



Securities Act
S.N.W.T. 2008, c. 10

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Effective Date: December 31, 2018

LOCAL RULE 31-518

Conditions of Registration — Approved Compensation and Contingency Funds

PART I APPROVAL OF COMPENSATION AND CONTINGENCY FUNDS

1. The Superintendent may approve, and may establish any appropriate conditions or requirements for a compensation fund or a contingency trust fund that is established by:

- (a) a self-regulatory organization;
- (b) an exchange; or
- (c) a trust company.

PART II PARTICIPATION IN APPROVED COMPENSATION AND CONTINGENCY FUNDS

2. Every dealer, other than an exempt market dealer or scholarship plan dealer as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, shall participate in and contribute to a compensation fund or contingency trust fund approved by the Superintendent with such conditions as appropriate and established by,

- (a) a self-regulatory organization as defined in the *Securities Act*, S.N.W.T. 2008, c. 10;

(b) an exchange; or

(c) a trust company.

3. A dealer must contribute an amount of money to a fund referred to in section 1 equal to the amount that the self-regulatory body, exchange or, in the case of a fund established by a trust company, the Superintendent requires.

4. The Superintendent may exempt a dealer that does not hold funds or securities of its clients from the requirements of section 1.

5. The Superintendent may grant an exemption to this Rule, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

PART III EFFECTIVE DATE

5. This instrument comes into force on December 31, 2018.