



INVESTMENT  
DEALERS  
ASSOCIATION  
OF CANADA

# bulletin



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CANADIENNE  
DES COURTIERS  
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*For distribution to relevant parties within your firm*

**BULLETIN # 3030**

August 12, 2002

## **By-Laws and Regulations Amendments to By-law 15.11 Association Accounts and Funds and Execution of Instruments – Financial Assistance for Securities Industry Organizations**

### **General**

The Board of Directors of the Association has approved the attached amendment to By-law 15.11, to be effective July 15, 2002.

Included in the authorities granted under By-law No. 15 is the authority for the execution of certain financial instruments by designated officers of the Association. The instruments currently covered under this by-law include such items as cheques, orders for payment and investments.

### **Loan Guarantees to Securities Industry Organizations**

This amendment expands this authority by enabling the Association to provide financial assistance to securities industry organizations, by means of loans and loan guarantees

The only loan guarantee the Association had executed prior to this amendment was to the Canadian Investor Protection Fund (“CIPF”) in 1980. On that occasion, By-law No. 15.11 was enacted specifically to permit the CIPF loan guarantee. This amendment was drafted in response to a requirement of the Association to issue another loan guarantee, this time to Market Regulation Services Inc. The Association may also encounter similar situations in the future. This amendment will eliminate the occurrence of undue delays associated with passing a specific by-law amendment each time a similar need arises.

The amendment requires that any guarantee extended pursuant to this by-law must be approved by the Executive Committee of the Board of Directors (“Executive Committee”) and be signed by two members of the Executive Committee, of which one must be the Chair, Vice-Chair or President.

Kenneth A. Nason  
*Association Secretary*

# **INVESTMENT DEALERS ASSOCIATION OF CANADA**

## **BY-LAW 15.11**

### **FINANCIAL ASSISTANCE FOR SECURITIES INDUSTRY ORGANIZATIONS**

THE BOARD OF DIRECTORS of the Investment Dealers Association of Canada hereby makes the following amendments to the By-laws, Regulations, Forms and Policies of the Association:

1. By-law No. 15.11 is repealed and replaced as follows:

“15.11 Notwithstanding the provisions of By-law 15.7, the Board of Directors may from time to time for and on behalf of the Association:

- (i) obtain or provide letters of credit as security; or
- (ii) otherwise guarantee the obligations; or
- (iii) otherwise provide financial assistance or support,

to, of or in respect of any person or organization, except Members, engaged in regulation, education, registration, operations, trading, customer protection or other participation in or in respect of the Canadian capital markets and the business of Members of the Association and, without limitation, such persons or organizations shall include the Canadian Investor Protection Fund, Market Regulation Services Inc., any stock exchange in Canada, The Canadian Depository for Securities Limited, the Canadian Securities Institute, the Canadian Capital Markets Association and any other such person or organization as may be determined by the Board of Directors. Any documents or instruments necessary or desirable in connection with the foregoing may be executed and delivered by or on behalf of the Association by any two members of the Executive Committee of the Board of Directors provided that one of such members is the Chair, Vice-Chair or President, or by any other person or persons as may be authorized by the Board of Directors.”

PASSED AND ENACTED BY THE Board of Directors this 10<sup>th</sup> day of April 2002, to be effective on a date to be determined by Association staff.