

**13.1.3 Notice of Commission Approval – Housekeeping Amendment to MFDA By-Law No. 1, Section 1 (Definitions – “Control”)**

**MUTUAL FUND DEALERS ASSOCIATION OF CANADA (MFDA)**

**HOUSEKEEPING AMENDMENT TO MFDA BY-LAW NO. 1**

**SECTION 1 (DEFINITIONS – “CONTROL”)**

**Current By-law**

Section 1 of By-law No.1 currently defines “control” or “controlled” in respect of a corporation by another person or by two or more corporations, to mean circumstances where:

- (a) voting securities of the first-mentioned corporation carrying more than 50% of the votes for the election of directors are held, other than by way of security only, by or for the benefit of the other person or by or for the benefit of the other corporations; and
- (b) the votes carried by such securities are entitled, if exercised, to elect a majority of the Board of Directors of the first-mentioned corporation,

and where the Board of Directors orders that a person shall, or shall not, be deemed to be controlled by another person, then such order shall be determinative of their relationships in the application of the By-laws, Rules, Policies and Forms with respect to that Member.

**Description of Amendment**

The proposed amendment would delete the word “and” and replace it with the word “but” in the definition of “control” or “controlled” in section 1 of MFDA By-law No.1.

The amendment is housekeeping in nature in that it corrects a typographical error.

**Reasons for Amendment**

The proposed amendment is intended to correct a typographical error.

**Effective Date**

The amendment to By-law No. 1 will be effective on a date to be subsequently determined by the MFDA.

**MUTUAL FUND DEALERS ASSOCIATION OF CANADA**

**MFDA By-law No. 1**

On September 27, 2006 the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to MFDA By-law No. 1:

**INTERPRETATION AND EFFECT**

**1. DEFINITIONS**

“control” or “controlled”, in respect of a corporation by another person or by two or more corporations, means the circumstances where:

- (a) voting securities of the first-mentioned corporation carrying more than 50% of the votes for the election of directors are held, other than by way of security only, by or for the benefit of the other person or by or for the benefit of the other corporations; and
- (b) the votes carried by such securities are entitled, if exercised, to elect a majority of the Board of Directors of the first-mentioned corporation,

~~and—but~~ where the Board of Directors orders that a person shall, or shall not, be deemed to be controlled by another person, then such order shall be determinative of their relationships in the application of the By-laws, Rules, Policies and Forms with respect to that Member;