



**IT IS ORDERED:**

1. THAT, under s. 20(1) of the Act, trades by a Mutual Fund Dealer in GICs shall be exempt from s. 6 of the Act, subject to the following conditions:

- (a) the Mutual Fund Dealer is not also registered as an exempt market dealer;
- (b) all obligations of the Mutual Fund Dealer and salesperson to a client under the Act, regulations to the Act and Commission rules, and under the rules and requirements of the MFDA apply to trades of GICs; and
- (c) for all subscriptions or applications for the purchase of a GIC, client deposits must be made by cheques and such cheque must be payable to the financial institution from which the GIC is purchased.

2. THAT, under s. 20(1) of the Act, trades by a Mutual Fund Dealer in Deposit Notes shall be exempt from s. 6 of the Act, subject to the following conditions:

- (a) the Mutual Fund Dealer is not also registered as an exempt market dealer;
- (b) trading in Deposit Notes on behalf of a Mutual Fund Dealer shall be effected only by a registered individual employed by the Mutual Fund Dealer;
- (c) each trade of Deposit Notes through a Mutual Fund Dealer must be reviewed for suitability; and
- (d) all obligations of the Mutual Fund Dealer and salesperson to a client under the Act, regulations to the Act and Commission rules, and under the rules and requirements of the MFDA apply to trades of Deposit Notes.

**BY ORDER OF THE COMMISSION**

**Deputy Director**