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**BULLETIN #0114-P**  
November 22, 2004

# MFDA Bulletin

## Policy

**For Distribution to Relevant Parties within your Firm**

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### **Amendment to MFDA Rule 1.1.7 (Business Names, Styles, Etc.)**

The MFDA Board of Directors and the recognizing securities commissions have approved amendments to MFDA Rule 1.1.7 (Business Names, Styles, Etc.). The amended Rule, as attached, is effective immediately.

The amendments to Rule 1.1.7 require that whenever an Approved Person's trade name is used in a communication to clients or the public, the legal name of the Member must also appear.

Rule 1.1.7 has also been amended to permit the trade name of an Approved Person to be included on contracts, account statements and confirmations, provided that the Member consents to such use and the Member's legal name also appears in at least equal size and prominence to the Approved Person's trade name. On all communications apart from contracts, account statements and confirmations, either the Member's legal name or a business, style or trade name of the Member must appear in at least equal size to the trade name of the Approved Person.

## MUTUAL FUND DEALERS ASSOCIATION OF CANADA

### MFDA Rule 1.1.7 (Business Names, Styles, Etc.)

On June 18, 2004, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendments to Rule 1.1.7:

#### 1.1.7 Business Names, Styles, Etc.

- (a) **Use of Member Name.** Except as permitted pursuant to Rule 1.1.6 with respect to introducing dealers and carrying dealers and subject to Rule 1.1.7(b) ~~and (c)~~, all business carried on by a Member or by any person on its behalf shall be in the name of the Member or a business or trade or style name owned by the Member; ~~an Approved Person in respect of the Member~~ or an affiliated corporation of ~~either of them, and the Member, shall notify the Corporation prior to the use of any business or style or trade names other than the Member's legal name.~~
- (b) **Contracts, Account Statements and Confirmations.** Notwithstanding the provisions of paragraph (a), the legal name of the Member shall be included on any contracts, account statements or confirmations of the Member.
- ~~(b)(c)~~ **Use of Approved Person Trade Name.** Notwithstanding the provisions of paragraph (a), ~~No~~ an Approved Person ~~shall~~ may conduct any business of the Member in accordance with (a) in a business or trade name or style name that is not that of, or owned by, the Member or its affiliated corporation ~~unless if~~:
- i) the Member has given its prior written consent; and
  - ii) ~~the name is used together with the Member's legal name or a business or trade name or style of the Member in at least equal size~~ in all materials communicated to clients or the public (other than contracts, account statements or confirmations in accordance with ~~(iie)~~):
    - (A) the name is used together with the Member's legal name; and
    - (B) the Member's legal name or a business or trade or style name of the Member is at least equal in size and prominence to the business or trade or style name used by the Approved Person;
  - iii) on contracts, account statements or confirmations, the Member's legal name must be at least equal in size and prominence to the business or trade or style name used by the Approved Person.
- ~~(e)~~ Notwithstanding the provisions of paragraph (b), only the legal name of the Member shall appear on any contracts, account statements or confirmations of the Member.

(d) Notification of Trade Names. Prior to the use of any business or style or trade names other than the Member's legal name, the Member shall notify the Corporation.

(e) Compliance with Applicable Legislation. Any business or trade or style name used by a Member or Approved Person must comply with the requirements of any applicable legislation relating to the registration of business or trade or style names.

(d)(f) Single Use of Trade Names. No Member or Approved Person of such Member shall use any business or trade or style name that is used by any other Member, unless the relationship with such other Member is that of an introducing dealer and carrying dealer, in compliance with Rule 1.1.6.

(e)(g) Misleading Trade Name. No Member or Approved Person shall use any business or trade or style name that is deceptive, misleading or likely to deceive or mislead the public.

(f)(h) Prohibition of Use of Trade Name. The Corporation may prohibit a Member or Approved Person from using any business or trade or style name in a manner that is contrary to any provision of this Rule 1.1.7 or that is objectionable or contrary to the public interest.