



THE MANITOBA
SECURITIES
COMMISSION

MSC Notice 2008-41

Notice of MSC Non-Objection to Proposed Amendments to MFDA Recognition Order and By-law No. 1 re: Directors

On November 19, 2008, the MSC varied the MFDA's recognition order to remove the definition of public director and make various other housekeeping changes. Additionally, the MSC did not object to the MFDA's proposed amendments to its By-law No. 1, including proposed amendments to the definition of public director.

The Alberta Securities Commission, Saskatchewan Financial Services Commission, Manitoba Securities Commission, Ontario Securities Commission, New Brunswick Securities Commission and Nova Scotia Securities Commission also varied the MFDA's recognition orders in those jurisdictions and have approved the amendments to By-law No. 1.

The MFDA applied to remove the definition of public director from its recognition order because it is also included in By-law No. 1. The MFDA prefers to have the definition in the By-law, because the process for amendments, if necessary, is more efficient than for amending the recognition order. The MFDA must obtain Commission approval for amendments in both cases.

The amendments to By-law No. 1 include:

- changes to the definition of public director to align MFDA governance standards with current SRO practices and to increase the number of individuals who meet the requirements to act as public director;
- increases to the maximum tenures for both independent and public directors to eight years, also consistent with current SRO practice;
- a transition provision to clarify current directors' eligibility for re-election; and
- changes to reflect members from a right of members to nominate candidates for director to a right to recommend candidates, to reflect the MFDA's current practice.

Please refer any questions to:

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