

MANITOBA SECURITIES COMMISSION
MSC Rule 2003-**
(Section 149.1, *The Securities Act*)

Local Rule 31-501 – MSC Registration Rule

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MANITOBA SECURITIES COMMISSION
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(Section 149.1, *The Securities Act*)

Local Rule 31-501 – MSC Registration Rule

PART 1 – DEFINITIONS AND INTERPRETATION

Definitions

1.1 In this rule,

"Act" means *The Securities Act*;

"advising employee" means an individual

- (a) who is employed by a portfolio manager, investment counsel or securities adviser, and
- (b) who subsection 6(6) of the Act requires to be registered;

"associate advising employee" means an individual

- (a) who is employed by a portfolio manager, investment counsel or securities adviser, and
- (b) who subsection 6(6) of the Act requires to be registered;

"branch" means a Part 2 registrant's business location that has four or more salespersons or advising employees, and includes the registrant's head office regardless of the number of salespersons or advising employees located there;

"branch manager" means a registered advising employee, director, officer, partner or salesperson who a Part 2 registrant designates as a branch manager under section 6.5;

"broker-dealer" means a mutual fund dealer, scholarship plan dealer, specific securities dealer or portfolio manager;

"compliance officer" means a registered individual who a Part 2 registrant designates as a compliance officer under section 6.6;

"Director" means the director or any deputy director of the commission;

"insurance company" means an insurance company licensed under *The Insurance Act*;

"mutual fund dealer" means a broker-dealer that is limited by registration to trading mutual fund securities;

"Part 2 registrant" means a company or partnership that is registered under the Act in one of the registration categories for firms set out in Part 2 of this rule;

"portfolio manager" means a broker-dealer that manages or holds itself out as managing the investment portfolio of one or more clients through the exercise of discretionary authority granted by each client;

"scholarship plan dealer" means a broker-dealer that is limited by registration to trading scholarship plans;

"specific securities dealer" means a broker-dealer that is limited by registration to trading specific securities;

"sub-branch" means a Part 2 registrant's business location that has three or fewer salespersons or advising employees.

Deemed employment

1.2 For the purposes of registration under the Act and this rule, every individual registered under the Act in one of the registration categories in Part 3 of this rule is deemed to be employed by the Part 2 registrant under whose registration the individual is registered.

PART 2 – REGISTRATION CATEGORIES FOR FIRMS

Investment dealer category

2.1 The investment dealer category is the registration category for persons and companies that carry on or intend to carry on business as investment dealers or that hold themselves out to be investment dealers.

Mutual fund dealer category

2.2 The mutual fund dealer category is the registration category for persons and companies that carry on or intend to carry on business as mutual fund dealers or that hold themselves out to be mutual fund dealers.

Scholarship plan dealer category

2.3 The scholarship plan dealer category is the registration category for persons and companies that carry on or intend to carry on business as scholarship plan dealers or that hold themselves out to be scholarship plan dealers.

Specific securities dealer category

2.4 The specific securities dealer category is the registration category for persons and

companies that carry on or intend to carry on business as specific securities dealers or that hold themselves out to be specific securities dealers.

Portfolio manager category

2.5 The portfolio manager category is the registration category for persons and companies that carry on or intend to carry on business as portfolio managers or that hold themselves out to be portfolio managers.

Investment counsel category

2.6 The investment counsel category is the registration category for persons and companies that carry on or intend to carry on business as investment counsel or that hold themselves out to be investment counsel.

Securities adviser category

2.7 The securities adviser category is the registration category for persons and companies that carry on or intend to carry on business as securities advisers or that hold themselves out to be securities advisers.

Securities issuer category

2.8 The securities issuer category is the registration category for persons and companies that are or intend to be securities issuers.

Underwriter category

2.9 The underwriter category is the registration category for persons and companies that carry on or intend to carry on business as underwriters or that hold themselves out to be underwriters.

PART 3 – REGISTRATION CATEGORIES FOR INDIVIDUALS

Investment dealer employees

3.1 The following are the registration categories for individuals employed by an investment dealer who are required to be registered under the Act:

- (a) director;
- (b) officer;
- (c) partner;
- (d) salesperson.

Mutual fund dealer employees

3.2 The following are the registration categories for individuals employed by a mutual fund dealer who are required to be registered under the Act:

- (a) director;
- (b) officer;
- (c) partner;
- (d) salesperson.

Scholarship plan dealer employees

3.3 The following are the registration categories for individuals employed by a scholarship plan dealer who are required to be registered under the Act:

- (a) director;
- (b) officer;
- (c) partner;
- (d) salesperson.

Specific securities dealer employees

3.4 The following are the registration categories for individuals employed by a specific securities dealer who are required to be registered under the Act:

- (a) director;
- (b) officer;
- (c) partner;
- (d) salesperson.

Portfolio manager employees

3.5 The following are the registration categories for individuals employed by a portfolio manager who are required to be registered under the Act:

- (a) advising employee;
- (b) associate advising director;
- (c) associate advising employee;

- (d) associate advising officer;
- (e) associate advising partner;
- (f) director;
- (g) officer;
- (h) partner.

Investment counsel employees

3.6 The following are the registration categories for individuals employed by an investment counsel who are required to be registered under the Act:

- (a) advising employee;
- (b) associate advising director;
- (c) associate advising employee;
- (d) associate advising officer;
- (e) associate advising partner;
- (f) director;
- (g) officer;
- (h) partner.

Securities adviser employees

3.7 The following are the registration categories for individuals employed by a securities adviser who are required to be registered under the Act:

- (a) director;
- (b) officer;
- (c) partner;
- (d) advising employee.

Securities issuer employees

3.8 The following are the registration categories for individuals employed by a securities issuer who are required to be registered under the Act:

- (a) director;
- (b) officer;
- (c) partner;
- (d) salesperson;
- (e) any other individual who the Director considers is trading on behalf of the securities issuer.

Underwriter employees

3.9 The following are the registration categories for individuals employed by an underwriter who are required to be registered under the Act:

- (a) director;
- (b) officer;
- (c) partner;
- (d) salesperson;
- (e) any other individual who the Director considers is carrying on business as an underwriter.

PART 4 – PERMITTED AND PROHIBITED ACTIVITIES

Investment dealers

4.1 An investment dealer must comply with all requirements of the Investment Dealers Association of Canada.

Mutual fund dealers

4.2(1) A mutual fund dealer must comply with all requirements of the Mutual Fund Dealers Association of Canada.

4.2(2) A mutual fund dealer and each individual registered under a mutual fund dealer must trade only

- (a) mutual fund securities qualified by way of a prospectus issued under the Act; and
- (b) other securities specifically included in the terms and conditions of the mutual fund dealer's registration.

4.2(3) A mutual fund dealer must not exercise discretion on behalf of a client for a trade in a security and must obtain the consent of the client for every trade.

Scholarship plan dealers

4.3 A scholarship plan dealer must trade only securities that are included in the terms and conditions of the scholarship plan dealer's registration.

Specific securities dealers

4.4 A specific securities dealer must trade only securities that are included in the terms and conditions of the specific securities dealer's registration.

Portfolio managers

4.5(1) A portfolio manager may manage the purchase and sale of securities on behalf of a client by exercising discretionary authority that the client has expressly given the portfolio manager in writing.

4.5(2) A portfolio manager may charge a client a fee for services provided based on

(a) the dollar value of the portfolio managed; or

(b) the profit or performance of the portfolio managed.

In all cases the portfolio manager must clearly state in writing the fee to be charged, and the client must agree to the fee.

4.5(3) A portfolio manager must not charge a fee for services provided based on the value or volume of trades initiated for the client.

4.5(4) A portfolio manager must, at least once every three months, send each client a statement of the portfolio that the portfolio manager manages for the client.

4.5(5) Despite subsection (4), a client may agree in writing that the portfolio manager may send only one statement of the portfolio every six months. An agreement under this subsection may provide for the manner in which the statement is to be sent.

4.5(6) A portfolio manager must adopt and maintain standards to ensure fairness in its allocation of investment opportunities among its Manitoba clients. The portfolio manager must provide a written copy of the standards to each of its Manitoba clients and file a copy with the commission. The portfolio manager must also provide and file a written copy of any change in the standards.

4.5(7) A portfolio manager may pool orders from more than one account, except in the cases of mutual funds or pension funds, in which cases orders cannot be pooled.

Investment counsel

4.6(1) An investment counsel may receive a fee for providing investment advice to a client, but must not provide or receive money for the purchase or sale of securities on behalf of a client.

4.6(2) An investment counsel must, at least once every three months, send each client a statement of the portfolio that the investment counsel manages for the client.

4.6(3) Despite subsection (2), a client may agree in writing that the investment counsel may send only one statement of the portfolio every six months. An agreement under this subsection may provide for the manner in which the statement is to be sent.

4.6(4) An investment counsel must adopt and maintain standards to ensure fairness in its allocation of investment opportunities among the its clients. The investment counsel must provide a written copy of the standards to each of its clients and file a copy with the commission. The investment counsel must also provide and file a written copy of any change in the standards.

4.6(5) An investment counsel may pool orders from more than one account, except in the cases of mutual funds or pension funds, in which cases orders cannot be pooled.

Securities advisers

4.7(1) In this section, "**international adviser**" means a securities adviser that is not ordinarily resident in Canada.

4.7(2) A securities adviser must not provide investment advice to clients except as expressly permitted by the terms and conditions of the security adviser's registration and permitted by this rule.

4.7(3) The head office and principal place of business of a securities adviser must be outside Canada.

4.7(4) An international adviser must only act as a securities adviser in Manitoba for the following clients and in the following circumstances:

(a) a bank to which the *Bank Act* (Canada) applies, when the bank is acting as principal or agent for accounts fully managed by it;

(b) a loan company or a trust corporation that is registered under *The Corporations Act*, when the loan company or trust corporation is acting as principal or trustee for accounts fully managed by it;

(c) an insurance company;

(d) Credit Union Central of Canada;

(e) the Co-operative Credit Society of Manitoba Limited or La Fédération des Caisses Populaires du Manitoba Inc.;

- (f) the Federal Business Development Bank;
- (g) the Government of Canada or the government of a province or territory of Canada;
- (h) a person or company registered as an investment counsel or portfolio manager, when the person or company acts as principal or agent for accounts fully managed by it;
- (i) a person or company registered as an investment dealer, when the person or company acts as agent for accounts fully managed by it;
- (j) a trusteed pension fund sponsored by an employer for the benefit of its employees or employees of its affiliates and having assets of at least \$100 million as of the date of its most recent annual financial statements;
- (k) a charity registered under the *Income Tax Act* (Canada) that has assets not used directly in charitable activities or administration of at least \$5 million as of the date of its most recent annual financial statements;
- (l) an individual who has certified that he or she has a net worth of at least \$5 million, excluding the value of his or her principle residence;
- (m) a person or company in respect of which all the owners of interest, direct or indirect, legal or beneficial, are individuals referred to in paragraph (l);
- (n) a corporation that has shareholders' equity of at least \$100 million as of the date of its most recent annual financial statements;
- (o) a mutual fund or non-redeemable investment fund that distributes its securities in Manitoba, if
 - (i) the person or company having the power and responsibility to direct the affairs of the fund is
 - (A) resident in Canada,
 - (B) registered as a broker, investment counsel, investment dealer, mutual fund dealer or portfolio manager, and
 - (C) not an affiliate of the international adviser, and
 - (ii) the person or company referred to in subparagraph (i) is a party to the contract under which the international adviser provides advice to the fund;
- (p) a mutual fund or non-redeemable investment fund that distributes its securities in Manitoba only to persons referred to in any of paragraphs (a) to (n).

4.7(5) A securities adviser must be registered under the securities legislation of the jurisdiction in which its head office or principal place of business is located in a registration category that permits the person or company to carry on business as a securities adviser under that legislation.

4.7(6) A securities adviser must not provide or receive money for the purchase or sale of securities on behalf of a client.

4.7(7) A securities adviser must not compensate its partners, officers or representatives in a manner that is based upon the value or volume of trades initiated for the securities adviser's clients.

4.7(8) A securities adviser must adopt and maintain standards to ensure fairness in its allocation of investment opportunities among the its clients. The securities adviser must provide a written copy of the standards to each of its clients and file a copy with the commission. The securities adviser must also provide and file a written copy of any change in the standards.

4.7(9) Before providing service to a client, an international adviser must deliver to the client a written statement disclosing

(a) to the extent applicable, that there may be difficulty enforcing any legal rights the client may have against the securities adviser because

(i) the securities adviser is ordinarily resident outside of Canada and all or a substantial portion of its assets are situated outside of Canada, and

(ii) the laws of the foreign jurisdiction in which the books, records and documents required to be maintained by the securities adviser are located prevent the production of those books, records or documents in Manitoba; and

(b) that the securities adviser is not fully subject to the requirements of the Act and the regulations under the Act concerning proficiency, capital, insurance, record keeping, segregation of funds and securities, and statements of account and portfolio.

4.7(10) The director may refuse to register an applicant as a securities adviser if the Director believes, considering the applicant's activities, that it should be registered as an investment counsel.

Securities issuers

4.8 A securities issuer must not issue securities except in compliance with the commission's order allowing the securities issuer to be registered.

Underwriters

4.9 An underwriter must comply with all the requirements of the Investment Dealers Association of Canada or a stock exchange that the commission recognizes for the purpose of this rule.

Non-trading and non-advising officials or partners

4.10 An individual registered as a non-trading or non-advising official or partner must not trade or provide investment advice.

PART 5 – REGISTRATION CONDITIONS APPLICABLE TO ALL REGISTRANTS

Registration or renewal not granted without compliance with rule

5.1 A registration or renewal of registration must not be granted unless the applicant complies with the applicable requirements of this rule at the time of the granting of the registration or renewal of registration.

Fair and honest dealing

5.2 A registrant must deal fairly and honestly with each client.

Disclosure of extra-provincial registration and compliance issues

5.3 A registrant that is registered under the securities laws or regulations of a jurisdiction outside of Manitoba must inform the Director immediately after becoming aware that

- (a) registration in the jurisdiction outside of Manitoba is being suspended, cancelled or revoked or is being restricted by the imposition of terms or conditions;
- (b) the registrant is the subject of an investigation by a securities regulatory authority outside of Manitoba or by a self-regulatory organization;
- (c) the registrant's required membership in a self-regulatory organization is being suspended, cancelled or revoked, or a self-regulatory organization is imposing any disciplinary or other sanction or restriction on the registrant; or
- (d) the registrant has been named as a defendant in a statement of claim or other originating document required to commence a court action.

PART 6 – REGISTRATION CONDITIONS APPLICABLE TO PART 2 REGISTRANTS

Conflict avoidance

6.1 No Part 2 registrant or director, officer, partner or other individual registered under the Part 2 registrant shall have a direct or indirect interest in another registrant without the approval of the Director.

Salesperson photo identification

6.2(1) A Part 2 registrant must, at its place of business in Manitoba or another location that is acceptable to the Director, have a current photograph of each Manitoba-resident individual registered under the registrant in a trading or advising registration category.

6.2(2) A Part 2 registrant must, when so requested by the commission, provide the commission with a copy of a photograph that the registrant is required to have under subsection (1).

New accounts and supervision

6.3 A Part 2 registrant must establish and enforce written procedures for dealing with clients that are consistent with prudent business practice and enable the registrant to serve its clients adequately.

Compliance officers

6.4(1) A Part 2 registrant must designate a registered director, officer, partner, salesperson or advising employee as the compliance officer who is responsible for ensuring the registrant discharges its obligation under the Act and the regulations and rules under the Act. The registrant must inform the commission of the identity of its compliance officer.

6.4(2) Without limiting the generality of subsection (1), a compliance officer

(a) must approve the opening of each new client account;

(b) must supervise trades made for or with each client and the advice provided to each client; and

(c) if a branch manager is designated under section 6.5, must supervise the branch manager's conduct of the activities specified in subsection 6.5(2).

6.4(3) An applicant for registration in one of the categories set out in Part 2 must, when applying, provide the commission with the name of the person it intends to designate as compliance officer.

6.4(4) If a Part 2 registrant's compliance officer ceases to be employed by the registrant or to be designated as the compliance officer, the registrant must designate a new compliance officer and inform the commission of the identity of the new compliance officer. Subsection (1) applies to the designation of a new compliance officer.

Branch managers

6.5(1) A Part 2 registrant must designate a registered director, officer, partner, salesperson or advising employee as the branch manager for its head office and any sub-branch associated with it. The director, officer or partner must be registered as a trading or advising director, officer or partner.

6.5(2) A Part 2 registrant that operates a branch office must designate a registered director, officer, partner, salesperson or advising employee as the branch manager for the branch and any

sub-branch associated with it. The director, officer or partner must be registered as a trading or advising director, officer or partner.

6.5(3) A branch manager

(a) must approve the opening of each new client account of the office or branch he or she manages and any sub-branch associated with it;

(b) must supervise trades made for or with, and the advice provided to, each of clients of the office or branch and any sub-branch associated with it; and

(c) must report directly to the compliance officer designated under section 6.5.

6.5(4) An applicant for registration in one of the categories set out in Part 2 must, when applying, provide the commission with the name of the person it intends to designate as branch manager for each branch or sub-branch office it intends to operate.

6.5(5) If a branch manager of a Part 2 registrant ceases to be employed by the registrant or to be designated as a branch manager, the registrant must designate a new branch manager for the office or branch and any sub-branch associated with it and inform the commission of the identity of the new branch manager. Subsection (2) applies to the designation of the new branch manager.

Know your client and suitability

6.6(1) A Part 2 registrant must make enquiries about each client

(a) to enable the registrant to determine the identity and reputation of the client, if information known to the registrant causes doubt as to whether the client is of good reputation;

(b) to enable the registrant to determine the creditworthiness of a client if the registrant is financing the acquisition of securities by that client; and

(c) as appropriate, in view of the nature of the client's investments and of the type of transaction being effected for the client's account, to ascertain the general investment needs and objectives of the client and the suitability of a proposed purchase or sale of a security for the client.

6.6(2) If a registrant considers that a proposed purchase or sale is not suitable for the investment needs and objectives of a client who is an individual, the registrant must so advise the client.

6.6(3) Paragraph (1)(c) does not apply if a registrant executes a trade on the instructions of an investment dealer, portfolio manager, investment counsel, bank, trust company or insurance company.

6.6(4) When it opens an account for a client, a Part 2 registrant must obtain the client's signature on a dated account application form that includes the relevant know-your-client information or on a dated know-your-client form that includes that information. If the Part 2 registrant becomes aware

of any change in the know-your-client information about a client, the registrant must obtain the client's signature on a dated know-your-client form that includes the updated information.

6.6(5) A Part 2 registrant must collect and maintain records of all know-your-client information it collects, including copies of forms referred to in subsection (4), and must make the records available to the client or Director on request.

6.6(6) A Part 2 registrant may discharge its obligations to a client under this section by ensuring that the registrant's employee's comply with section in relation to the client.

Employee supervision

6.7 A Part 2 registrant must, in accordance with the requirements of this rule and any terms and conditions imposed by the Director or the commission, supervise each individual who the Act requires to be registered with the registrant.

Investment Dealers membership requirement

6.8 An investment dealer must be a member of the Investment Dealers Association of Canada.

Mutual Fund Dealers membership requirement

6.9 A mutual fund dealer must be a member of the Mutual Fund Dealers Association of Canada.

Conflict avoidance – portfolio managers and investment counsel

6.10 A portfolio manager or investment counsel must ensure that it and its employees do not make a purchase or sale for a client of a security in which the portfolio manager or investment counsel, or any of its directors, officers or partners, has a direct or indirect beneficial interest.

International adviser is liable for cost of audit

6.11 In any case when the commission conducts an audit of an international adviser, as defined in subsection 4.6(1), or requires an audit of an international adviser to be done, the international adviser must pay the cost of the audit.

Registration of international advisers

6.12 No person or company is to be granted registration as an international adviser unless in the Director's opinion the person or company has sufficient proficiency to conduct the activities of an international adviser and is registered with a securities regulatory authority in its resident jurisdiction to conduct advising activities.

Registration of securities issuers

6.13(1) A securities issuer must make application to the commission for an order to permit it to be registered under this rule to trade a specified security of its own issue.

6.13(2) The commission, in considering an application for an order under subsection (1), must determine whether the issuance of the order requested is in the public interest having regard to the

nature and type of the security to be traded, the suitability and ability of the issuer to conduct trades to the public and such other matters as the commission determines are relevant.

6.13(3) An order issued under subsection (1) expires on a date set by the commission, and an order must not in any case be granted for a period greater than one year.

Underwriters

6.14 An underwriter must be a member of the Investment Dealers Association of Canada or a stock exchange that the commission recognizes for the purpose of this rule.

PART 7 – REGISTRATION CONDITIONS APPLICABLE TO INDIVIDUAL REGISTRANTS

Individual must comply with employer's registration conditions

7.1 An individual registered under this rule must, to the extent that they apply to the individual, comply with the requirements of this rule that apply to the Part 2 registrant under which the individual is registered, the terms and conditions of the Part 2 registration and all other regulations and rules that apply to the Part 2 registrant.

Only individuals may be registered

7.2 Only individuals may be registered in the registration categories listed in Part 3.

Trading or advising registration with more than one Part 2 registrant prohibited

7.3 An individual must not be registered under more than one Part 2 registrant unless only one of the registrations is in a trading or advising registration category.

Know your client and suitability

7.4(1) An individual registered in a trading or advising registration category under a Part 2 registrant must make enquiries about each of his or her clients

(a) to enable the individual or Part 2 registrant to determine the identity and reputation of the client, if information known to the individual or Part 2 registrant causes doubt as to whether the client is of good reputation;

(b) to enable the individual or Part 2 registrant to determine the creditworthiness of a client if the Part 2 registrant is financing the acquisition of securities by that client; and

(c) as appropriate, in view of the nature of the client's investments and of the type of transaction being effected for the client's account, to ascertain the general investment needs and objectives of the client and the suitability of a proposed purchase or sale of a security for the client.

7.4(2) If a registrant considers that a proposed purchase or sale is not suitable for the investment needs and objectives of a client who is an individual, the registrant must so advise the client.

7.4(3) Paragraph (1)(c) does not apply if a registrant executes a trade on the instructions of an investment dealer, portfolio manager, investment counsel, bank, trust company or insurance company.

7.4(4) When he or she opens an account for a client, a registrant must obtain the client's signature on a dated account application form that includes the relevant know-your-client information or on a dated know-your-client form that includes that information. If the registrant becomes aware of any change in the know-your-client information about a client, the registrant must obtain the client's signature on a dated know-your-client form that includes the updated information.

7.5(5) A registrant must collect and maintain records of all know-your-client information he or she collects, including copies of forms referred to in subsection (4), and must make the records available to the client or Director on request.

Non-trading and non-advising officials and partners

7.5(1) A investment dealer or broker-dealer may, when registering a director, officer or partner, designate the individual as a non-trading official or partner. The Director may, if he or she considers it appropriate, register the individual as non-trading.

7.5(2) A portfolio manager, investment counsel or securities adviser may, when registering a director, officer or partner, designate the individual as a non-advising official or partner. The Director may, if he or she considers it appropriate, register the individual as non-advising.

PART 8 – PROFICIENCY REQUIREMENTS FOR INDIVIDUAL REGISTRANTS

Definitions

8.1 In this Part,

"AIMR Chartered Financial Analyst Program" means a course that is administered and so designated by the Association of Investment and Management Research;

"CSI Branch Managers Course" means a course that is administered and so designated by the Canadian Securities Institute;

"CSI Canadian Securities Course" means a course that is administered and so designated by the Canadian Securities Institute;

"CSI Conduct and Practices Handbook Course" means a course that is administered and so designated by the Canadian Securities Institute;

"CSI Investment Management Techniques" means a course that is administered and so designated by the Canadian Securities Institute;

"CSI Partners, Directors and Senior Officers Qualifying Examination" means a course that is administered and so designated by the Canadian Securities Institute;

"CSI Professional Financial Planning Course" means a course that is administered and so designated by the Canadian Securities Institute.

"ICB Investment Funds Course" means a course dealing with mutual funds that is administered by the Institute of Canadian Bankers;

"IFIC Canadian Investment Funds Course" means a course that is administered and so designated by the Investment Funds Institute of Canada;

"IFIC Branch Manager's Examination Course" means a course that is administered and so designated by the Investment Funds Institute of Canada;

"IFIC Officers', Partners' and Directors' Course" means a course that is administered and so designated by the Investment Funds Institute of Canada.

Investment dealer staff registrations

8.2(1) No individual is to be granted registration as a trading director, officer or partner of an investment dealer unless he or she has been registered as a salesperson under the Act for at least two years and has successfully completed the CSI Partners, Directors and Senior Officers Qualifying Examination. If the individual

(a) was not previously registered as a trading director, officer or partner of an investment dealer, he or she must have completed the examination no more than two years before the application for registration; or

(b) was previously registered as a trading director, officer or partner of an investment dealer and more than three years has passed since the registration ended, he or she must have completed the examination no more than three years before the application for registration.

8.2(2) No individual is to be designated as a branch manager of an investment dealer unless he or she has been registered as a salesperson for at least two years and has successfully completed the CSI Branch Managers Course. If the individual

(a) was not previously designated as a branch manager of an investment dealer, he or she must have completed the course no more than two years before the designation; or

(b) was previously designated as a branch manager of an investment dealer and more than three years has passed since the designation ended, he or she must have completed the course no more than three years before the designation.

8.2(3) No individual is to be designated as a compliance officer of an investment dealer unless he or she is registered as a trading director, officer or partner of the investment dealer and meets the requirements of paragraph 8.10(a).

8.2(4) No individual is to be granted registration as a salesperson of an investment dealer unless he or she has successfully completed the CSI Canadian Securities Course and CSI Conduct and Practices Handbook Course. If the individual

(a) was not previously registered as a salesperson of an investment dealer, he or she must have completed the course no more than three years before the application for registration; or

(b) was previously registered as a salesperson of an investment dealer and more than three years has passed since the registration ended, he or she must have completed the course no more than three years before the application for registration.

Mutual fund dealer staff registrations

8.3(1) No individual is to be granted registration as a director, officer or partner of a mutual fund dealer unless he or she has, within the time specified in subsection (2), successfully completed

(a) one of the following:

- (i) the CSI Canadian Securities Course,
- (ii) the IFIC Canadian Investment Funds Course,
- (iii) the ICB Investment Funds Course; and

(b) one of the following:

- (i) the CSI Partners, Directors and Senior Officers Qualifying Examination,
- (ii) the IFIC Officers', Partners' and Directors' Course.

8.3(2) If the individual being registered under subsection (1)

(a) was not previously registered as a director, officer or partner of a mutual fund dealer, he or she must have completed the course/examination no more than two years before the application for registration; or

(b) was previously registered as a director, officer or partner of a mutual fund dealer and more than three years has passed since the registration ended, he or she must have completed the course/examination no more than three years before the application for registration.

8.3(3) No individual is to be designated as a branch manager of a mutual fund dealer unless he or she has been registered as a salesperson for at least two years and has successfully completed the

IFIC Branch Manager's Course. If the individual

(a) was not previously designated as a branch manager of a mutual fund dealer, he or she must have completed the course no more than two years before the designation; or

(b) was previously designated as a branch manager of a mutual fund dealer and more than three years has passed since the designation ended, he or she must have completed the course no more than three years before the designation.

8.3(4) No individual is to be designated as a compliance officer of a mutual fund dealer unless he or she is registered as a trading director, officer or partner of the mutual fund dealer, has been registered as a salesperson for at least two years and meets the requirements of paragraph 8.10(b).

8.3(5) No individual is to be granted registration as a salesperson of a Mutual fund dealer unless he or she has successfully completed the CSI Canadian Securities Course, ICB Investment Funds Course or IFIC Canadian Investment Funds Course. If the individual

(a) was not previously registered as a salesperson of a mutual fund dealer, he or she must have completed the course no more than three years before the application for registration; or

(b) was previously registered as a salesperson of a mutual fund dealer and more than three years has passed since the registration ended, he or she must have completed the course no more than three years before the application for registration.

Scholarship plan dealer staff registrations

8.4(1) No individual is to be granted registration as a director, officer or partner of a scholarship plan dealer unless he or she has successfully completed the IFIC Officers', Partners' and Directors' Course and the scholarship plan dealer's in-house course and examination. If the individual

(a) was not previously registered as a director, officer or partner of a scholarship plan dealer, he or she must have completed the courses and examination no more than two years before the application for registration; or

(b) was previously registered as a director, officer or partner of a scholarship plan dealer and more than three years has passed since the registration ended, he or she must have completed the courses and examination no more than three years before the application for registration.

8.4(2) In addition to the requirements set out in subsection (1), a director, officer or partner is not to be granted registration as a trading official unless he or she has been registered as a salesperson for at least five years and responsible for the supervision of salespersons for at least two of the years.

8.4(3) No individual is to be designated as a branch manager or sub-branch manager of a scholarship plan dealer unless he or she has been registered as a salesperson for at least two years.

8.4(4) No individual is to be granted registration as a salesperson of a scholarship plan dealer unless he or she has successfully completed the scholarship plan dealer's in-house course and examination.

8.4(5) An in-house course and examination required by subsection (1) or (4) must be approved by the Director before a director, officer, partner or salesperson takes the course or examination.

Specific securities dealer staff registrations

8.5(1) No individual is to be granted registration as a director, officer or partner of a specific securities dealer unless he or she has successfully completed the courses that the Director requires.

8.5(2) No individual is to be granted registration as a salesperson of a specific securities dealer unless he or she has successfully completed the dealer's in-house course and examination.

8.5(3) An in-house course and examination required by subsection (2) must be approved by the Director before a salesperson takes the course or examination.

8.5(4) No individual is to be designated as a branch manager of a specific securities dealer unless he or she has been registered as a salesperson for at least two years.

Portfolio manager staff registrations

8.6(1) No individual is to be granted registration as an advising director, officer or partner of a portfolio manager unless

(a) he or she has at least five years experience involving financial analysis of investments;

(b) for at least three of the years immediately before the application for registration, he or she was supervised by a director, officer or partner of a portfolio manager who is responsible for the managing or supervising of investment portfolios having an aggregate value of not less than \$5,000,000.; and

(c) has successfully completed

(i) the CSI Canadian Securities Course, CSI Investment Management Techniques and the first level of the AMIR Chartered Financial Analyst Program; or

(ii) the CSI Canadian Securities Course and AMIR Chartered Financial Analyst Program.

8.6(2) No individual is to be granted registration as an associate advising director, officer or partner of a portfolio manager unless he or she is under the supervision of a registered advising officer, director or partner, has successfully completed the CSI Canadian Securities Course and has enrolled in either

(a) CSI Investment Management Techniques; or

(b) the first level of the AMIR Chartered Financial Analyst Program.

8.6(3) No individual is to be granted registration as an advising employee of a portfolio manager unless

(a) he or she has at least five years experience involving financial analysis of investments;

(b) for at least three of the years immediately before the application for registration, he or she was supervised by a director, officer or partner of a portfolio manager who is responsible for managing or supervising of investment portfolios having an aggregate value of not less than \$5,000,000.; and

(c) has successfully completed

(i) the CSI Canadian Securities Course, CSI Investment Management Techniques and the first level of the AMIR Chartered Financial Analyst Program; or

(ii) the CSI Canadian Securities Course and AMIR Chartered Financial Analyst Program.

8.6(4) No individual is to be granted registration as an associate advising employee of a portfolio manager unless he or she is under a registered advising director, officer, partner or employee's supervision, has successfully completed the CSI Canadian Securities Course and has enrolled in either

(a) CSI Investment Management Techniques; or

(b) the first level of the AIMR Chartered Financial Analyst Program.

Investment counsel and staff registrations

8.7(1) No individual is to be granted registration as an investment counsel or as an advising director, officer or partner of an investment counsel unless

(a) he or she has at least five years experience involving financial analysis of investments;

(b) for at least three of the years immediately before the application for registration, he or she was supervised by a director, officer or partner of an investment counsel who is responsible for providing advice with respect to investment portfolios having an aggregate value of not less than \$5,000,000.; and

(c) has successfully completed

(i) the CSI Canadian Securities Course, CSI Investment Management Techniques and the first level of the AMIR Chartered Financial Analyst Program; or

(ii) the CSI Canadian Securities Course and AMIR Chartered Financial Analyst Program.

8.7(2) No individual is to be granted registration as an associate advising director, officer or partner of an investment counsel unless he or she is under the supervision of an advising director, officer or partner, has successfully completed the CSI Canadian Securities Course and has enrolled in either

- (a) CSI Investment Management Techniques; or
- (b) the first level of the AIMR Chartered Financial Analysts Program.

8.7(3) No individual is to be granted registration as an associate advising employee unless he or she is under the supervision of an investment counsel or an advising director, officer or partner, and has successfully completed the CSI Canadian Securities Course and has enrolled in either

- (a) CSI Investment Management Techniques; or
- (b) the first level of the AIMR Chartered Financial Analyst Program.

International adviser staff registrations

8.8 No individual is to be granted registration as a director, officer or partner of an international adviser unless in the Director's opinion the person has sufficient proficiency to conduct the activities of an international adviser and is registered with a securities regulatory authority in his or her resident jurisdiction to conduct advising activities.

Securities issuer staff registrations

8.9 No individual is to be granted registration as a director, officer, partner or salesperson of a securities issuer, or an individual trading for a securities adviser, unless in the Director's opinion the person has sufficient proficiency to conduct the activities of a securities issuer.

Compliance officer designations

8.10 No individual is to be designated as a compliance officer of a Part 2 registrant unless

- (a) if the registrant is an investment dealer, the individual has successfully completed
 - (i) the CSI Canadian Securities Course, and
 - (ii) the CSI Partners, Directors and Senior Officers Qualifying Examination; or
- (b) if the registrant is not an investment dealer, the individual has successfully completed
 - (i) one of the CSI Canadian Securities Course, IFIC Canadian Investment Funds Course, or ICB Investment Funds Course, and
 - (ii) either the CSI Partners, Directors and Senior Officers Qualifying Examination or IFIC Officers', Partners' and Directors' Course.

PART 9 – REGISTRATION PROCEDURES

Registration process

9.1 A person or company who the Act requires to be registered in one of the registration categories listed in Part 2 must

(a) in the case of an investment dealer, mutual fund dealer, scholarship plan dealer, specific securities dealer, portfolio manager, investment counsel, securities adviser or underwriter apply for registration in accordance with the requirements of MSC Rule 2002-5 (*National Registration Database*); or

(b) in the case of a securities issuer, apply in accordance with this rule for an order permitting the registration.

Financial reporting in connection with application

9.2(1) An applicant for registration in one of the categories set out in Part 2 must file with the commission audited financial statements for the financial year of the application and the previous four financial years.

9.2(2) If the applicant has not existed for a complete financial year, the applicant must file an audited opening balance sheet with the application.

9.2(3) The financial statements filed by the applicant must be signed by at least two directors or partners of the applicant and accompanied by a signed auditor's report.

Applicant history

9.3 An applicant for registration in one of the categories set out in Part 2 must provide a written history of the applicant and any associated companies, describing the nature of the business activities of the applicant as well as business activities contemplated by the applicant in the future.

Policies and procedures

9.4(1) An applicant for registration in one of the categories set out in Part 2 must file a copy of its written policies and procedures with the commission with its application for registration.

9.4(2) A Part 2 registrant must file with the commission any changes made to its policies and procedures.

9.4(3) The director may refuse to register an applicant for registration under Part 2, or suspend a current registration, if the registrant's policies and procedures are not sufficient to protect the interests of the registrant's clients.

Non-resident broker-dealers, portfolio managers and investment counsel

9.5(1) If an applicant for registration as a broker-dealer, portfolio manager or investment counsel does not reside in Manitoba, the applicant must, when applying,

- (a) file a form of submission to jurisdiction, acceptable to the commission; and
- (b) appoint an agent for service in Manitoba, in a form acceptable to the commission.

9.5(2) The agent for service must be appointed the agent for service for the applicant and all individuals registered under the applicant. After the applicant is registered, it must without delay appoint a new agent for service, if the current agent terminates the agency.

PART 10 – CAPITAL, BONDING AND INSURANCE

Investment dealers

10.1 An investment dealer must maintain positive risk-adjusted capital and bonding in accordance with the requirements set by the Investment Dealers Association of Canada.

Mutual fund dealers

10.2 A mutual fund dealer must

- (a) maintain positive risk-adjusted capital and bonding in accordance with the requirements set by the Mutual Fund Dealers Association of Canada; and
- (b) either
 - (i) maintain a surety bond in a minimum amount of \$100,000. issued by a bonding company authorized to do business in Manitoba, or
 - (ii) have comparable investor protection under the investor protection program established by the MFDA Investor Protection Corporation.

Scholarship plan dealers

10.3 A scholarship plan dealer must maintain

- (a) at least \$25,000. working capital on a have and maintained basis;
- (b) a total of \$25,000. shareholders' equity;
- (c) a surety bond in a minimum amount of \$100,000. issued by a bonding company authorized to do business in Manitoba; and
- (d) insurance coverage in the form of a broker's blanket bond or financial institution bond in the amount of \$100,000. that must include coverage for trading losses.

Specific securities dealers

10.4 A specific securities dealer must maintain the working capital, bonding and insurance that the Director requires having regard to the dealer's intended business operation.

Portfolio managers

10.5 A portfolio manager must maintain

- (a) at least \$25,000. working capital on a have and maintained basis;
- (b) at least \$25,000. of shareholders' equity;
- (c) a surety bond in the minimum of \$25,000. issued by a bonding company authorized to do business in Manitoba; and
- (d) a broker's blanket bond or financial institution bond in the minimum amount of \$100,000. that must include coverage for trading losses.

Investment counsel

10.6 An investment counsel must

- (a) maintain at least \$5,000. working capital on a have and maintained basis;
- (b) maintain a total of \$5,000. shareholders' equity;
- (c) maintain a surety bond in the minimum of \$25,000. issued by a bonding company authorized to do business in Manitoba; and
- (d) if the investment counsel collects fees, provide the Director with evidence of insurance covering dishonesty, disappearance and destruction in the amount of \$10,000.

Securities advisers

10.7 A securities adviser must

- (a) maintain at least \$5,000. working capital on a have and maintained basis;
- (b) maintain a total of \$5,000. shareholders' equity;
- (c) maintain a surety bond in the minimum of \$25,000. issued by a bonding company authorized to do business in Manitoba; and
- (d) if the securities adviser collects fees, provide the Director with evidence of insurance covering dishonesty, disappearance and destruction in the amount of \$10,000.

Securities issuers

10.8 A securities issuer must maintain the working capital, bonding and insurance that the commission requires in the order permitting the securities issuer to be registered.

Underwriters

10.9 An underwriter must maintain working capital, bonding and insurance in accordance with the requirements of the Investment Dealers Association of Canada or a stock exchange recognized by the commission for the purpose of this rule.

PART 11 – PERSONNEL AND LOCATIONS OF OPERATION

General personnel requirements

11.1(1) A Part 2 registrant must employ no fewer than

(a) two individuals,

(i) one of whom is registered as an advising or trading director, officer or partner, or as an advising employee or salesperson, of the registrant and designated as head-office branch manager, and

(ii) one of whom is registered as an advising or trading director, officer or partner, or as an advising employee, associate advising employee or salesperson, of the registrant; and

(b) a third individual, who is either

(i) an individual referred to in subparagraph (a)(ii), or

(ii) an employee who is registered under this rule as either advising or non-advising or either trading or non-trading.

11.1(2) A Part 2 registrant must ensure that enough personnel to meet the usual needs of its clients are present in its place of business at all times during usual business hours.

Reporting requirements

11.2 A Part 2 registrant must report to the commission the following information:

(a) locations of each branch, including the dates when a branch has been opened or closed;

(b) locations of each sub-branch, including the dates when a sub-branch has been opened or closed; and

(c) the names of all registered individuals located at a branch or sub-branch, including the name of the branch manager.

PART 12 – RECORD KEEPING

General record keeping requirements

12.1(1) A Part 2 registrant must maintain books and records necessary to properly record its business transactions, and financial records and charts. Depending on the nature of the registrant's business, the necessary books and records may include, but are not limited to,

(a) blotters or other records of original entry, containing an itemized daily record of all purchases and sales of securities as more particularly required by subsection (2), all receipts and disbursement of cash, and all other debits and credits;

(b) a general ledger, or other records, maintained in detail reflecting all the assets and liabilities, and income and expense and capital accounts;

(c) ledger accounts, or other records, setting out the information required by subsection (3) and itemizing separately for each cash and margin account of every client,

(i) each purchase, sale, receipt, delivery and other trade of securities for the account, and

(ii) each other debit and credit to such an account;

(d) ledgers, or other records, reflecting the following:

(i) securities in transit,

(ii) money, securities and property received to margin, guarantee or secure trades or contracts of clients, and

(iii) all funds accruing to clients that must be segregated for the benefit of clients under applicable legislation;

(e) an adequate record of each order, and of any other instruction, given or received for the purchase and sale of a security, showing

(i) the terms and conditions of the order or instruction and of any modification or cancellation of it,

(ii) the account to which the order or instruction relates,

(iii) the time of entry of the order or instruction,

(iv) if the order is entered pursuant to the exercise of discretionary power by a registrant, a statement to that effect;

(v) if the order relates to an omnibus account, the component accounts within the omnibus account on whose behalf the order is to be executed, and the allocation among the component accounts intended on execution,

(vi) if an order or instruction is placed by an individual other than the person in whose name the account is operated or an individual duly authorized to place orders or instructions on behalf of a client that is a company, the name, sale number or designation of the individual placing the order or instruction,

(vii) to the extent feasible, the time of execution or cancellation,

(viii) the price at which the order or instruction was executed, and

(ix) the time of report of execution;

(f) copies of confirmation of all trades in securities and notices of other debits and credits of money, securities, property, proceeds of loans and other items for the account of clients;

(g) a record of all securities in which the registrant has a direct or indirect interest or which the registrant has granted or guaranteed, containing at least an identification of the securities;

(h) a record of proof of money balances of all ledger accounts in the form of trial balances and a record of the computation of required capital, each prepared currently at least once a month;

(i) a record of margin calls, whether such calls are made in writing, by telephone or by other means of communication;

(j) all cheque books, bank statements, cancelled cheques, deposit summaries and cash reconciliations;

(k) a record in respect of each account of the name and address of the beneficial owner and guarantor, if any, of such account;

(l) where trading instructions are accepted from a person or company other than the client, written authorization or ratification from the client naming the person or company but, in the case of a joint account or an account of a partnership or company, the authorizations and ratifications are only required from the person or persons authorized to transact business for the account;

(m) all written agreements, or copies of such agreements, entered into by the registrant and a client relating to their business as such, including, but not limited to, leveraging documentation, disclosure material, account opening documentation and other agreements relating to the account.

12.1(2) Blotters or other records of original entry, kept as required by paragraph (1)(a), must show for each trade

- (a) the account for which each trade was effected;
- (b) the trade date;
- (c) the quantity of securities bought or sold;
- (d) the price at which the securities were bought or sold;
- (e) the name of the salesperson used to effect the trade;
- (f) the commission charged; and
- (g) the settlement amount.

12.1(3) Ledger accounts and other records, kept as required by paragraph (1)(c), must show

(a) with respect to all securities and property received to margin, guarantee or secure the trades in securities of clients,

- (i) a description of the securities or property received,
- (ii) the dates of receipt,
- (iii) the identity of the deposit institution, if any, where the securities or property are segregated,
- (iv) the dates of deposit and withdrawal from such institutions,
- (v) the dates of return of the securities or property to the clients or of other dispositions of the securities to property, and
- (vi) if a security or item of property is disposed of other than by return to the client from whom to was received, the facts and circumstances of the disposition; and

(b) with respect to investments of money, proceeds of funds segregated for the benefit of the clients,

- (i) the dates on which the investments were purchased or made,
- (ii) the identity of the person or company through or from whom the investments were purchased or made,
- (iii) the amounts invested,
- (iv) a description of the investments,

(v) if the investments were not in the physical possession of the registrant, the identity of the deposit institution or the dealer registered under any applicable securities legislation where the investments are deposited, and

(vi) when the investments are disposed of

(A) the date of liquidation or other disposition and the amount of money received on such disposition, and

(B) the identity of the person or company or to through whom the investments were disposed of.

Additional requirements for portfolio managers and securities advisers

12.2 In addition to meeting the applicable requirements of section 12.1, a portfolio manager or securities adviser must maintain books and records necessary to properly record its business transactions, and financial records, including, but not limited to:

(a) a list of all past and present clients, setting out in respect of each client

(i) his or her address and telephone number, and

(ii) the date on which or the dates between which the registrant provided advice to the client as to the trading of securities;

(b) an original copy of each agreement between the registrant and a client for the provision of the registrant's services, signed by the client and setting out the amount and basis for calculating the remuneration paid or to be paid by the client to the registrant;

(c) a copy of all written communications, including faxes and electronic mail, between the client and the registrant, whether or not C when the communication is from the registrant to the client C the registrant is providing advice in the communication; and

(d) a record of all securities bought or sold by the registrant, or an employee of the registrant (whether registered or not), for the registrant or employee's own account, that includes the detail required by subsection 12.1(2).

Maintenance, storage and production of documents and records

12.3(1) Unless otherwise required to be maintained for a longer period of time by applicable legislation, all documents and records the Act or this rule requires a registrant to keep must be kept for a period of eight years from the date the document or record is made and must be readily accessible during the first two years of the eight year period. A registrant must, upon request, produce any such document or record for inspection by a representative of the commission during the registrant's regular business hours. If an inspection request is made more than two years after the date of a document or record, the registrant will be allowed a reasonable period to retrieve the document or record from storage, if necessary.

12.3(2) A certified copy of a document or record the Act or this rule requires a registrant to keep must be provided, on request to a commission representative, at the registrant's expense. Instead of furnishing a certified copy, the registrant may provide the original document or record to the commission representative for reproduction, and the representative may temporarily remove the document or record from the registrant's premises for this purpose. All certified copies or originals must be provided without delay on request. The commission representative must, on request, issue a receipt for any copy or original document or record received. On request from the commission representative, the registrant must, upon the return of a copy or original document or record, issue a receipt for it.

12.3(3) A registrant must keep, in hard copy, written client orders and any other document that has been signed by a client.

12.3(4) Subject to subsection (3), records may be kept by means of the mechanical, electronic or other devices referred to in subsection (5), where such a method of record keeping is not prohibited under any other applicable legislation, and the registrant takes adequate precautions, appropriate to the means or device used, to guard against risk of falsification of the information recorded.

12.3(5) Preservation and reproduction of original documents and keeping, preservation and reproduction of records on microfilm, microfiche, tape cartridge or compact disk is permitted as follows:

(a) Computer, accounting or business machine generated records may be immediately produced or reproduced on microfilm or microfiche and kept in that form. Computer generated records may be immediately produced on tape cartridges or compact disks in conformity with the requirements of this section and kept in that form.

(b) A registrant that preserves or reproduces documents or keeps, preserves or reproduces records on microfilm, microfiche, tape cartridge or compact disk must at all times have on its premises and on request make available to a commission representative facilities for easily readable projection of the microfilm or microfiche or display of information kept or preserved in tape cartridge or compact disk that allow immediate examination of the documents or records.

(c) A registrant that preserves or reproduces original documents or keeps, preserves or reproduces records on tape cartridge or compact disk must at all times have on its premises facilities for immediately producing complete, accurate and easily readable hard copies of the documents or records. On request from a commission representative, the registrant must make available to the representative hard copies of the documents or records arranged, indexed and filed in such a manner as to permit the immediate location of any particular document or record.

(d) A registrant that preserves or reproduces original documents or keeps, preserves or reproduces records on tape cartridge or compact disk must create a directory structure for the computer files containing the documents or records and an index for the tape cartridges or compact disks and must preserve the directory structure, files and index in such a manner as to permit the immediate

location of any particular document or record. A directory structure must organize and locate computer files, and an index must distinguish, identify and locate documents or records in the same file. A registrant must at all times maintain on its premises current, accurate and complete hard copies of such directory structures and indices for examination by a commission representative.

(e) Only commission-required documents and records may be stored on the same tape cartridge or compact disk. A registrant that stores a record that is not required by the commission on the same cartridge or compact disk as a commission-required record waives any privilege, claim of confidentiality or other objection to disclosure with respect to the record that is not required by the commission.

12.3(6) A registrant must maintain records sufficient to demonstrate whether it has complied with the requirements of this rule, terms and conditions of registration and all other requirements of the Act.

12.3(7) A registrant must establish and enforce appropriate internal controls to guard against falsification, alteration or loss of recorded information that this Part requires it to maintain.

PART 13 – EXEMPTIONS

13.1 If the Director considers that it is not prejudicial to the public interest to do so, he or she may, with or without conditions, vary the application of a provision of the regulations or rules under the Act to a person or company.

13.2 Despite section 13.1, the Director may, with or without conditions, exempt an individual from a proficiency requirement set out in Part 8 if the Director believes that

(a) it would not be prejudicial to the public interest to grant the exemption; and

(b) the individual has educational qualifications or experience that are equivalent to the requirements of this rule.

13.3 When the commission is of the opinion that it is not prejudicial to the public interest, the commission may, by order with or without conditions, exempt a person or company from a provision of the regulations or rules under the Act or vary the application of a provision to a person or company.

PART 14 – GENERAL

14.1(1) A report, statement or other material required to be filed with the commission under the Act or the regulations and rules under the Act must

- (a) be clear and legible;
- (b) have numbered pages; and
- (c) be fastened in a secure manner.

14.1(2) A report, statement or other material required to be filed with the commission under the Act or the regulation and rules under the Act must be addressed to the attention of the Director and filed at 1130-405 Broadway, Winnipeg, Manitoba, R3C 3L6.

14.1(3) A report, statement or other material is filed when actually received by the commission at the address specified in subsection (2).

14.1(4) Except as otherwise provided in the Act or this rule, every document required or permitted to be filed with the commission that is required to be signed or certified must be manually signed and must include below the signature the name of the individual in typewritten or printed form.

PART 15 – CITATION AND EFFECTIVE DATE

Citation

15.1 This rule may be cited as MSC Rule 2003-** or Local Rule _____.

Effective date

15.2 This rule comes into force effective _____.

Dated _____

The Manitoba Securities Commission