



Mutual Fund Dealers Association of Canada
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MFDA Bulletin

Membership Information

For Distribution to Relevant Parties within your Firm

Revised Membership Application Package

The MFDA Board of Directors has approved revisions to the MFDA Membership Application Package. The revised Membership Application Package must be used by all new mutual fund dealer registrants applying for MFDA membership.

The MFDA's initial Membership Application Package and new Member acceptance process was developed in March 2001 and was designed to bring pre-existing mutual fund dealer registrants into membership. As the MFDA has admitted all existing mutual fund dealers into membership, subsequent applications for MFDA membership will be from new start-up organizations. Accordingly, the Membership Application Package has been revised to account for this change. The Membership Application Package has also been updated to provide more guidance to applicants in complying with MFDA requirements.

Significant changes from the previous Membership Application Package include the following:

- the requirement to submit a business plan;
- the requirement to file an audited MFDA Financial Questionnaire and Report, not more than 90 days old and unaudited monthly MFDA Financial Questionnaire and Report(s) for month end(s) subsequent to the date of the audited FQR;
- the requirement to file an Auditor's Report regarding the applicant's system of books and records;
- the requirement to provide a copy of a trust bank statement and Notice to Financial Institution (if applicable);
- the requirement to file an Undertaking Regarding Retractable Preferred Shares (if applicable);

- the requirement to submit additional account opening documents, including limited trading authorizations, risk of leveraging disclosure, client complaint information disclosure, dual occupation disclosure, if applicable, and referral arrangement disclosure, if applicable;
- the requirement to submit referral and service agreements; and
- the requirement to submit a checklist that compares the applicant's policies and procedures manual to MFDA requirements.

The revised Membership Application Package dated April 2004 can be found under the Membership Section of the MFDA website at www.mfda.ca.

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