

1.1.2 MFDA Investor Protection Corporation - Notice of Approval

MFDA INVESTOR PROTECTION CORPORATION

NOTICE OF APPROVAL

MFDA IPC Approval

On May 3, 2005, the Commission approved the MFDA Investor Protection Corporation (MFDA IPC) as a compensation fund, pursuant to subsection 110(1) of Regulation 1015, as amended, made under the *Securities Act* (Ontario). The MFDA IPC will provide protection to eligible customers of MFDA members on a discretionary basis to prescribed limits if securities, cash and other property held by any such member are unavailable as a result of the member's insolvency. The MFDA IPC intends to commence coverage of customer accounts on July 1, 2005.

Alberta, British Columbia, Nova Scotia and Saskatchewan have also approved the MFDA IPC as a compensation fund. A copy of Ontario's approval order is published in Chapter 2 of this Bulletin.

The Commission published the MFDA IPC's revised application for approval as a compensation fund on February 25, 2005, at (2005) 28 OSCB 2067. Fourteen commenters responded to the request for comments. The MFDA IPC's summary of comments and responses are published in Chapter 13 of this bulletin.

Ontario Contingency Trust Plan

Mutual fund dealers who are currently participants in the Ontario Contingency Trust Plan (OCTF) will no longer be required to participate in the OCTF once they have become covered by the MFDA IPC and have had their participation in the OCTF terminated in accordance with its procedures.