign)           |
| <input type="checkbox"/> CDs                  | <input type="checkbox"/> Commercial paper        |
| <input type="checkbox"/> CMOs                 | <input type="checkbox"/> Remics                  |
| <input type="checkbox"/> Mortgage-backed      | <input type="checkbox"/> Repo including TriParty |
| <input type="checkbox"/> Other _____          |  |

Does your firm specialize in any of the above instruments? If so, please specify.

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Please provide the following information regarding comparable clients, in Washington State, with whom the representatives listed in Section 2 has an established relationship.

1) Contact person: \_\_\_\_\_ Phone: \_\_\_\_\_

Client Name: \_\_\_\_\_

Address: \_\_\_\_\_

Length of relationship: \_\_\_\_\_

2) Contact person: \_\_\_\_\_ Phone: \_\_\_\_\_

Client Name: \_\_\_\_\_

Address: \_\_\_\_\_

Length of relationship: \_\_\_\_\_

3) Contact person: \_\_\_\_\_ Phone: \_\_\_\_\_

Client Name: \_\_\_\_\_

Address: \_\_\_\_\_

Length of relationship: \_\_\_\_\_

#### Section 5: Compliance Information

Has your firm ever been subject to a regulatory or state or federal agency investigation for alleged improper, fraudulent, disreputable or unfair activities related to the sale of government securities or money market instruments? Have any of your employees ever been so investigated? Explain.

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Has a client ever claimed that your firm was responsible for investment losses? Explain. \_\_\_\_\_

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Please explain your normal custody and delivery process. Who audits these fiduciary systems? \_\_\_\_\_

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Has your firm consistently complied with the Federal Reserve Bank's capital adequacy guidelines? As of this date, does your firm comply with the guidelines? Has your capital position ever fallen short? By what factor (1.5x, 2x, etc.) does your firm presently exceed the capital adequacy guidelines? \_\_\_\_\_

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Is there a compliance officer and who does the position report to? What compliance procedures are in place? \_\_\_\_\_

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Describe the precautions taken by your firm to protect the interests of the public when dealing with governmental agencies as investors.

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**Section 6: Business Support**

What research reports do your firm regularly provide to public-sector clients?

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What reports, transactions, confirmations and paper trails will you provide?

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Please send your most recent annual report including an audited financial statement.

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**Certification**

I hereby certify that I have personally read the investment policies and objectives of the City of Spokane and have implemented reasonable procedures and a system of controls designed to preclude imprudent investment activities arising out of transactions conducted between our firm and the City of Spokane. All Sales personnel assigned to your account will be routinely informed of your investment objectives, horizon, outlook, strategies and risk constraints whenever we are so advised. We will notify you immediately by telephone and in writing in the event of a material adverse change in our financial condition. We pledge to exercise due diligence in informing you of all foreseeable risks associated with financial transactions conducted with our firm. I attest to the accuracy of our responses to your questionnaire.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_

Firm Name: \_\_\_\_\_