

**GENERAL RULING/ORDER 31-928**

**IN THE MATTER OF  
THE SECURITIES ACT, 1988 (the Act)**

**AND**

**IN THE MATTER OF  
THE MUTUAL FUND DEALERS ASSOCIATION  
OF CANADA**

**WHEREAS** under section 9.4 [*exemptions from certain requirements for MFDA members*] of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**), a registered firm that is a member of the Mutual Fund Dealers Association of Canada (**MFDA**) is exempt from certain requirements in NI 31-103 if the registered firm complies with the corresponding MFDA Provisions that are in effect;

**AND WHEREAS** the term “MFDA Provision” is defined in section 1.1 of NI 31-103 to mean “a by-law, rule, regulation or policy of MFDA named in Appendix H, as amended from time to time”;

**AND WHEREAS** on July 15, 2014, the following provisions of NI 31-103 will come into effect:

- (a) paragraph 14.2(2)(m) [*relationship disclosure information*]; and
- (b) section 14.2.1 [*pre-trade disclosure of charges*] (paragraphs (a) and (b) together, the **CSA 2014 CRM2 Amendments**);

**AND WHEREAS** on July 15, 2014, certain MFDA Rules in relation to the implementation of Client Relationship Model – Phase 2 (the **MFDA 2014 CRM2 Amendments**) will come into effect;

**AND WHEREAS** MFDA Rules affected by the MFDA 2014 CRM2 Amendments are not reflected in Appendix H of NI 31-103;

**AND WHEREAS** the following table sets out the relevant NI 31-103 sections of the CSA 2014 CRM2 Amendments and the corresponding MFDA Rules affected by the MFDA CRM2 Amendments:

<b>NI 31-103 section</b>	<b>MFDA Rule</b>
Paragraph 14.2(2)(m)	MFDA Rule 2.2.5(h)
Section 14.2.1	MFDA Rule 2.4.4

**AND WHEREAS** the MFDA 2014 CRM2 Amendments are materially harmonized with the CSA 2014 CRM2 Amendments;

**AND WHEREAS** the Financial and Consumer Affairs Authority (**FCAA**) has the power, pursuant to section 160 of the Act, to exempt any person or company or category of persons or companies from all or any provision of the act or the regulations;

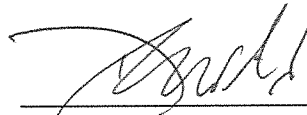
**AND WHEREAS** the FCAA has delegated to the Chair, FCAA (**FCAA Chair**) the power to make orders pursuant to section 160 of the Act;

**AND WHEREAS** FCAA Chair has determined that it is not prejudicial to the public interest to make the within order;

**IT IS HEREBY ORDERED** that

1. The following sections of NI 31-103 do not apply to any registered firm that is a member of MFDA if the registered firm complies with the corresponding MFDA 2014 CRM2 Amendments:
  - (a) paragraph 14.2(2)(m); and
  - (b) section 14.2.1; and
2. This order comes into effect on July 15, 2014 and expires on the date on which amendments to Part 9 of NI 31-103 and Appendix H of NI 31-103 come into force providing an equivalent exemption for MFDA members.

DATED at Regina, Saskatchewan, this 27<sup>th</sup> day of May, 2014.



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Dave Wild  
Chair, Financial and Consumer Affairs Authority  
of Saskatchewan