

THE MANITOBA SECURITIES COMMISSION
MSC Rule No. 2018-13
(Section 149.1, *The Securities Act*)

LOCAL RULE 33-502
CONDITIONS OF REGISTRATION – APPROVED COMPENSATION AND CONTINGENCY FUNDS

Interpretation

1.1 In this Rule, terms defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* have the same meaning in this Rule.

Conditions of registration — approved compensation and contingency fund

1.2 Every dealer, other than an exempt market dealer or scholarship plan dealer as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, shall participate in and contribute to a compensation fund or contingency trust fund approved by the Director and established by,

- (a) a recognized self-regulatory organization referred to in section 31.1 of the Act;
- (b) a recognized exchange; or
- (c) a trust company.

1.3 A dealer must contribute an amount of money to a fund referred to in section (1.2) equal to the amount that the self-regulatory body, exchange or, in the case of a fund established by a trust company, the Director requires.

1.4 The Director may exempt a dealer that does not hold funds or securities of its clients from the requirements of section (1.2).

Exemption

1.5 The Commission may grant an exemption to this Rule, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

Effective date

1.6 This Rule comes into force effective September 19, 2018.

1.7 This Rule may be cited as MSC Rule 2018-13.