MEMORANDUM OF UNDERSTANDING

BETWEEN:

Alberta Securities Commission;

British Columbia Securities Commission;

The Manitoba Securities Commission;

Office of the Administrator of Securities (New Brunswick);

Securities Division, Department of Government Services & Lands (Newfoundland);

Office of the Registrar of Securities (Northwest Territories);

Nova Scotia Securities Commission;

Ontario Securities Commission;

Department of Community Affairs and Attorney General (Prince Edward Island);

Department of Justice, Legal Registries Division (Nunavut);

Saskatchewan Securities Commission;

Registrar of Securities (Yukon)

(collectively, the "Securities Administrators")

- and -

Canadian Investor Protection Fund,

a corporation incorporated under the laws of Canada (the "CIPF")

WHEREAS the Securities Administrators is comprised of the authority (the "Regulator") in each Canadian province and territory that, under statute, regulates the securities industry within its jurisdiction and each of the Securities Administrators is responsible for promoting both investor protection and an active capital market in its jurisdiction;

AND WHEREAS the securities laws in each Canadian province and territory may require registered dealers to participate in a compensation fund or contingency trust fund approved by the Regulator and established by, among others, a self-regulatory organization;
AND WHEREAS this approval is subject to the existence of an agreement among the Regulators and the CIPF, such agreement having been entered into on July 2, 1991;

AND WHEREAS the Canadian Investor Protection Fund ("CIPF Trust") (originally named the National Contingency Fund) was established as a trust pursuant to an Agreement and Declaration of Trust dated May 1, 1969, as subsequently amended and restated;

AND WHEREAS CIPF Trust was established by its sponsoring self-regulatory organizations to protect customers who have suffered financial loss due to the failure of a member of any one of the sponsoring self-regulatory organizations;

AND WHEREAS the CIPF Trust was terminated and wound up, effective 11:59 p.m. on December 31, 2001 (the "Effective Time");

AND WHEREAS as of the Effective Time CIPF has continued the operations of CIPF Trust in accordance with an agreement dated December 14, 2001 (the "Industry Agreement"), between the Investment Dealers Association of Canada (the "IDA"), Bourse de Montréal Inc. (the "Bourse"), The Toronto Stock Exchange Inc. (the "TSX"), and Canadian Venture Exchange (now doing business as the TSX Venture Exchange) (the "TSXVX");

AND WHEREAS the CIPF is financed by members of the securities industry through each Responsible Regulating SRO (as defined below);

AND WHEREAS in order to carry out their responsibilities more efficiently, and to reduce possible duplicative and unnecessary regulatory burdens, the CIPF and the Securities Administrators seek to reflect current practices, streamline the reporting process and more clearly establish how the Securities Administrators will rely on CIPF;

AND WHEREAS CIPF has or expects to enter into an agreement with the Commission des valeurs mobilières du Québec (or any successor thereto) containing substantially the same terms as this Agreement;

AND WHEREAS the parties hereto desire to enhance the protection of the investing public and maintain investor confidence in the Canadian capital markets;

AND WHEREAS the parties wish to amend and restate the existing agreement made between them;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, in consideration of the mutual covenants and agreements herein contained, the parties hereto hereby covenant, agree and declare as follows:

ARTICLE 1

Definitions

1.1 "Agreement" means this agreement entered into between the Securities Administrators and the CIPF.

1.2 "Applicable Regulators" means each Regulator in the jurisdictions in which a Member Firm is registered.

1.3 "Approval" means the approval of the CIPF by the Regulators required pursuant to those securities laws in each Canadian province or territory which may stipulate that registered dealers must participate in a compensation fund or contingency fund approved by the Regulator and established by, among others, a
self-regulatory organization. A schedule of such securities laws requirements is set out in Appendix A to
this Agreement and a copy of each Approval is at Appendix B to this Agreement.

1.4 "Board of Governors" means the board of directors of the CIPF.

1.5 "By-Law Number 1" means By-Law Number 1 of the CIPF.

1.6 "CIPF Policies" means the policies, guidelines or other instruments adopted by the Board from time to
time, and all amendments thereto, pursuant to Section 14.1 of By-Law Number 1.

1.7 "Committee" means the Securities Administrators Committee on SRO Oversight.

1.8 "Coverage Policies" means policies established from time to time by the Board of Governors pursuant
to Article Four of this Agreement regarding Customer protection.

1.9 "Customer" has the meaning ascribed to that term in the Coverage Policies.

1.10 "Fund" means the liquid assets of CIPF available for protection of customers of Members.

1.11 "Governors" means the persons comprising the Board.

1.12 "Member Firm" means a participant of any of the SRO's that is a registered dealer in Canada.

1.13 "Nominating Committee" means the nominating committee established pursuant to Part 5 of By-law
Number 1.

1.14 "Public Person" means a person, including any person who is a member of the immediate family of
such person, who:

(A) is not an employee, director, governor or significant shareholder of a Member Firm or any affiliated or
associated company;

(B) is not an employee or governor of a SRO;

(C) is not an employee of any government or agency thereof; or

(D) does not have an ongoing business relationship as a consultant to a Member Firm or SRO.

1.15 "Qualified Custodian" means those entities considered suitable to hold securities on behalf of a
Member Firm, for both inventory and client positions, without capital penalty, pursuant to the bylaws, rules
or regulations of the SROs.

1.16 "Quarterly Report" means the report made quarterly by the CIPF to the Securities Administrators
pursuant to Section 3.9 of this Agreement, in the form agreed to by the parties.

1.17 "Reportable Conditions" means any condition which in the opinion of the official designated by each
SRO to be responsible for financial regulation could give rise to payments being made out of the Fund,
including any condition which has contributed substantially to or, if appropriate corrective action is not
taken, could reasonably be expected to:
(1) inhibit a Member Firm from promptly completing securities transactions, promptly segregating customers' securities as required or promptly discharging its responsibilities to customers, other Member Firms and other creditors;

(2) result in material financial loss;

(3) result in material misstatements of the Member Firm's financial statements; or

(4) result in violations of the minimum record requirements to an extent that could reasonably be expected to result in the conditions described in parts (1), (2), or (3) above.

1.18 "Responsible Regulating SRO", with respect to a Member Firm, means the SRO determined by the Governors to be primarily responsible for the supervision of a Member Firm.

1.19 "SRO" means any of the IDA, the Bourse, The TSX, and the TSXVX.

ARTICLE 2

Organization of the CIPF

2.1 Board of Governors

The Board of Governors for the CIPF shall be selected by the participating SROs and/or the Nominating Committee in a fair and reasonable manner and shall fairly represent all of the member firms and their customers.

2.2 Public Governors

A minimum of one-third of the Board of Governors shall be Public Persons nominated by the Nominating Committee and appointed by the Governors, from persons eligible pursuant to Section 4.3.2 of By-Law Number 1, to represent the interests of the public. The Nominating Committee shall bear in mind the need for appropriate and timely regional representation.

2.3 President and Chief Executive Officer

The CIPF shall maintain a full-time president whose appointment shall be approved by a majority of the Board of Governors. The President shall also serve as Chief Executive Officer of the CIPF.

2.4 Examiners

The CIPF shall maintain a group of full-time examiners who shall function under the direction of the President.

2.5 Audit Committee of the Board of Governors

The Board of Governors shall maintain an audit committee, the majority of which shall be made up of members of the Board of Governors who are Public Persons. The audit committee will be responsible for, among other things, reviewing the annual management letter on internal control, the President's expenses and the financial statements.

2.6 External Auditor
The Board of Governors shall appoint external auditors for the CIPF, for the purpose of conducting an audit of the CIPF's annual financial statements. The individual auditor responsible for completion of the audit shall have had not less than five years of auditing experience in the securities industry.

2.7 Audited Financial Statements

The annual audited financial statements of the CIPF shall be sent to the Securities Administrators promptly after being approved by the Board of Governors and no later than 120 days after the close of the CIPF fiscal year.

2.8 Removal of Governors

The Board of Governors shall establish fair and equitable written provisions to provide for the removal of Governors, based on reasonable grounds, including absence.

ARTICLE 3

Funding and Maintenance of CIPF

3.1 Method of Assessment

The CIPF shall institute a fair and reasonable method of establishing equitable assessments for each Member Firm's contribution and provide the Securities Administrators with a current copy of the method of assessments.

3.2 Changes in Method of Assessment

The CIPF shall notify the Securities Administrators 30 days prior to making any changes in the method of assessing Member Firms.

3.3 Collection of Assessments

The Responsible Regulating SRO shall collect CIPF assessments from their Member Firms, in accordance with the provisions of Section 2.1 of the Industry Agreement, and remit the collected funds to the CIPF.

3.4 CIPF Asset Level

The Board of Governors of the CIPF shall determine the appropriate level of assets for the CIPF and shall ensure that the level of assets of the CIPF is, in its opinion, adequate.

3.5 Investment of Moneys in CIPF

Moneys in the Fund shall be invested in accordance with policies, standards and procedures approved by the Board of Governors, who will be responsible for regular monitoring of the investments. All investments shall be executed by one or more qualified registrants and all moneys and securities shall be held by a Qualified Custodian. The CIPF shall provide the Securities Administrators with its current investment policies and shall, in the Quarterly Report, inform the Securities Administrators of any changes in such policies.

3.6 Material Changes
The CIPF shall immediately report any material adverse change in the level of CIPF assets to the Securities Administrators.

3.7 CIPF Internal Controls

The CIPF shall implement an appropriate accounting system, including a system of internal controls for maintaining CIPF assets.

3.8 Annual CIPF - Securities Administrators Meetings

The CIPF shall meet with the Securities Administrators or their representatives at least once a year to report on the CIPF's oversight activities as set out in this agreement, including but not limited to fund size, the CIPF resources, Member Firm failures, the CIPF minimum standards, and the extent and results of the examinations conducted. The Securities Administrators may request more frequent meetings in the case of a material adverse change in the level of CIPF assets.

3.9 Reporting Requirements of the CIPF to the Securities Administrators

In addition to annual reporting and immediate notification requirements set out in this agreement, the CIPF shall make a Quarterly Report, the form and content of which shall be agreed upon by the parties. The Quarterly Report shall be sent to the Securities Administrators, in accordance with the notification procedures set out in Section 7.2 of this Agreement, no later than 45 days after the end of the quarter being reported on. For the purposes of this Agreement, a quarter ends on the last day of the months of March, June, September and December.

ARTICLE 4

Customer Protection

4.1 Policies for Coverage

The CIPF shall establish and maintain Coverage Policies and shall provide a current copy of such Coverage Policies to the Securities Administrators.

4.2 Universality

The CIPF shall provide coverage for all Customers of Member Firms who are not ineligible claimants as determined pursuant to the Coverage Policies established by the CIPF pursuant to Section 4.1 of this Agreement.

4.3 Payment of Claims

The Coverage Policies shall include fair and reasonable policies for assessing claims made to the CIPF and the CIPF shall pay Customer claims made pursuant to those policies.

4.4 Claim Reviews

The CIPF shall establish within its Coverage Policies a fair and reasonable internal claim review process whereby customer claims that are not accepted for payment by the CIPF staff or by an appointed committee shall be reconsidered by the Board of Governors or a review panel if requested by the Customer or CIPF staff. The Coverage Policies shall include criteria established by the Board of Governors for the selection of the review panel members.
4.5 Legal Action Against the CIPF

Nothing in this Agreement shall be interpreted to prevent a Customer from taking legal action against the CIPF in a court of competent jurisdiction in Canada, nor will the CIPF contest the jurisdiction of such a court to consider a claim where the claimant has exhausted the CIPF’s internal claim review process.

4.6 CIPF Policy Changes

The CIPF shall inform the Securities Administrators 30 days prior to implementing any changes to its Coverage Policies. In emergency situations, where in the opinion of the CIPF 30 days prior notice is considered unreasonable, the CIPF shall inform the Securities Administrators with as much advance notice as possible in the circumstances. Such notice shall include an explanation of why the 30 day period is considered to be unreasonable.

4.7 Assistance to SRO Where Financial Problems Exists

The CIPF shall assist a SRO when a Member Firm is in or is approaching financial difficulty. Such assistance shall be provided in any way the CIPF determines to be appropriate.

ARTICLE 5

Financial and Operational Regulation

5.1 Minimum Standards

The Board of Governors shall maintain minimum standards for all Member Firms in the following areas:

(i) Capital Requirements;

(ii) Customers' Accounts;

(iii) Audits and Questionnaires;

(iv) Field examinations;

(v) Books and records;

(vi) Internal Controls;

(vii) Insurance;

(viii) Segregation;

(ix) Early Warning System;

(x) Reportable Conditions; and

(xi) Most Stringent Rule

As required by Section 3.5 of the Industry Agreement, the Board of Governors shall maintain a subcommittee of the CIPF comprising representatives of the SROs, staff of the CIPF and other appropriate
persons to monitor and advise the Board of Governors in respect of the minimum standards and changes and additions thereto.

5.2 Reporting Requirements of SROs

The Securities Administrators shall work together with the CIPF to establish the minimum reporting requirements for SROs with respect to SRO financial surveillance of Member Firms. Pursuant to these requirements, the SROs will report to CIPF the results of their monitoring and inspection activities. The CIPF shall establish internal review procedures with respect to this information.

5.3 Examination of Financial Compliance of SROs

On an ongoing basis the CIPF shall review and evaluate SRO financial examination activities to ensure that there is compliance with the minimum standards established pursuant to Section 5.1 of this Agreement.

5.4 Examination of Member Firms

The CIPF shall conduct financial examinations on a selected sample of Member Firms to ensure that Member Firms are in compliance with the minimum standards and to oversee the financial compliance activities of the SROs. The sample selection criteria should include, but is not limited to, risk factors, geographic location and type of business.

The examiners shall also be available in emergency situations to conduct special examinations and to provide assistance to the SROs.

5.5 SRO Reports

The CIPF shall for the information of the Securities Administrators and SROs analyze all SRO activities in relation to ensuring consistent application of the minimum standards among member firms and shall report on its findings in this area to the Securities Administrators, in the Quarterly Report, and to the SROs.

5.6 CIPF Oversight of the SROs' Financial Compliance Function

As part of oversight of the SROs, the Securities Administrators, where appropriate, will rely on the CIPF to oversee the SROs' financial compliance function. In order to establish reliance on the CIPF’s oversight, the Securities Administrators will carry out examinations of the CIPF. It is anticipated that an examination of the CIPF will be completed every three years. The Ontario Securities Commission is the Principal Regulator for the purpose of the CIPF examination. The Principal Regulator will solicit interest from the other Regulators with respect to participating in the examination. Those Regulators that choose to participate will be considered to be Non-Principal Regulators for the purpose of CIPF examinations. The Principal Regulator will develop the examination program in consultation with staff of Non-Principal Regulators and the examination program will be approved by the Committee prior to its implementation. The Principal Regulator will be responsible for adequate staffing of the review, drafting reports and reporting to the Committee on the status and results of the examination.

At the conclusion of a CIPF examination, the procedure shall be as follows:

(i) the Principal Regulator will finalize a report and send it to the CIPF for comment;

(ii) the CIPF will review the report and respond with comments within 15 business days of receipt;

(iii) the Principal Regulator will consider the CIPF’s comments and revise the report as necessary within 10 business days of receiving the comments;
(iv) the Principal Regulator will then forward a copy of the report and the CIPF’s comments to the Non-Principal Regulators for comment;

(v) the Non-Principal Regulators will review the report and the CIPF’s comments and respond with comments within 10 business days of receipt;

(vi) the Principal Regulator will consider these comments, revise the report as necessary, then release the final report to the CIPF, the Committee and the Securities Administrators' Chairs;

(vii) the CIPF shall use its best efforts to respond the report within 30 days of receipt; and

(viii) the Principal Regulator will review the CIPF response and develop a follow-up plan, which will be presented to the Committee for approval.

ARTICLE 6

Reporting to Securities Administrators

With Respect to Member Firms

6.1 Automatic Reporting

The CIPF shall prepare and provide to the Securities Administrators within 35 business days of each month end monthly aggregate financial information concerning the Member Firms, as set out in the CIPF’s Monthly Financial Report Consolidation- All Firms. In addition, a quarterly summary of its financial oversight activities shall be included in the Quarterly Report.

6.2 Requested Information

A Regulator may, at any time, request information from the CIPF in respect of any Member Firm registered in its jurisdiction, and the CIPF shall comply with that request for information.

6.3 Immediate Notification

The CIPF shall immediately report

(a) to the Applicable Regulators,

(i) any Reportable Conditions with respect to the Member Firm of which the CIPF has been notified,

(ii) when any Member Firm has failed to file on a timely basis any required financial or operational report. For greater certainty, the Applicable Regulators shall be notified forthwith of the triggering of all early warning thresholds which would reasonably be expected to raise concerns about a member's liquidity, risk-adjusted capital or profitability,

(iii) misconduct or apparent misconduct by Member Firms and their registered or approved employees and others where investors, clients, creditors, Member Firms, the CIPF or a SRO may reasonably be expected to suffer serious damage as a consequence thereof, including where the solvency of a Member Firm is at risk, fraud is alleged or there is a concern of deficiencies in supervision or internal controls, and

(iv) upon being notified by the SRO that the Member Firm has been suspended or expelled from membership in the SRO for non compliance with the minimum standards referred to in Section 5.1 of this
Agreement or for any other reason, or where the Member Firm has withdrawn from membership in the SRO, to ensure all client accounts have been properly dealt with;

(b) to the Securities Administrators where a SRO has withdrawn or been expelled from participation in the CIPF or where a new SRO has become a participant in the CIPF.

As soon as practical after informing the Applicable Regulators of this information, the CIPF shall prepare and provide to the Applicable Regulators the reasons and/or an analysis of the information.

6.4 CIPF Actions in respect of Member Firms

The CIPF shall prepare and provide to the Applicable Regulators a report detailing any action taken with respect to such Member Firm in relation to the Member Firm's insolvency. For Member Firm failures, the report shall describe the circumstances of the failure, including a summary of the actions taken by the Member Firm, the SRO and the CIPF and any committee or person acting on behalf of such parties. These reports shall be included in the Quarterly Report.

ARTICLE 7

Miscellaneous Provisions

7.1 Amendments

This Agreement and any provision hereof may be amended at any time or times with the unanimous consent of the parties to this Agreement.

7.2 Notices

Unless specified otherwise in this Agreement, all notices and other information to be sent to the CIPF under this Agreement shall be delivered to:

Canadian Investor Protection Fund
PO Box 192 Suite 2400, South Tower Royal Bank Plaza
Toronto, Ontario M5J 2J4

Unless specified otherwise in this Agreement, all notices and other information to be sent to the Securities Administrators under this Agreement shall be delivered to:

Ontario Securities Commission
PO Box 55
Toronto, Ontario M5H 3S8

The Director of Capital Markets shall forward all notices and information to the other Regulators within 10 business days of receipt.

7.3 Confidentiality

All notices, reports and any other information provided pursuant to this Agreement are being provided for regulatory purposes and shall be supplied and maintained in confidence, except as required for regulatory purposes.

7.4 Authority
Nothing in this Agreement is intended to limit the powers of any of the Securities Administrators under applicable securities laws to take any measures authorized under such laws.

7.5 Approval

The Approvals shall be amended to reflect that this Agreement has been amended and restated and appended to the Approvals.

7.6 Effective Date

This Agreement comes into effect in each province or territory when both the Regulator in that province or territory and the CIPF have signed the Agreement, with the exception of Ontario where the Agreement comes into effect on a date determined in accordance with applicable legislation.

Alberta Securities Commission

by 
______________ Date ______________

British Columbia Securities Commission

by 
______________ Date ______________

The Manitoba Securities Commission

by 
______________ Date ______________

Office of the Administrator of Securities (New Brunswick)

by 
______________ Date ______________

Securities Division, Department of Government Services & Lands (Newfoundland)

by 
______________ Date ______________

Office of the Registrar of Securities (Northwest Territories)

by 
______________ Date ______________
Nova Scotia Securities Commission

by

________________

Date

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Ontario Securities Commission

by

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Date

________________

Department of Community Affairs and Attorney General (Prince Edward Island)

by

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Date

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Department of Justice, Legal Registries Division (Nunavut)

by

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Date

________________

Saskatchewan Securities Commission

by

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Date

________________

Registrar of Securities (Yukon)

by

________________

Date

________________

Canadian Investor Protection Fund

by

________________

by

________________

Date

Date
APPENDIX A

Table of Securities Legislation Which May Require Registered Dealers
to participate in an Approved Compensation or Contingency Fund

<table>
<thead>
<tr>
<th>Province or Territory</th>
<th>Legislative Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>British Columbia</td>
<td>Section 23(1)(a) of the Securities Rules</td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>Section 23(1) of The Securities Regulations</td>
</tr>
<tr>
<td>Ontario</td>
<td>Section 110(1) of Regulation 1015</td>
</tr>
<tr>
<td>Nova Scotia</td>
<td>Section 27 of the Securities Regulations</td>
</tr>
</tbody>
</table>

APPENDIX B

British Columbia Securities Commission

Headnote

Order under s.23(1)(a) of the Securities Rules approving the Canadian Investor Protection Fund as a compensation fund.

Approval Order

Canadian Investor Protection Fund

Section 23(1)(a) of the Securities Rules, BC Reg. 194/97

Background

1. The Securities Rules, BC Reg. 194/97 requires registered dealers to participate in a compensation fund approved by the executive director.

2. The Canadian Investor Protection Fund is a compensation fund established by certain self-regulatory organizations, and approved by the Executive Director, to protect customers who have suffered financial loss due to the failure of a member of certain self-regulatory organizations. It was organized as a trust pursuant to an agreement and declaration of trust dated May 1, 1969, as subsequently amended and restated and was originally named the National Contingency Fund.

3. The trust was wound up as of December 31, 2002, and its operations were continued through a not-for-profit corporation incorporated under the laws of Canada (CIPF).

Representations of CIPF

1. CIPF continues to be subject to a Memorandum of Understanding dated July 2, 1991 (1991 MOU) between the CIPF and the Commission, among others.

2. CIPF will enter into and comply with a new Memorandum of Understanding (2002 MOU) between the CIPF and the Commission, among others.
3. The 2002 MOU will be effective in British Columbia when executed by both the Commission and the CIPF and will then supersede the 1991 MOU.

4. The terms of the compensation fund provide substantially the same coverage to customers of registrants who are members of certain self-regulatory organizations as it did when it was organized as a trust.

Approval

1. Under section 23(1)(a) of the Rules, the CIPF is approved as a compensation fund.

August 21, 2002

"Steve Wilson" Executive Director

Ontario Securities Commission

IN THE MATTER OF THE SECURITIES ACT, R.S.O. 1990, C.S.5,

AS AMENDED (the Act)

AND

IN THE MATTER OF REGULATION 1015 MADE UNDER THE ACT, R.R.O. 1990, AS AMENDED (the Regulation)

AND

IN THE MATTER OF THE COMMODITY FUTURES ACT, R.S.O. 1990, C.20, AS AMENDED (the CFA)

AND

IN THE MATTER OF REGULATION 90 MADE UNDER THE ACT, R.R.O. 1990, AS AMENDED (the CFA Regulation)

AND

IN THE MATTER OF THE CANADIAN INVESTOR PROTECTION FUND

APPROVAL ORDER

(Section 110 of the Regulation and Section 23 of the CFA Regulation)

Pursuant to section 110(1) of the Regulation, every dealer, other than a security issuer, shall participate in a compensation fund or contingency trust fund approved by the Commission and established by an organization referred to in section 20 [now section 21] of the Act or a trust corporation registered under the Loan and Trust Corporation Act;

Pursuant to section 23 of the CFA Regulation, every registered futures commission merchant shall participate in either a compensation fund that a self-regulatory body recognized under section 15 [now section 16] of the CFA or a commodity futures exchange registered under section 19 [now section 15] of the
CFA participates in or established, or a contingency trust fund established by a trust corporation registered under the Loan and Trust Corporations Act;

The Canadian Investor Protection Fund (CIPF) was established in 1969 by an Agreement and Declaration of Trust, as subsequently amended and restated by agreements, by its sponsoring self-regulatory organizations to protect customers who have suffered financial loss due to the failure of a member of any one of the sponsoring self-regulatory organizations;

The CIPF structure has been changed from that of a trust to a not-for-profit corporation (the Corporate Changes), as of January 1, 2002;

The Investment Dealers Association of Canada (IDA), along with other self-regulatory organizations, is a sponsor of the CIPF;

The Commission has recognized the IDA as a self-regulatory organization under section 21.1 of the Act and under section 15 of the CFA;

Members of the IDA must contribute to the CIPF as a condition of membership of the IDA;

The Commission, along with other Canadian Securities Authorities, entered into an agreement with the CIPF dated July 2, 1991, which provided for the role and responsibilities of the CIPF;

The CIPF and the Commission, along with other Canadian Securities Authorities, wish to amend and restate the July 2, 1991, agreement to reflect the Corporate Changes and current practices, streamline the reporting process and more clearly establish how the CSA will rely on the CIPF;

The Commission has considered the Corporate Changes made to CIPF;

The Commission has considered the amended and restated agreement;

The Commission is satisfied that the approval of the CIPF would not be prejudicial to the public interest;

The Commission grants and continues the approval of the CIPF, pursuant to section 110(1) of the Regulation and pursuant to section 23 of the CFA Regulation, subject to;

1. The CIPF entering into and complying with an amended and restated agreement with the Commission.

Dated October 17, 2002

"David Brown"

"Paul Moore"

Saskatchewan Securities Commission

GENERAL RULING/ORDER 11-904

APPROVAL OF THE CANADIAN INVESTOR PROTECTION FUND

IN THE MATTER OF THE SECURITIES ACT, 1988 AND THE SECURITIES REGULATIONS AND
IN THE MATTER OF THE CANADIAN INVESTOR PROTECTION FUND

APPROVAL ORDER

(SECTION 23 OF THE SECURITIES REGULATIONS)

WHEREAS the Canadian Investor Protection Fund (the "CIPF") was established in 1969 by an Agreement and Declaration of Trust, as subsequently amended and restated by agreements, by its sponsoring self-regulatory organizations to protect customers who have suffered financial loss due to the failure of a member of any one of the sponsoring self-regulatory organizations;

WHEREAS the Investment Dealers Association of Canada (the "IDA"), along with other self-regulatory organizations is a sponsor of the CIPF;

WHEREAS the Saskatchewan Securities Commission (the "Commission") has recognized the IDA as a self-regulatory organization pursuant to section 21 of The Securities Act, 1988 (the "Act") in General Ruling Order 11-102 dated July 17, 2000;

WHEREAS pursuant to subsection 23(1) of The Securities Regulations the Commission may require dealers to participate in a compensation fund or contingency fund that is approved by the Commission and established by a self-regulatory organization recognized pursuant to section 21 of the Act or a trust corporation licensed under The Trust and Loan Corporations Act;

WHEREAS the Commission has adopted as a Commission regulation Local Instrument 31-501 SRO Membership for Brokers and Securities Dealers effective March 15, 2001 which requires brokers and securities dealers to belong the IDA;

WHEREAS dealers, including investment dealers, brokers and securities dealers, which are members of the IDA must contribute to the CIPF as a condition of membership;

WHEREAS the Commission, along with other Canadian Securities Authorities entered into an agreement with the CIPF dated July 2, 1991 which provided for the role and the responsibilities of the CIPF;

WHEREAS the CIPF has changed its structure from a trust to a not-for-profit corporation;

AND WHEREAS The CIPF and the Commission, along with the other Canadian Securities Authorities wish to amend and restate the July 2, 1991 agreement to reflect current practices, streamline the reporting process and more clearly establish how the CSA will rely on the CIPF;

AND UPON the Commission having considered the amended and restated agreement;

AND UPON the Commission being satisfied that to do so would not be prejudicial to the public interest;

THE COMMISSION HEREBY APPROVES the CIPF pursuant to section 23(1) of The Securities Regulations, provided that the CIPF enters into and complies with an amended and restated agreement with the Commission.

Dated September 13, 2002.

Saskatchewan Securities Commission
"Dave Wild" Chairperson