

13.1.6 MFDA Notice – Housekeeping Amendment to MFDA Rule 2.2.3 (New Account Approval)

MFDA NOTICE – HOUSEKEEPING AMENDMENT TO MFDA RULE 2.2.3 (NEW ACCOUNT APPROVAL)

Current Rule

Rule 2.2.3 currently requires that each Member designate a partner, director, officer or branch manager to approve the opening of new accounts.

Reason for Amendment

As currently drafted, Rule 2.2.3 permits any partner, director or officer to approve new accounts. Rule 2.2.3 was intended to require that new accounts be approved by a *trading* partner, director or officer who is registered or licensed under applicable securities legislation.

Description of Amendment

The amendment will clarify that new accounts must be approved by a partner, director, officer or branch manager who is registered or licensed under applicable securities legislation by the addition of the word “trading” before “partner, director or officer”. The amendment is housekeeping in nature in that it involves the correction of a typographical drafting error.

The amendment was approved by the MFDA Board of Directors on June 13, 2003.

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

MFDA Rule 2.2.3 (New Account Approval)

On June 13, 2003, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to Rule 2.2.3:

2.2.3 New Account Approval. Each Member shall designate a trading partner, director or officer or, in the case of a branch office, a branch manager reporting directly to the designated partner, director or officer, who shall be responsible for approval of the opening of new accounts and the supervision of account activity. The designated person shall prior to or promptly after the completion of any initial transaction specifically approve the opening of such account in writing and a record of such approval shall be maintained in accordance with Rule 5.