

APPENDIX "D" - MFD Rule 1A (CLEAN)

- (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,

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 and Forms with respect to that Member;

"Corporation" has the same meaning as set out in General By-law No. 1, section 1.1;

"Form 1" means the Form 1 prescribed for Members;

"hearing committee" means a hearing committee of a District appointed in accordance with Rule 7.1;

"Hearing Panel" means a hearing panel appointed pursuant to Rule 7.2;

"individual" means a natural person;

"industry member" means a current or former director, officer, partner or employee of a Member, or an individual who is otherwise suitable and qualified for appointment to a hearing committee.

"introducing dealer" means a Member that introduces customer accounts to a carrying dealer in accordance with Rule 1.1.6;

"Investment Dealer Member" means a Dealer Member that is registered as an investment dealer or an investment dealer that it also registered as a mutual fund dealer in accordance with securities legislation;

"Investment Dealer Member Rules" means the Corporation's Investment Dealer and Partially Consolidated Rules and Universal Market Integrity Rules;

"Member" means a Dealer Member that is registered as a mutual fund dealer in accordance with securities legislation and is not also registered as an investment dealer;

"monitor" means a person or company appointed to oversee and report on a Member's activities and to act in furtherance of powers granted by a Hearing Panel;

"mutual fund dealer" means a person registered or licensed by a securities commission to deal in mutual fund or investment fund securities, other than a securities dealer;

"nominee name" means, in respect of an account or client property, other than client cash held in a trust account of a Member, an account established by a Member for a client in