



## GENERAL ORDER 31-919

### Transitional Relief from the Requirement to Provide Relationship Disclosure Information Prescribed by Section 14.2(1) of NI 31-103 for MFDA Member Firms

IN THE MATTER OF *THE SECURITIES ACT, 1988*,

#### ORDER

WHEREAS the Saskatchewan Financial Services Commission (the "Commission") has assigned to the Director of the Securities Division the power to make exemption orders under provisions of *The Securities Act, 1988* (the "Act") including orders of general application;

AND WHEREAS the staff of the Commission have applied to the Director for an Order pursuant to section 83 of the Act exempting certain persons and companies from the requirement in subsection 14.2(1) of NI 31-103;

AND WHEREAS in this decision terms defined in *The Securities Act, 1988*, National Instrument 14-101 *Definitions*, or National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) have the same meaning in this general order.

AND WHEREAS it has been represented to the Director that:

1. Under section 14.2(1) of NI 31-103, a registered firm must deliver to a client all information that a reasonable investor would consider important about the client's relationship with the registrant.
2. The Mutual Fund Dealers Association of Canada (the MFDA) has adopted new member rules for relationship disclosure information (the MFDA RDI Rules) finalizing a proposal (the MFDA RDI Proposal) published on July 26, 2010 in MFDA Bulletin 0444-P-*Proposed amendments to MFDA Rule 2.2 (Client accounts), Policy No. 2 Minimum Standards for account supervision, Rule 2.8 (Client communications) and Rules 5.3 (Client reporting)*.
3. The purpose of the MFDA RDI rules is to set out detailed requirements to assist registered firms who are MFDA members to comply with the general principle in section 14.2(1) of NI 31-103.
4. Under section 16.14 of NI 31-103, temporary relief from the application of section 14.2(1) of NI 31-103 was available until September 28, 2010 to persons or companies that were registered on the date when NI 31-103 came into effect.
5. On September 28, 2010, the Director issued General order 31-912 *Transitional relief from the requirement to provide the relationship disclosure prescribed by section 14.2(1) of NI 31-103 for MFDA member firms* providing further temporary relief from the application of section 14.2(1) of NI 31-103 to MFDA members.

6. The MFDA RDI Rules will be implemented in phases, starting on September 28, 2011 and ending December 31, 2013.
7. Since the MFDA RDI Rules will be fully implemented by December 31, 2013, the cost that MFDA members will incur by having to comply with section 14.2(1) of NI 31-103 in the interim is not justified.

AND WHEREAS the Director is of the opinion that it would not be prejudicial to the public interest to make this Order;

IT IS HEREBY ORDERED pursuant to section 83 of the Act that section 14.2(1) of NI 31-103 does not apply to registered firms that are members of the MFDA, provided the MFDA member complies with the MFDA RDI Rules subject to applicable transition periods.

AND IT IS FURTHER ORDERED THAT this order comes into effect on September 28, 2011 and expires on December 31, 2013.

*“Barbara Shourounis”*  
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Barbara Shourounis  
Director