



## **MFDA Investor Protection Corporation**

Corporation de protection des investisseurs de l'ACFM

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March 27, 2012

Autorité des marchés financiers  
800, square Victoria, 22<sup>e</sup> étage  
C.P. 246, tour de la Bourse  
Montréal, Québec  
H4Z 1G3

Attn: Anne-Marie Beaudoin  
Corporate Secretary

Dear Sirs/Mesdames:

**Re: Request for Comment Regarding Compensation  
of Consumers of Financial Products and Services**

By this letter we wish to acknowledge the recent Request for Comment by Autorité des marchés financiers ("AMF") as part of a consultation by the AMF relating to the compensation of victims of financial crime and protection by the Fonds d'indemnisation des services financiers (the "Compensation Fund").

As you know, the coverage provided by MFDA Investor Protection Corporation ("MFDA IPC") to customers of members of the Mutual Fund Dealers Association of Canada ("MFDA") does not extend to the accounts of such customers in the Province of Quebec. Accordingly, we have not considered it to be in order for us to respond to your Request for Comment with any substantive suggestions or observations. For the same reason we understand that the MFDA has not provided any response. However, we wish to offer to the AMF and its staff that we will be pleased to provide any information or assistance on the subject of your consultation that would be helpful. As acknowledged in the Request for Comment and the accompanying Reference Guide dated November 2011, our Fund has provided insolvency based customer protection to customers of MFDA members since 2005.

We also wish to acknowledge the fact that some of the responses to the Request for Comments that have been made public recommend explicitly or implicitly that one fund, being MFDA IPC, cover customers of mutual fund dealers in all provinces of Canada including Quebec. We have not considered in detail or adopted any position with respect to such recommendations. However, if such recommendations were to be considered or proposed by the AMF we assume we would be consulted at an early stage. The adoption of universal insolvency coverage for mutual fund dealers who are members of the MFDA would obviously have substantial

implications for both MFDA IPC and MFDA – as well, of course, for the AMF and our Recognizing Regulators in other provinces. In this regard, we should add that we have not been consulted or been advised of the recommendations by the proponents.

We will look forward with interest to the results of your consultation and, in the meantime, if we can be of any assistance, please let us know.

Yours truly,

MFDA INVESTOR PROTECTION CORPORATION

A handwritten signature in blue ink that reads "Joni Alexander". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Joni Alexander  
President and CEO

cc: Mutual Fund Dealers Association of Canada

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