

MSC NOTICE 2002-25

MANITOBA SECURITIES COMMISSION

The Securities Act

Rule 31-506 (MSC Rule 2001-14)

MFDA Membership - Mutual Fund Dealers

Clause 2.1 of Manitoba Securities Commission Rule 31-506 (MSC Rule 2001-14) requires a Mutual Fund Dealer registered in Manitoba under *The Securities Act* to be a member of the Mutual Fund Dealers Association (MFDA) from and after July 2, 2002.

Part 5.1 of the Rule permits the Director to exempt a Mutual Fund Dealer from all or part of the rule.

The MFDA has informed the commission that it has not completed its review of all applications for membership received to date.

The Director is exercising the authority contained in Part 5.1 of the Rule to exempt certain Mutual Fund Dealer from the requirement to be a member of the MFDA contained in Clause 2.1 of the rule.

Where the head office of a Mutual Fund Dealer is located in Manitoba:

A Mutual Fund Dealer with its head office in Manitoba that is not a member of the MFDA on or before July 2, 2002 is required to make application to the Director for an exemption from the requirement for membership.

The letter of application must specify the date application for membership was made to MFDA. The Director will in most cases approve the exemption request where the MFDA is in the process of reviewing the application for membership. If an application for membership has been rejected the letter should contain details setting out the reason for rejection.

The Director will confirm in writing whether an exemption has been granted.

Where the head office of a Mutual Fund Dealer is located outside of Manitoba:

Exemption from the requirement for membership in MFDA from the securities regulator in the jurisdiction where the head office of the Mutual Fund Dealer is located will be sufficient proof of exemption from the rule in Manitoba.

Unless specifically requested by commission staff, proof of the granting or availability of the exemption from the jurisdiction where head office is located is not required to be filed with the commission.

Applications should be sent to:

The Manitoba Securities Commission
1130-405 Broadway
WINNIPEG MB R3C 3L6
Attention: G. Lillies

Douglas R. Brown
Director - Registrations
Manitoba Securities Commission
June 25, 2002