

13.1.2 Amendments to Section 35 of MFDA By-law No. 1 – MFDA IPC

**MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

**NO ACTIONS AGAINST THE CORPORATION  
(SECTION 35 OF MFDA BY-LAW NO. 1)  
(Amendments to Version Published for Comment on June 26, 2009)**

**35. NO ACTIONS AGAINST THE CORPORATION**

No Member (including in all cases a Member whose rights and privileges have been suspended or terminated and a Member who has been expelled from the Corporation or whose Membership has been forfeited), Approved Person or any other person who is subject to the jurisdiction of the Corporation, shall be entitled, subject to the provisions of Section 26, to commence or carry on any action or other proceedings against the Corporation or against the Board of Directors, the Executive Committee, any Regional Council, any Committee thereof, or against any officer, employee or agent of the Corporation or member or officer of any such Board of Directors, Committee or Council or against any Member's auditor, or against MFDA Investor Protection Corporation, its Board of Directors, any of its committees or its officers, employees and agents, in respect of any penalty imposed or any act or omission done or omitted under the provisions of and in compliance with or intended compliance with the provisions of any By-law, Rule or Policy and, in addition, in the case of MFDA Investor Protection Corporation, its letters patent, by-laws and policies, and in any case, under all regulatory directives or agreements thereunder.

**35.A MFDA INVESTOR PROTECTION FUND**

35A.1. The Corporation is authorized to enter into and perform its obligations under such agreements or other arrangements with MFDA Investor Protection Fund ("IPC") as may be, in the discretion of the Board of Directors, consistent with the objects of the Corporation including, without limitation, the Administration Agreement dated as of July 1, 2005, made between the Corporation and IPC, as the same may be amended from time to time (the "Administration Agreement"). The President, his or her staff or any other person designated by the Board of Directors shall be authorized to execute and deliver any such agreements, or make any such arrangements, and to do all acts and things as may be necessary to permit the Corporation to exercise its rights or perform its obligations thereunder.

35A.2. In respect of the Administration Agreement or other agreements and arrangements entered into by the Corporation in accordance with Section 35A.1 from time to time, each Member:

- (a) shall promptly pay to the Corporation all regular and special assessments levied or prescribed by IPC in respect of any Member or Members;
- (b) shall provide to IPC such information as is contemplated to be provided by Members in connection with the assessment of the financial condition of Members or risk of loss to IPC;
- (c) acknowledges and consents to the exchange between the Corporation and IPC of information relating to Members, their partners, directors, officers, shareholders, employees and agents, customers or any other persons permitted by law in accordance with any information sharing agreements or arrangements made by them;
- (d) shall permit IPC to conduct reviews of such Member or designated groups of Members as contemplated by the Administration Agreement or other arrangements and to fully cooperate with IPC, and ~~its their respective~~ staff and advisers, in connection with such reviews including, without limitation, the exercise by IPC of such powers as are available to the Corporation and its officers, staff or other designates pursuant to Sections 21 ~~and 22, 22.1 and 22.2~~;
- (e) shall comply with such actions as IPC may direct the Corporation to take with respect to a Member, or with such actions as IPC may take on behalf of the Corporation as authorized.