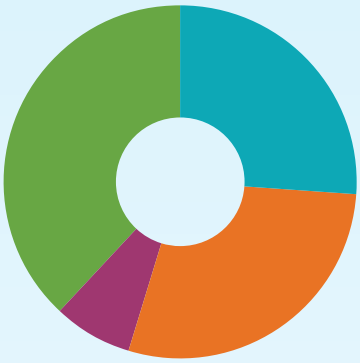
Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

2016 ANNUAL REPORT

MFDA MEMBERSHIP PROFILE (AS AT JUNE 30, 2016)

Member Firms (by AUA)



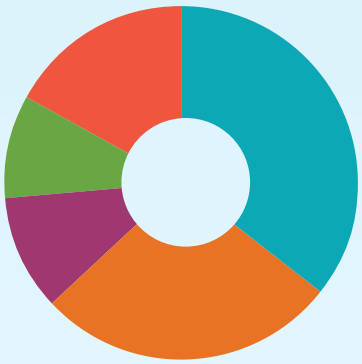
26 Less than $100 million

27 Greater than $100 million

7 Greater than $500 million

36 Greater than $1 billion

Member Firms (Number of Approved Persons)



35 Less than 10

26 Greater than 10

10 Greater than 100

9 Greater than 500

16 Greater than 1000

2016

Number of Members
96

MFDA Total AUA
(in billion)
$613

Number of Approved Persons
83,009

2015

Number of Members
103

MFDA Total AUA
(in billion)
$607

Number of Approved Persons
82,842

2014

Number of Members
110

MFDA Total AUA
(in billion)
$531

Number of Approved Persons
81,778

CONTENTS

WHO WE ARE

As a self-regulatory organization that oversees mutual fund dealers in Canada, the **Mutual Fund Dealers Association of Canada** (the "MFDA") regulates the operations, standards of practice and business conduct of Members and their Approved Persons with a focus on retail clients.

Our Vision

We protect the investing public by:

- Delivering responsible and effective regulation
- Strengthening collaboration, knowledge and expertise
- Promoting investor confidence

Our Values

We believe that all our actions must be executed professionally and honestly.
We have INTEGRITY.

We believe that the best result is one that includes meaningful engagement of all stakeholders.
We COLLABORATE.

We believe that all our actions should be fair, balanced and practical while achieving appropriate outcomes.
We are REASONABLE.

Strategic Priorities: 2015-2017

- We must proactively employ our regulatory expertise and use risk-based, balanced and transparent processes so that we are a responsible and effective regulator
- We must engage the industry in sharing our collective knowledge and expertise so that together we achieve high standards of conduct
- We must focus on improving the investor experience and providing investors with key information to make informed decisions so that they are well protected

MESSAGE FROM THE CHAIR OF THE BOARD

I am pleased to present the MFDA's 2016 Annual Report which outlines work completed by the MFDA over the past year. During fiscal year 2016, the MFDA continued to implement its 2015-2017 Strategic Plan with several key Investor and Member initiatives undertaken.

Going forward, the MFDA will continue its efforts to support or expand upon its key priorities to collaborate with stakeholders, deliver responsible regulation; provide Member and Approved Person guidance and education; and develop additional resources for investors. The MFDA's paramount focus remains unchanged: protecting investors and maintaining public confidence in the Canadian mutual fund industry.

We will be welcoming a number of new directors to the MFDA Board this year which provides a fresh and vibrant perspective to the MFDA, our Board and our Members. The insights and wisdom of our outgoing directors, Sandy Grant, Tuula Jalasjaa, Frank Laferriere and Janet Woodruff, were highly valued and will be greatly missed. On behalf of the Board of Directors, I thank them for their distinguished service.

As I step down as both Chair of the Board and as a Director, I would like to acknowledge the dedicated Board members who I have had the privilege to serve alongside over the past six years.

Finally, I would like to thank the MFDA staff and management for their dedication, expertise and commitment. I am confident that the MFDA will continue to deliver responsible and effective regulation going forward, protecting investors and maintaining public confidence in the mutual fund industry in Canada.

Steven Donald, FCPA, FCA
Chair of the Board of Directors

MESSAGE FROM THE PRESIDENT & CHIEF EXECUTIVE OFFICER

In 2016, the MFDA celebrated 15 years of recognition as a self-regulatory organization for mutual fund dealers in Canada. I have been with the MFDA since its inception and am proud of all our accomplishments that have resulted in significant improvement to the protection of retail investors in Canada. While investor protection has remained our primary mandate throughout these 15 years, we continue to look for new opportunities and ways to achieve it.

Improving Quality of Advice

This year, education has been a focus of the MFDA. We began the formidable process of developing a continuing education standard for 83,000 advisors across Canada with a view to issuing a draft framework in the upcoming year. We also participated in consultations held by the Ontario government regarding financial planning and the provision of financial advice. Consistent with the objectives of the Ontario Expert Panel, the MFDA engaged in a public consultation on establishing a proficiency standard for advisors who use the title "Financial Planner". This year we also started the process of developing proficiency standards for advisors who want to sell exchange-traded mutual funds.

Conflicts of interest and sales incentives have been areas of interest for the MFDA and regulators internationally. Last year, we issued a report on our examination sweep of Deferred Sales Charge ("DSC") trading practices. This fiscal year, we followed up on our report findings by enhancing our examination program to target DSC trading activity as well as new fee-based programs that are becoming increasingly more popular. In December 2015, we issued a consultation paper on expanding cost disclosure under the Client Relationship Model – Phase 2 ("CRM2") to explore the implications of providing investors with more information on the total costs of investing. In April 2016, we issued a questionnaire to all Members requesting information relating to Member compensation practices with a view to identifying practices that may lead to less favorable outcomes to investors. Our work in this area continues.

Member education is also a key component of our strategy to improve client outcomes. We continue to provide practical guidance to Members and their service providers to achieve compliance with new CRM2 requirements. Our Member Education department provides educational support to Members which allows us to directly communicate with advisors facilitating greater engagement, understanding and acceptance of regulatory requirements.

Senior Investors

Seniors are the fastest growing demographic in Canada. The aging demographic will require advisors to have a broad skill set to meet the diverse retirement goals and needs of their client base and to advise family units given the eventual wealth transfer. Members will be challenged to find innovative ways to continue to provide service to senior investors as the industry loses skilled and experienced advisors. To prepare for the challenges facing the industry, the MFDA held its second Seniors Summit which featured leading experts from various fields of expertise who discussed relevant issues and provided actionable advice and best practices for servicing seniors. As seniors are a diverse group with varied needs, the MFDA will continue to promote discussion, provide guidance and focus on seniors in our regulatory activities.

Technology and Innovation

Technology advancements over the past year have resulted in new opportunities as well as additional challenges for Members. Members have met with MFDA staff to obtain guidance on using new technology for such things as client on-boarding, electronic signatures, record keeping and client reporting. In the past year, MFDA staff have also met with Members proposing to implement or develop systems to allow for trading in exchange-traded mutual funds. This increased reliance on technology has resulted in increased regulatory interest on the security and confidentiality of client data. As a result, cybersecurity will be an area of increased interest for the MFDA as it relates both to Member and the MFDA operations.

Regulatory Collaboration

MFDA Members and advisors offer a diverse range of products and services beyond trading in mutual funds. MFDA initiatives frequently overlap with the objectives of other regulators. To promote greater regulatory efficiency and harmonization and to reduce the potential for arbitrage, the MFDA has collaborated with other regulators on initiatives of mutual interest. We continue to work with the Ombudsman for Banking Services and Investments ("OBSI") to promote prompt and fair complaint handling. We have increased our efforts to communicate and collaborate with provincial insurance regulators with a goal to harmonizing regulatory requirements and promote mutual recognition of disciplinary actions.

Two significant issues under consideration by the Canadian Securities Administrators ("CSA") that are generating a lot of discussion these days involve the development of a best interest standard and eliminating embedded compensation. As a result of issues raised in the discussion of a best interest standard, the MFDA has reviewed its regulatory requirements and identified areas to strengthen our regulatory regime. We look forward to sharing our ideas with the CSA. Additionally, in June 2016, the MFDA issued a mandatory information request to all Members seeking detailed information on the membership's client base. This information will be used not only to assist in our risk assessment process but also to understand the potential impact of changes to mutual fund fee structures. In particular, this client research will provide insight into the accessibility and affordability of advice for smaller retail investors.

In closing, I would like to thank Steve Donald, outgoing Board Chair and Director for his leadership and assistance to the MFDA over the past six years. I would also like to acknowledge the efforts and contribution of MFDA staff over the past 15 years. The MFDA would not be where it is today without the dedication and commitment of our staff.

Mark T. Gordon, LL.B.
President & Chief Executive Officer

BOARD OF DIRECTORS

Left to right: Sandy Grant, Steven Glover, Les O'Brien, Tuula Jalasjaa, Steven Donald, Mark Gordon, Frank Laferriere, Rick Annaert, Christopher Nicholls, Barbara Shourounis, David Losier, Sonny Goldstein. **Missing from Photo:** Janet Woodruff

The composition of the Board of Directors at June 30, 2016 is as follows:

Public Directors

Christopher Nicholls, BA, LL.B, LL.M., MPA
(Vice-Chair)
Professor of Business Law
Western University
(London, Ontario)

Steven Glover, MBA, FCPA, FCA
Chief Financial Officer
Clearview Resources Ltd.
(Canmore, Alberta)

Sandy Grant, BA, CPA, CA
Corporate Director
(Orillia, Ontario)

Les O'Brien, Q.C.
Former Chairman
Nova Scotia Securities Commission
(Halifax, Nova Scotia)

Barbara Shourounis, LL.B.
Former Director
Saskatchewan Financial Services
Commission
(Regina, Saskatchewan)

Janet Woodruff, FCPA, FCA
Corporate Director
(Vancouver, British Columbia)

Industry Directors

Steven Donald, FCPA, FCA (Chair)
President
Assante Wealth Management
(Canada) Ltd.
(Toronto, Ontario)

Rick Annaert, CPA, CMA
President & Chief Executive Officer
Manulife Securities Investment
Services Inc.
(Toronto, Ontario)

Sonny Goldstein, CFP
President
Goldstein Financial Investments Inc.
(Toronto, Ontario)

Tuula Jalasjaa, Int'l MBA, CFA
Formerly HollisWealth
(Toronto, Ontario)

Frank Laferriere, CPA, CA, CF
Senior Vice-President &
Chief Operating Officer
Mandeville Wealth Services Inc.
(Toronto, Ontario)

David Losier, CPA, CGA
General Manager
Acadia Financial Services Inc.
(Caraquet, New Brunswick)

Ex Officio

Mark T. Gordon, LL.B.
President & CEO
Mutual Fund Dealers
Association of Canada
(Toronto, Ontario)

DIRECTOR ATTENDANCE AND COMPENSATION

Each Public Director on the MFDA Board receives an annual retainer of $15,000. Provided that they are Public Directors, the Chairs of the Governance Committee and Regulatory Issues Committee each receive a $4,000 annual retainer, while the Chair of the Audit & Finance Committee receives a $6,000 annual retainer. Public Directors also receive a fee of $1,500 for attending each Board of Directors meeting and $1,500 for each Committee meeting in excess of 2 hours ($1,000 for Committee meetings less than 2 hours). Out-of-town Public Directors who attend meetings in person receive a supplementary travel fee of $1,000 per meeting. The annual retainer for a Public Director who serves as Chair of the Board is set by the Board of Directors and reviewed annually. The annual retainer for the Chair of the Board is $15,000.

Industry Directors are not compensated for their participation on the MFDA Board or its Committees, however, all Directors are reimbursed for related travel and out-of-pocket expenses.

A total of 22 corporate meetings were held during the fiscal year 2016 including one Annual General Meeting of Members. The following is a breakdown of attendance and total compensation for the fiscal year 2016 for the Board of Directors.

Director	Board	Audit & Finance	Governance	Regulatory Issues	Term Expires	Total Compensation
Rick Annaert[1][2]	6 of 6	4 of 4	3 of 3		2016	n/a
Steven Donald[1][2]	6 of 6	4 of 4	7 of 7		2016	n/a
Steven Glover[1]	6 of 6	4 of 4			2017	$41,000
Sonny Goldstein[3] (joined December 2, 2015)	3 of 3			2 of 2	2017	n/a
Mark Gordon	6 of 6	4 of 4	7 of 7	4 of 4	n/a	n/a
Sandy Grant[2] (joined December 2, 2015)	3 of 3		3 of 3		2016	$17,750
Lea Hansen[1][3] (stepped down December 2, 2015)	3 of 3	2 of 2		2 of 2	n/a	$14,250
Tuula Jalasjaa[3]	6 of 6			4 of 4	2016	n/a
Frank Laferriere[3]	6 of 6			3 of 4	2017	n/a
David Losier[3]	5 of 6			3 of 4	2017	n/a
Rod McLeod[2] (stepped down December 2, 2015)	3 of 3		4 of 4		n/a	$22,583
Christopher Nicholls[2][3]	6 of 6		3 of 3	4 of 4	2017	$45,000
Les O'Brien[1][3] (joined December 2, 2015)	2 of 3	2 of 2		2 of 2		$22,583
Dawn Russell[2][3] (stepped down December 2, 2015)	3 of 3		4 of 4	2 of 2	n/a	$23,416
Barbara Shourounis[3] (joined December 2, 2015)	3 of 3			2 of 2	2018	$17,750
Ross Stringer[1] (resigned October 17, 2015)	1 of 1	1 of 1			n/a	$8,250
Vince Valenti[2][3] (stepped down December 2, 2015)	3 of 3		4 of 4	2 of 2	n/a	n/a
Janet Woodruff[1] (joined December 2, 2015)	3 of 3	2 of 2			2016	$20,750

(1) Member of the Audit & Finance Committee
(2) Member of the Governance Committee
(3) Member of the Regulatory Issues Committee

OVERVIEW OF MFDA ACTIVITY

Enforcement

The MFDA continues to focus on protecting Canadian investors through robust enforcement activity against Members and Approved Persons who fail to comply with the MFDA requirements. The MFDA commenced 95 and concluded 77 disciplinary proceedings in fiscal year 2016. Twenty-one (21) permanent prohibitions and 17 suspensions were issued as part of the concluded disciplinary proceedings.

The MFDA continued to deal with signature falsification cases which are a concern to both the MFDA and provincial securities regulatory authorities. To effectively deal with these cases, the MFDA increased the efficiency of its bulk track processes, which provide for the efficient resolution of routine cases. Enhancements include the implementation of duty panel processes under which multiple hearings are conducted before a single Hearing Panel on one day. Fifty-six (56) of the 95 disciplinary proceedings commenced in fiscal year 2016 utilized the bulk track processes and primarily involved allegations of signature falsification. The MFDA also issued Bulletin #0661-E Signature Falsification on October 21, 2015 to remind Approved Persons and Members they may only use forms that are properly executed by the client after information on the form has been properly completed, and that the falsification of client signatures is not permissible under MFDA Rules.

The protection of seniors and other vulnerable groups continued to be an area of focus for the Enforcement Department and 46% of those disciplinary proceedings commenced in fiscal year 2016 involved seniors or other vulnerable groups.

In 2014, the MFDA instituted new cost saving measures to reduce the costs and expenses associated with Hearing Panels. The majority of cases are now on the new hourly compensation rate for appointed Regional Council Members. The reduction in the hourly rate of compensation and the restructuring of our cancellation policy, coupled with the efficiencies of the Duty Panel, led to a significant reduction in hearing costs in 2016 fiscal year.

The MFDA has memoranda of understanding with the Financial Services Commission of Ontario ("FSCO") and the Life Insurance Council of Saskatchewan. The memoranda of understanding were entered into with the aim of improving cooperation between the MFDA and these regulatory bodies, as well as facilitating the sharing of information. In 2016 fiscal year, MFDA senior management met with provincial insurance regulators to discuss other areas for coordinated regulatory actions including reciprocal discipline, the application of equivalent standards for reviewing similar products (i.e. suitability), joint investigations and fine collection.

In 2016 fiscal year, the MFDA published its fourth Annual Enforcement Report which provides additional information about the operations of the MFDA Enforcement Department and summarizes several significant disciplinary cases completed in 2015.

Investor Education

The MFDA continues to focus on enhancing investor education and broadening the scope of investor focused communications. The MFDA communicates its investor education content through the MFDA website, electronic subscription service and social media. In addition, investor education materials are made available by the MFDA to Members to provide to their clients.

In fiscal year 2016, the following investor education resources were published by the MFDA:

- **The Benefits of Working with an MFDA Member Brochure.** The brochure promotes investor awareness of the regulatory oversight exercised by the MFDA in respect of its Members and their Approved Persons, and the value of working with an MFDA Member.
- **Investor Notice on Pre-Sale Delivery Fund Facts.** The notice highlights the change to pre-sale delivery of the Fund Facts under Point-of-Sale 3. MFDA Members and fund managers were encouraged to include the investor notice in their client communications.

- **MFDA Fraud Prevention Toolkit.** The toolkit is a compilation of MFDA fraud prevention resources which clients can use to enhance fraud awareness and protect themselves from financial fraud.
- **MFDA Investor Bulletin.** MFDA Investor Bulletins provides general investor news, alerts, notable cases and information on how investors can better protect themselves from financial harm. The first Investor Bulletin focused on seniors' issues.

Sales and Financial Compliance

Sales Compliance Department performed 28 Head Office and 83 Branch examinations during the fiscal 2016. For the same period, Financial Compliance Department performed 31 full examinations of 29 Level 4 dealers and 2 Level 2/3 dealers, as well as limited examination procedures where appropriate. The Department also reviewed approximately 1,300 financial reports.

Sales Compliance Department conducted a target examination sweep of Member DSC trading activity. The purpose of the sweep was to specifically focus on the suitability of sales charges and the initiative was part of the MFDA's continued focus on suitability and protecting senior investors. The results of the sweep were published in MFDA Bulletin #0670-C on December 18, 2015.

The MFDA performed a focused review of all Member policies and procedures on several specific topics. The topics reviewed were: (i) procedures to update KYC information; (ii) concentration limits for certain exempt securities and sector funds; (iii) pre-trade disclosure practices; and (iv) use of titles targeting senior investors. The results of the review and additional guidance and recommendations were published in MFDA Bulletin #0678-C on February 4, 2016.

With new two-year and four-year sales examination cycles commencing in January 2016, certain changes were made to the examination program and the MFDA Risk Model to address new risks and requirements such as the new client reporting requirements under CRM2. In addition, specific criteria were added to the MFDA Risk Model to consider a Member's responsiveness to examination findings.

In 2015, Financial Compliance staff completed a review of each active Member's auditor's working paper file relating to at least one of the Member's annual audited financial reports filed with the MFDA. On March 28, 2016, MFDA Bulletin #0684-C was issued summarizing the findings of staff's reviews. The Bulletin was intended to enhance awareness and understanding of the special auditor requirement for external auditors that are engaged to perform a financial audit of a MFDA Member.

Member Education and Outreach

In fiscal year 2016, MFDA Member Education staff presented at 24 Member, industry association, and other regulatory events on a number of key regulatory topics including Supervision and Suitability, Senior Investors, Branch Managers, Branch Review Programs and Outside Activities.

In December 2015, MFDA staff issued a summary of comments received regarding the MFDA implementing a continuing education ("CE") requirement for Approved Persons. MFDA staff analysis and development of the CE program is on-going, including the development of CE requirements, the review of CE programs of other industry associations, and the assessment of administration resources and needs. MFDA staff intends to finalize the development of the CE requirement in 2017.

To assist Members with the implementation of CRM2 requirements, MFDA staff issued the CRM2 Implementation Guide and Tips on September 14, 2015 and updated the CRM2 – Frequently Asked Questions (FAQs) throughout the year.

The Member Education department also conducted a review of available cybersecurity resources to enhance Member awareness and understanding of cybersecurity issues and resources, and to provide guidance to Members regarding the development and implementation of cybersecurity procedures and controls. The results of the review were published in MFDA Bulletin #0690-C on May 19, 2016.

Policy

Instrument	Status	Description
• Revised **MFDA Staff Notice MSN-0073 Complaint Handling – MFDA Policy No. 3**	**Issued October 16, 2015**	Revised CCIF includes additional information relating to The Ombudsman for Banking Services and Investments in order to clarify the requirements and applicable timelines for accessing the ombudservice. It also provides updated information regarding the AMF dispute resolution process and how to access the Financial Services Compensation Fund for clients residing in the province of Québec. Amendments conform MFDA Rules to similar requirements under securities legislation by adopting changes made to National Instrument 31-103 in respect of requirements pertaining to proficiency and outside activities.
• **Housekeeping Amendments to Rule 5.3 (Client Reporting) and Policy No. 7 (Performance Reporting)**	**Effective June 25, 2015**	Amendments to ensure that MFDA requirements are consistent with relief granted under CSA Relief Orders which provide relief from certain provisions of National Instrument 31-103 to non-SRO registrants by allowing them more time to address implementation and technical issues.
• New **MFDA Staff Notice MSN-0084 Advance Instructions for Account Rebalancing**	**Issued February 26, 2016**	Notice reminds Members of applicable MFDA Rules and considerations when implementing rebalancing programs.
• Amendments **to Rule 2.3 (Power of Attorney / Limited Trading Authorization / Discretionary Trading**	**Published for Comment** March 10, 2016	Proposed amendments address concerns that have been raised respecting certain requirements under Rule 2.3.1 while maintaining investor protection and clarify the regulatory intent of the Rule.
• Amendments **to Rule 1.2 (Individual Qualifications)**	**Effective March 17, 2016**	Amendments are intended to conform MFDA Rules to similar requirements under securities legislation by adopting changes made to National Instrument 31-103 in respect of requirements pertaining to proficiency and outside activities.
• Proposed New **MFDA Policy No. 8** ***Proficiency Standard for Approved Persons Selling Exchange-Traded Funds***	**Published for Comment** June 30, 2016	The purpose of the Policy is to establish minimum standards in respect of proficiency for Approved Persons trading in ETFs.

Communications and Membership Services

Public Inquiries

The Communications and Membership Services Department responded to a total of 2,029 inquiries in 2016 fiscal year. Most inquiries continued to come from Members and their Approved Persons and were related to registration issues, accessing MFDA systems and financial filings. The majority of inquiries from the public related to individuals asking how to file a complaint with the MFDA, ongoing enforcement cases and membership and registration status of Members and Approved Persons.

OTHER HIGHLIGHTS

In the past year, MFDA staff has consulted with stakeholders on a number of key issues and initiatives such as proficiency standards for Approved Persons selling exchange-traded funds; CE standards, standards for use of the title "Financial Planner"; expanding the Charges and Compensation Report and the independent review of OBSI.

The MFDA also participated in consultations on key initiatives of other regulators including the Ontario Ministry of Finance with respect to its reviews of: the regulation of financial planners and financial advice and; the review of the mandates of FSCO, the Financial Services Tribunal and the Deposit Insurance Corporation of Ontario. MFDA staff met with the Expert Panels tasked with these reviews and also made written submissions. In addition, MFDA staff also participated in consultations with respect to the Cooperative Capital Markets Regulatory System by submitting comment letters on the draft Provincial/Territorial Capital Markets Act. In addition, MFDA staff met with representatives from the Ontario Ministry of Finance and the Ontario Securities Commission to discuss the MFDA's written submissions with respect to statutory immunity for SROs and the enforcement of SRO decisions as court orders to assist with fine collection.

The MFDA began work on the redesign of the MFDA website which will improve ease of use for both MFDA Members and the public, and will include features for increased accessibility for seniors.

Data security and the preservation of confidential information is a key consideration for all organizations today. To date, the MFDA has undertaken a number of measures as part of its ongoing effort to enhance the security and integrity of its data and information systems in order to meet legal requirements and mitigate the risk of data loss. As an additional risk mitigation measure, during FY 2016 MFDA hired a Chief Technology Officer ("CTO") for increased focus in this area. The MFDA has also leveraged technology to provide additional efficiency in its operational processes. In the past year, an Electronic Working Papers ("EWP") system was developed for use by financial and sales compliance staff.

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management Discussion and Analysis ("MD&A") is presented in order to assist in the assessment of the financial condition and results of operations of the Mutual Fund Dealers Association of Canada ("MFDA") for the year ended June 30, 2016. This MD&A is current to September 30, 2016 and should be read in conjunction with the audited financial statements and the accompanying notes for the fiscal year ("FY") ended June 30, 2016.

The MFDA is recognized as a self-regulatory organization for mutual fund dealers in Canada regulating the operations, standards of practice and business conduct of its Members and their over 83,000 Approved Persons with a mandate to protect investors and the public interest. As a not-for-profit corporation, the MFDA is exempt from income taxes under the Income Tax Act (Canada). The MFDA regulates the activities of its 96 Members and the Approved Persons sponsored by them through regulatory activities which include developing rules and policies to govern the business conduct and operations of its Members and their Approved Persons, monitoring compliance with these requirements and applicable securities laws, and enforcement through disciplinary proceedings conducted before impartial and independent MFDA Hearing Panels.

The MFDA's financial statements have been prepared in accordance with Part III of the Chartered Professional Accountants ("CPA") Canada Handbook – Accounting Standards for Not-for-Profit Organizations, which sets out generally accepted accounting principles ("GAAP") for not-for-profit organizations in Canada.

Certain statements in this MD&A are forward-looking and are, therefore, subject to risks and uncertainties. The financial performance or events forecast in these statements may differ materially from actual financial performance or events. The MFDA has based these forward-looking statements on its current views of future events and financial performance. Any assumptions, in our judgement, although reasonable at the time of publication, are not guarantees of future performance.

Financial and Operating Summary ($ 000's)

Particulars	**FY 2016**	FY 2015
Operating revenues		
Membership fees	**$31,138**	$31,522
Other	**988**	389
Total revenues	**32,126**	31,911
Expenses		
Salaries and employee benefits	**23,575**	22,338
Rent and occupancy	**2,834**	2,723
Technology	**1,055**	900
Travel	**803**	750
Hearing panels & regional councils	**472**	830
Other	**3,245**	3,193
Total expenses	**31,984**	30,734
Excess of revenue over expenses	**142**	1,177
Assets		
Current assets	**20,603**	22,498
Non-current assets	**2,084**	2,443
Restricted funds	**5,562**	379
Total assets	**28,249**	25,320
Liabilities		
Current liabilities	**10,651**	9,698
Non-current liabilities	**17,637**	12,224
Total liabilities	**28,288**	21,922
Net (Liabilities) / Assets	**($39)**	$3,398
Full-time Employees (FTEs)	**160**	160
Member Assets Under Administration (AUA) (for fee purposes - excluding Quebec)	**$474,000,000**	$464,000,000
Number of Members	**96**	103
Number of Approved Persons	**83,009**	82,842

Revenue

The MFDA is a "cost-recovery" not-for-profit organization which assesses membership fees to its Members in order to provide sufficient funding to meet annual budgeted operating and capital costs and to maintain adequate net assets (refer to policy for managing unrestricted net assets on page 16).

Fees charged to individual Member firms are calculated using a sliding scale formula that takes into account the amount of assets under administration ("AUA") of each Member firm with a minimum fee amount applicable to all Members. Such Member fees are payable in quarterly installments.

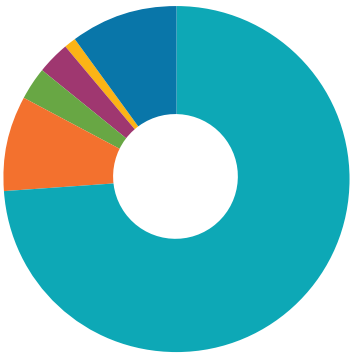
The MFDA's other sources of revenue are relatively minor and typically include:

- Cost recoveries awarded by the MFDA Hearing Panels at the conclusion of the MFDA disciplinary hearings or settlements and which have been collected by the MFDA,

- Fees charged for enforcement activity history requests,
- Fines and late filing fees assessed against Members that have missed information filing deadlines,
- Investment income derived from the investment of surplus cash in accordance with the MFDA's Investment Policy Statement for Short-Term Investments,
- Recoveries from MFDA Investor Protection Corporation ("MFDA IPC") for administrative services provided by the MFDA, and
- Other income, if any. Other income of $586,000 in FY 2016 represents the recovery through insurance of costs incurred in prior years.

Expenses

Expenses FY 2016



74% Salaries and Employee Benefits

9% Rent and Occupancy

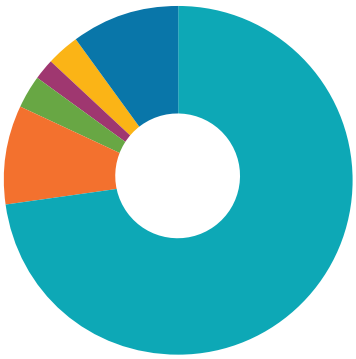
3% Technology

3% Travel

1% Hearing Panels & Regional Councils

10% Other

Expenses FY 2015



73% Salaries and Employee Benefits

9% Rent and Occupancy

3% Technology

2% Travel

3% Hearing Panels & Regional Councils

10% Other

Total expenses were higher in FY 2016 by $1,250,000 or 4.1%, primarily due to higher pension related costs caused by lower discount rates used to determine pension expenses and other cost increases, partially offset by lower Hearing Panel and Regional Council costs due to the cost containment measures implemented, as explained in the following paragraphs.

Compensation

Salary and employee benefits expense, excluding benefit plans remeasurements which are recorded directly against Fund balances, represent 74% of FY 2016 operating expenses. Headcount in FY 2016 was kept unchanged at 160 FTEs.

Salaries and employee benefits (other than post-retirement benefits) were higher in FY 2016 by $686,000 or 3.5%, due to higher compensation costs from merit increases, a requirement for additional contract and temporary employees to meet Enforcement and Information Technology departments' workload, and employee turnover costs including agency fees and severance costs.

Post-retirement benefits represent benefits to be provided to employees in the future and are determined using the accrual basis of accounting based on employee service provided in the current year. The amounts recorded in the financial statements will vary significantly from the actual cash funding amounts which are determined based on periodic actuarial valuations. In calculating the liability and expense related to the post-retirement benefit plans, assumptions are made about the expected rate of return on plan assets, the discount rate, future salary increases, mortality, turnover, retirement ages and the medical expense trend rate. Post-retirement benefits were higher in FY 2016 by $550,000 or 18.5%, primarily due to lower discount rates (4.25% vs. 4.75%). However, the closure of the registered pension plan ("RPP") to new employees (as of January 1, 2014) and the increase in the level of employee contributions to the RPP (as of October 2014) continue to help contain post-retirement benefit costs.

Occupancy

The MFDA has offices in Toronto, Calgary and Vancouver. Rent and occupancy costs were higher by 4.1% in FY 2016, mainly due to the higher rent rates per the new lease agreement for the Toronto office, which was renewed in February 2016 for a 10-year term. The following is a breakdown of FY 2016 occupancy costs by location:

Location	Annual Occupancy Cost
	$
Toronto	2,274,221
Calgary	286,615
Vancouver	272,814

Technology

Technology costs may vary materially from year to year due to the projects undertaken. The increase in FY 2016 is a result of the implementation of a Board Portal and recognition of the non-capitalizable portion of the EWP system. Additionally, FY 2015 costs were unusually lower due to the inclusion of a credit received from the network service provider due to service issues.

Other

Professional and consulting fees include legal, audit, and other fees charged by external service providers which may vary significantly from year to year depending on what external expertise is required for special projects.

Hearing Panel costs vary from year to year depending upon the number, nature, location, and complexity of hearings. The Bulk Track System and other cost saving measures implemented in FY 2016 helped contain Hearing Panel costs, which were lower by $358,000 during FY 2016.

Travel for the MFDA pertains primarily to conducting Compliance reviews and Enforcement investigations and hearings. Travel costs can vary from year to year depending on the location and duration of these activities.

Excess of Revenues over Expenses

The excess of revenue over expenses is added to unrestricted net assets consistent with the MFDA Unrestricted Net Assets Policy as described on page 16. The MFDA ended FY 2016 with an excess of revenues over expenses of $141,940.

Financial Position

Investments

The MFDA's surplus cash is invested in accordance with the Board approved investment policy.

Investments totaled $14,997,309 at June 30, 2016 (compared to $12,423,639 at June 30, 2015) and consisted of money market funds and treasury bills, which are managed by an external fund manager.

FY 2016 investments are comprised of $10,808,009 (2015 – $12,423,639) pertaining to the Operating Fund and $4,189,300 (2015 – Nil) pertaining to the Post-Retirement Benefits Fund (see "Post-Retirement Benefits Fund" section below).

Capital Expenditures

Capital expenditures totaled $775,360 in FY 2016 (compared to $219,606 in FY 2015) and consisted of necessary technology hardware replacement expenditures, purchase of office equipment and leasehold improvements, and software development pertaining to the EWP system and the MFDA website redesign project. Both of these software development initiatives were substantially completed during FY 2016 and are expected to be launched in FY 2017.

MFDA Discretionary Fund

The Discretionary Fund is an internally restricted fund, established and operated pursuant to policies approved by the MFDA Board of Directors. Revenues consist of monies from the collection of enforcement fines and the surrender of profits imposed by order of an MFDA Hearing Panel. The Fund began FY 2016 with a balance of $378,807. For FY 2016, the Fund received fines of $989,318 (2015 - $378,807). No transfers were made from the Discretionary Fund in FY 2016.

Post-Retirement Benefits Fund

The Post-Retirement Benefits Fund is an internally restricted fund established by the MFDA, as of June 30, 2016, to fund the employee post-retirement benefit ("PRB") obligations (e.g. health and dental care benefits to retired employees). This Fund may also be used for special disbursements relating to other employee future benefits (e.g. solvency payments for the MFDA's pension plans), as needed. As of June 30, 2016, investments of $4,189,300 (2015 - Nil) were transferred from the Operating Fund into the Post-Retirement Benefits Fund. The value of the PRB obligation for the purpose of this Fund ($4,189,300) was determined using a discount rate of 5.5%.

MFDA Investor Protection Corporation

The MFDA provides the MFDA IPC administration, corporate, secretarial and other support as part of a service agreement between the two entities. The MFDA bills and collects assessments by MFDA IPC. For the year ended June 30, 2016 the MFDA billed $4,270,131 (2015 - $3,625,624) to its Members on behalf of the MFDA IPC. As at June 30, 2016, $133,146 of MFDA IPC assessments remained due to the MFDA IPC (2015 - $11,688). The administration costs charged to the MFDA IPC for FY 2016 amounted to $60,000 (2015 - $60,000) plus applicable taxes.

Employee Future Benefits Plans Asset and Liability

The MFDA has an accrued employee benefit plans liability of $17,588,300 (FY 2015 - $12,191,586). This amount is comprised of a $11,616,200 liability (FY 2015 - $6,587,684) pertaining to the RPP and a $5,972,100 liability (FY 2015 - $5,603,902) with respect to the Post-Retirement Benefits Plan. Also, the MFDA has an employee future benefits asset of $742,800 (FY 2015 - $1,542,800) pertaining to a defined benefit Supplemental Executive Retirement Plan ("SERP") for eligible executives. Primary factors contributing to the year-over-year increase in the liability (and decrease in the asset, in the case of SERP) were a decline in the discount rate (aggravated by Brexit, as of June 30, 2016) used to calculate the benefit obligations and a decline in the expected return on plan assets.

Unrestricted Net Assets and Liquidity

The MFDA's regulatory and administrative activities constitute the Operating Fund. This Fund includes unrestricted net assets and net assets invested in capital assets.

As of the beginning of FY 2016, the MFDA's unrestricted net assets balance was $2,183,078. Pursuant to Section 3463 of the CPA Canada Handbook – "Reporting Employee Future Benefits by Not-for-Profit Organizations", during FY 2016 the MFDA recognized a net non-cash remeasurements charge of $4,572,385 (2015 - $3,519,300) to the unrestricted net assets. A transfer of $4,189,300 was also made from Unrestricted Net Assets to the Post-Retirement Benefits Fund discussed on page 15. These charges are reflected in the Statement of Changes in Fund Balances in the financial statements. As a result of these charges, the balance in unrestricted net assets became negative and reflects a net liability of $6,860,297 at June 30, 2016.

To ensure the MFDA's ability to continue as a going concern, the MFDA has an internal liquidity guideline of maintaining a minimum unrestricted net asset balance of three months of operating expenses. Based upon the FY 2017 operating budget this target is currently set at $7.8 million.

Previous to the adoption of CPA Handbook section 3463, the operating reserve could be observed in the unrestricted net assets balance. However, with the above mentioned non-cash charges now flowing through the Unrestricted Net Assets Fund, the operating reserve is obscured.

Management believes the following table better summarizes the MFDA's funding coverage and liquidity position as of June 30, 2016 (amounts in $000's):

Annual funding requirement (per FY 2017 Budget)	$ 31,012
Target Reserve of 3 months Operating Expenses	7,753
Operating Cash Account balance	2,077
Investments - Operating Fund	10,808
Total liquid assets	12,885
Short-term obligations, net of pre-payments	(2,934)
Cash and Investments, net of short-term obligations	$ 9,951
Number of months funding coverage	3.9

Use of Estimates

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, related amounts of revenues and expenses, and disclosure of contingencies. Significant areas requiring the use of management estimates relate to the assumptions used in the determination of amortization periods for capital assets, the valuation of pension and other retirement benefit obligations and the recording of contingencies. Actual results could differ from those estimates.

Risk

Enterprise Risk Management ("ERM")

Senior management manages the administration of the ERM program with the Audit and Finance Committee receiving ongoing risk reporting.

Litigation Risk

In the normal course of executing its regulatory mandate and in its capacity as an employer, the MFDA may face claims by employees, the public, its Members or other third parties. The MFDA mitigates the risk of these claims arising by having appropriate policies, procedures and controls in place and seeking legal counsel accordingly. The MFDA also maintains insurance coverage through various policies to mitigate the financial impact of such claims should they arise.

Funding Risk

Funding Risk relates to the MFDA's ability to anticipate and manage factors that may affect the level of the MFDA's revenue through membership fees. The majority of funding for the MFDA operations is provided by its largest Members representing a small percentage of its membership. This risk is mitigated by maintaining appropriate liquid cash reserves and available credit.

Regulatory Compliance

Failure of the MFDA to comply with the terms and conditions of recognition set by the recognizing securities commissions of Canada would have serious consequences for the organization. The MFDA uses robust processes and controls to ensure compliance with these terms and conditions for recognition.

Data Security

Data security and the preservation of confidential information is a key consideration for all organizations today. The MFDA takes the custodianship of all personal and confidential information it receives very seriously. To date, the MFDA has implemented robust processes and controls to enhance the security and integrity of its data and information systems in order to meet legal requirements and mitigate the risk of data loss. As an additional risk mitigation measure, during FY 2016 the MFDA hired a Chief Technology Officer ("CTO") for increased focus in this area. The MFDA also maintains cyber insurance coverage to mitigate the financial impact of a data breach.

Business Continuity

The MFDA maintains a Business Continuity Plan ("BCP") to ensure that the organization can recover from business disruptions and keep its critical regulatory activities functioning. The MFDA's BCP is tested periodically and updated on an ongoing basis.

Credit Risk

Credit risk arises from other parties' inability to discharge their financial obligations to the MFDA. The MFDA's credit risk derives from cash, membership fees receivable and investments. The MFDA maintains cash balances with a major Canadian financial institution, although the amounts on deposit are in excess of Canada Deposit Insurance Corporation limits. Cash not required for current activities is invested in short term Canada Government treasury bills or a money market pooled fund in accordance with the MFDA's Investment Policy Statement for Short-Term Investments. The MFDA believes the credit risk associated with membership fees receivable is minimal as all fees billed are to Members whose registration is in good standing.

Liquidity Risk

Liquidity risk is the risk of holding assets that cannot be readily converted into cash to meet liabilities. The financial instruments that are exposed to liquidity risk are membership fees receivable and investments. Liquidity risk is mitigated through effective cash management and by investing in highly liquid investments readily converted into cash. The MFDA's Investment Policy Statement for Short-Term Investments also restricts the term of the investments. Additionally, the MFDA maintains a line of credit available with a major Canadian financial institution.

Interest Rate Risk

Interest rate risk is the risk of the change in the financial instrument's fair value due to fluctuations in the current interest rate. The MFDA mitigates interest rate risk by investing in short-term holdings that are not significantly impacted by current rate fluctuations. Also, investment income is not a significant amount of the overall revenues of the MFDA.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The MFDA minimizes exposure to market risk by investing in a portfolio of Canadian treasury bills with maturities of less than one year and a money market pooled fund. Pension Fund assets are invested in a diversified Balanced Fund.

FY 2017 BUDGET

FY 2017 Budget vs. FY 2016 Actuals – GAAP Basis ($000's)

Particulars	FY 2017	% of Total	FY 2016	% of Total
Salaries and employee benefits	$24,290	74%	$23,575	74%
Rent and occupancy	2,919	9%	2,834	9%
Technology	1,073	3%	1,055	3%
Office supplies and services	1,152	3%	1,119	3%
Travel	860	3%	803	3%
Hearing panels & regional councils	438	1%	472	1%
Other	2,148	7%	2,126	7%
Total operating expenses	$32,880	100%	$31,984	100%
Additions to Capital Assets	$630	n/a	$775	n/a
Full-time Employees (FTEs)	162	n/a	160	n/a

Fiscal year 2017 will see the MFDA continue to execute on the initiatives identified in the 2015-17 Strategic Plan. Although most of these initiatives have a negligible effect on costs, some will have a more material impact and are outlined below.

Although MFDA membership declined in FY 2016, we continue to regulate over 83,000 Approved Persons. The MFDA's revenue base remained stable as the industry AUA grew by 2.2% as of June 30, 2016, compared to June 30, 2015.

With respect to expenses for FY 2017, the anticipated increase in salaries and employee benefits is due to two additional positions being added to the Enforcement Department to address an ongoing increase in case intake and litigation activity. The full year impact of the new CTO position hired in April 2016 as well as salary merit increases benchmarked to other regulatory industry peers for FY 2017 rounds out the increase.

Increasing pension and post-retirement benefits liabilities, primarily due to the decline in pension liability discount rates, remain an issue to be managed. The MFDA mitigated the rising costs of pension obligations by implementing higher RPP contribution rates for employees effective October 2014 and by closing the plan to new hires as of January 1, 2014. These measures helped contain the normal cost of funding the RPP.

New employees hired after January 1, 2014 are eligible for a 5% RRSP contribution program that provides for their retirement needs but limits the cost to the MFDA. Furthermore, the MFDA's newly formed Post-Retirement Benefits Fund will provide a measure of financial stability in managing any pension funding shortfalls in the future.

The federal government's announcement of its intent to enhance the Canada Pension Plan ("CPP") and the corollary cancellation of the Ontario Registered Pension Plan clarifies and provides consistency concerning pension administration across the MFDA's three provincial locations. The MFDA continues to monitor the proposed enhancements to the CPP and will apply them as the legislation dictates.

The MFDA's Toronto office lease renewed on March 1, 2016 for a 10-year term and the Vancouver office lease renews on December 1, 2016 for a 5-year term. Inducements such as periods of free rent and leasehold improvement allowances are being amortized over the lives of the leases. Leasehold improvements will be funded by the allowances provided by the landlords. Renewing at lower lease rates in Vancouver helped reduce the gross rental rate in that location. Costs for the Calgary office will remain unchanged for FY 2017, subject to changes in operating costs passed on by the landlord, as per usual.

Technology expenses are expected to remain in line with FY 2016 levels. The MFDA will continue to seek new or further develop existing technologies that will lead to operational efficiencies for the organization. Primary among these initiatives will be the launch of the EWP system which is anticipated to streamline the workflow generated during the compliance review process. Also in line with the current Strategic Plan, the MFDA will begin development of a comprehensive software solution for the tracking of CE for the MFDA membership. The upfront costs for this initiative will be offset by potential future revenue that could be generated from mandating an MFDA compliance course for Approved Persons. The Electronic Filing System ("EFS") and Member Events Tracking System ("METS") are also budgeted to receive enhancements throughout the year. As data security remains at the forefront of concerns on the regulatory and corporate landscapes, the recent hiring of the CTO enhances the expertise of the MFDA's Information Technology department and creates further opportunity to strengthen the MFDA's data security position.

Travel costs are anticipated to increase in FY 2017 due to a change in the mix of Members scheduled for review in the next fiscal year. Member location and size plays a significant role in the variability of travel costs from year to year.

The Bulk Track System implemented in FY 2016 will continue to help contain Hearing Panel costs along with other cost saving measures in place. For funding purposes, the FY 2017 Hearing Panel costs will be recovered entirely from the Discretionary Fund.

Capital spending is anticipated to total $630,000 in FY 2017 and will consist of:

- development of new software for CE
- technology hardware replacements
- enhancements to the EWP, EFS and METS
- replacement of office furniture and equipment

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying financial statements and all other information contained in this Annual Report are the responsibility of the MFDA management. The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations and necessarily include some amounts based on the estimates and judgments of management.

In discharging its responsibilities for the integrity and reliability of the financial statements, management maintains and relies upon a system of internal controls. These internal controls are designed to ensure that transactions are properly authorized and recorded, assets are safeguarded against unauthorized use or disposition and liabilities are recognized. The MFDA also maintains formalized policies and procedures and an organizational structure that segregates duties. The MFDA employs standards and procedures for hiring employees who are required to abide by a business code of conduct and receive ongoing training regarding the proper execution of their duties. Mechanisms also exist that enable reporting to the Audit & Finance Committee of any perceived unethical behavior by employees.

In order to provide their opinion on the MFDA's financial statements, Deloitte LLP reviews the MFDA's system of internal controls and conducts such tests and other audit procedures that they consider appropriate. The auditors also meet in-camera with the Audit & Finance Committee, without management present, to discuss the results of their work. The independence of the auditors as well as the effectiveness of their work is assessed by the Audit & Finance Committee annually.

The Audit & Finance Committee reviews the effectiveness of the MFDA's financial reporting and internal control systems, any significant financial reporting issues, the presentation and impact of significant risks, and key estimates and judgments of management that may be material for financial reporting purposes. Additionally, the Audit & Finance Committee meets periodically with the MFDA management and the auditors, and reports to the Board of Directors thereon. The Audit & Finance Committee also reviews the annual financial statements and recommends them for approval by the Board of Directors.

The accompanying financial statements have been audited by the auditors who are engaged by the Board of Directors on the recommendation of the Audit & Finance Committee. The appointment of the auditor is ratified at the Annual General Meeting of MFDA Members.

Mark T. Gordon, LL.B.
President & Chief Executive Officer

Paul Reid, CFA, CPA, CMA
Vice-President, Finance & Administration

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Members of the Mutual Fund Dealers Association of Canada

We have audited the accompanying financial statements of the Mutual Fund Dealers Association of Canada, which comprise the statements of financial position as at June 30, 2016 and 2015, and the statements of operations, changes in net assets and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Mutual Fund Dealers Association of Canada as at June 30, 2016 and 2015 and the results of its operations and its cash flows for the years then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Deloitte LLP

Chartered Professional Accountants,
Licensed Public Accountants
October 6, 2016
Toronto, Ontario

STATEMENT OF FINANCIAL POSITION

As at June 30

	Notes	2016	2015
		$	$
ASSETS			
Current			
Cash		**2,077,317**	2,071,560
Investments	4	**10,808,009**	12,423,639
Membership fees receivable		**6,950,120**	7,165,620
Prepaid expenses and deposits		**671,568**	815,100
Membership fees receivable - MFDA Investor Protection Corporation	7	**69,651**	4,934
Administrative costs receivable	7	**25,894**	17,591
		20,602,559	22,498,444
Non-current			
Employee future benefits	6	**742,800**	1,542,800
Capital assets	5	**1,342,076**	899,551
Restricted Funds			
Cash - Discretionary Fund	10	**437,790**	378,472
Investments - Discretionary Fund	10	**934,639**	335
Investments - Post-Retirement Benefits Fund	4, 11	**4,189,300**	-
		28,249,164	25,319,602
LIABILITIES AND FUND BALANCES			
Current			
Accounts payable and accrued liabilities	13	**2,743,307**	1,871,311
Deferred membership fee revenue		**7,740,904**	7,783,581
Due to MFDA Investor Protection Corporation	7	**133,146**	11,688
Capital lease obligations	8	**34,031**	31,865
		10,651,388	9,698,445
Non-current			
Employee future benefits	6	**17,588,300**	12,191,586
Capital lease obligations	8	**48,500**	31,772
		28,288,188	21,921,803
FUND BALANCES			
Operating Fund			
Unrestricted net (liabilities) / assets		**(6,860,297)**	2,183,078
Invested in capital assets		**1,259,544**	835,914
		(5,600,753)	3,018,992
Discretionary Fund		**1,372,429**	378,807
Post-Retirement Benefits Fund	11	**4,189,300**	-
		(39,024)	3,397,799
		28,249,164	25,319,602

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board

Steven J. Donald, FCPA, FCA
Chair, Board of Directors

Mark T. Gordon, LL.B
President & Chief Executive Officer

STATEMENT OF REVENUES AND EXPENSES

For the year ended June 30

				2016	2015
	Notes	Operating Fund $	Discretionary Fund $	Total $	$
Revenues					
Membership fees		**31,137,866**	**-**	**31,137,866**	31,521,517
Investment income	4, 10	**115,031**	**4,409**	**119,440**	143,651
Cost recoveries and late filing fees		**227,722**	**-**	**227,722**	186,102
Fines	10	**-**	**989,318**	**989,318**	378,807
Administration recoveries	7	**60,000**	**-**	**60,000**	60,000
Other income		**585,625**	**-**	**585,625**	-
Total revenues		**32,126,244**	**993,727**	**33,119,971**	32,290,077
Expenses					
Salaries and employee benefits		**23,575,219**	**-**	**23,575,219**	22,337,857
Rent and occupancy		**2,833,650**	**-**	**2,833,650**	2,723,292
Office supplies and services		**1,118,502**	**-**	**1,118,502**	1,065,970
Technology		**1,055,240**	**-**	**1,055,240**	900,100
Professional and consulting fees		**960,441**	**105**	**960,546**	853,760
Hearing panels and regional councils		**472,171**	**-**	**472,171**	829,848
Travel		**802,598**	**-**	**802,598**	750,498
Amortization of capital assets		**386,677**	**-**	**386,677**	539,954
Board of Directors' fees and expenses		**334,682**	**-**	**334,682**	312,328
Staff training and development		**227,519**	**-**	**227,519**	236,378
Meetings, seminars and communication		**217,605**	**-**	**217,605**	184,290
Total expenses		**31,984,304**	**105**	**31,984,409**	30,734,275
Excess of revenues over expenses		**141,940**	**993,622**	**1,135,562**	1,555,802

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CHANGES IN FUND BALANCES

For the year ended June 30

	Operating Fund		Post-Retirement Benefits Fund	Discretionary Fund	**2016**	2015
	Invested in capital assets	**Unrestricted net assets / (liabilities)**			**Total**	Total
	$	**$**	**$**	**$**	**$**	$
Fund Balances, beginning of year	**835,914**	**2,183,078**	**-**	**378,807**	**3,397,799**	5,361,298
Excess of revenues over expenses	**-**	**141,940**	**-**	**993,622**	**1,135,562**	1,555,801
Employee benefit plans - remeasurements (Note 6)	**-**	**(4,572,385)**	**-**	**-**	**(4,572,385)**	(3,519,300)
Employee benefit plans - post-retirement benefits plan (Notes 4, 11)	**-**	**(4,189,300)**	**4,189,300**	**-**	**-**	-
Purchase of capital assets	**775,360**	**(775,360)**	**-**	**-**	**-**	
Principal payments on capital lease	**34,947**	**(34,947)**	**-**	**-**	**-**	-
Amortization of capital assets	**(386,677)**	**386,677**	**-**	**-**	**-**	-
Fund Balances, end of year	**1,259,544**	**(6,860,297)**	**4,189,300**	**1,372,429**	**(39,024)**	3,397,799

The accompanying notes are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

For the year ended June 30

	2016	2015
	$	$
OPERATING ACTIVITIES		
Excess of revenue over expenses - Operating Fund	**141,940**	1,176,994
Excess of revenue over expenses - Discretionary Fund	**993,622**	378,807
Add (deduct) non-cash items:		
Amortization of capital assets	**386,677**	539,954
Employee benefit plan expense	**3,515,600**	2,984,340
Loss on disposal of capital assets	**-**	362
Net change in non-cash balances		
Membership fees receivable	**215,500**	759,898
Prepaid expenses and deposits	**143,532**	(444,569)
Administrative costs receivable	**(8,303)**	(660)
Membership fees receivable - MFDA IPC	**(64,717)**	(2,099)
Accounts payable and accrued liabilities	**871,996**	(76,857)
Deferred membership fee revenue	**(42,677)**	(140,333)
Due to MFDA IPC	**121,458**	(75,922)
Contributions to employee benefit plans	**(1,891,272)**	(1,346,758)
Cash provided by operating activities	**4,383,356**	3,753,157
INVESTING ACTIVITIES, NET		
Purchase of investments - Operating Fund	**(2,573,670)**	(3,101,009)
Transfer-out of investments - Operating Fund	**4,189,300**	-
Transfer-in of investments - Post-Retirement Benefits Fund	**(4,189,300)**	-
Purchase of investments - Discretionary Fund	**(934,304)**	-
Purchase of capital assets	**(775,360)**	(219,606)
Principal payments on capital lease	**(34,947)**	(53,443)
	(4,318,281)	(3,374,058)
Increase in cash during the year	**65,075**	379,099
Cash, beginning of year	**2,450,032**	2,070,933
Cash, end of year	**2,515,107**	2,450,032
Cash - Operating Fund	**2,077,317**	2,071,560
Cash - Discretionary Fund	**437,790**	378,472
Cash, end of year	**2,515,107**	2,450,032

The accompanying notes are an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

1. Nature of the organization

The Mutual Fund Dealers Association of Canada (the "MFDA") is a not-for-profit corporation incorporated without share capital. The MFDA was incorporated on June 19, 1998 under the Canada Corporations Act and was continued under the Canada Not-for-Profit Corporations Act on July 24, 2014. As a not-for-profit organization, the MFDA is exempt from income taxes under Section 149(1) of the Income Tax Act (Canada).

The MFDA is the national self-regulatory organization for the distribution side of the Canadian mutual fund industry. The MFDA does not provide trade association activities for its members ("Members"). Its Members are firms that have been registered by provincial securities commissions to carry on business as mutual fund dealers. The MFDA regulates the activities of its Members and the approximately 83,000 Approved Persons sponsored by them. The MFDA's regulatory activities include developing rules and policies to govern the business conduct and operations of its Members and their Approved Persons, monitoring compliance with these requirements and applicable securities laws, and enforcing them through disciplinary proceedings conducted before impartial and independent MFDA Hearing Panels.

As at June 30, 2016, the MFDA had 96 Members (2015 - 103 Members).

2. Nature of the financial statements

These financial statements present the financial position and operations of the MFDA and include the Operating Fund, the Discretionary Fund and the Post-Retirement Benefits Fund.

The Operating Fund accounts for the regulatory and administrative activities of the MFDA. The Unrestricted Net Assets Fund reports operating funds available without specific restrictions and the Invested in capital assets fund records transactions related to the MFDA's capital assets, specifically additions, amortization and disposals, less related debt.

The Discretionary Fund is an internally restricted fund established by the MFDA Board of Directors which collects enforcement fines imposed by order of a MFDA Hearing Panel, and related investment income. Disbursements and transfers from the Discretionary Fund must be approved by the MFDA Board of Directors and are currently restricted to the funding of third party costs related to MFDA Enforcement Hearings, funding for the MFDA Investor Protection Corporation, and funding for special projects that are in the public interest and beneficial to the public or Canadian capital markets.

The Post-Retirement Benefits Fund is an internally restricted fund established by the MFDA, with the approval of the MFDA Board of Directors, as of June 30, 2016, to fund the employee post-retirement benefit ("PRB") obligations (e.g. health care and dental care benefits to retired employees). This fund may also be used for special disbursements relating to other employee future benefits (e.g. solvency payments for MFDA's pension plans), as needed. For the purpose of this fund, the value of the PRB obligation is determined using the discount rate used for MFDA's pension plan obligations on a going concern basis.

These financial statements do not include the assets, liabilities and operations of the MFDA Investor Protection Corporation ("MFDA IPC"), which is a separate, non-controlled corporate entity with separate financial statements.

3. Significant accounting policies

Basis of accounting

These financial statements have been prepared in accordance with Part III of the Chartered Professional Accountants of Canada ("CPA Canada") Handbook – Accounting, which sets out generally accepted accounting principles for not-for-profit organizations in Canada ("GAAP") and includes the significant accounting policies summarized below.

Cash

Cash includes balances with banks, net of any overdrafts. Cash maintained in investment accounts for investment in short term vehicles are included in investments.

Investments

The MFDA invests cash balances in accordance with the guidelines outlined in the Investment Policy Statement for Short-Term Investments. Treasury bills are valued at cost which approximates fair value and investments in pooled funds are valued at their reported net asset value per unit provided by the fund manager.

Transactions are recorded on a trade date basis. Investment income, consisting of interest and income distributions from pooled funds, is recorded as revenue in the statement of revenues and expenses.

Other financial instruments

Other financial instruments, including membership fees receivable and accounts payable and accrued liabilities are initially recorded at their fair value and are carried at amortized cost, less any applicable impairments.

Capital assets

Capital assets are recorded at cost. Amortization is charged to expenses on the straight-line basis over the estimated useful lives of the assets as follows:

Computers and software development	3 to 5 years
Office furniture and equipment	10 years
Leasehold improvements	Over lease term
Equipment under capital lease	Over lease term

Employee future benefits

The MFDA maintains two defined benefit plans, a registered pension plan ("RPP") for eligible employees and a supplementary executive retirement plan ("SERP") for designated executive employees. The MFDA also provides other post-retirement benefits ("PRB") for eligible employees.

The cost of pensions and other retirement benefits earned by employees is determined using the projected benefit method prorated on service and management's best estimates regarding assumptions about a number of future conditions, including investment returns, salary changes, withdrawals, mortality rates and expected health care costs. The fair market value of pension plan assets of the RPP and the SERP are used for disclosure and calculation of pension costs, effective on the measurement date, which is June 30 of each year. The PRB Plan is an unfunded plan and does not hold any assets. However, effective June 30, 2016, the MFDA has established a new internally restricted fund named the Post-Retirement Benefits Fund to meet the PRB and other pension benefits as they arise (see Note 2).

3. Significant accounting policies (continued)

The MFDA recognizes the amount of the accrued obligation, net of the fair value of the assets, in the Statement of Financial Position. The accrued benefit obligation at the reporting date is determined using the most recent actuarial valuation prepared for accounting purposes. Current service and finance costs are expensed during the year. Remeasurements and other items which represent the total of the difference between actual and expected return on plan assets, actuarial gains and losses, and past service costs, are recognized directly in the Statement of Changes in Fund Balances as a separately identified line item.

Revenue recognition

The MFDA follows the deferral method of accounting for revenue recognition. Membership fees are calculated annually for the period July 1 to June 30 using a defined formula that is based on the Member's assets under administration. Membership fees are billed quarterly and are reflected in the fiscal year due. The membership fee receivable amount represents invoices issued in June for the first quarter of the next fiscal year. The fees are deferred and are recognized as revenue in the next fiscal year.

Membership application deposits are a non-refundable deposit required to be submitted with an application for membership. The deposit is recognized as membership fee revenue when the applicant is accepted for membership.

Investment income, cost recoveries and late filing fees, and administrative recoveries are recorded as revenues when receivable.

Use of estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Actual results may differ from those estimates.

4. Investments

The MFDA's investments are governed by an Investment Policy Statement for Short-Term Investments approved by the MFDA Board of Directors and managed by an external investment manager. The MFDA's investments consist of Canada Government treasury bills maturing in less than one year and units in the CIBC Imperial Money Market Pooled Fund. The MFDA's investments are carried at fair value.

Investments at June 30 at fair value:

	2016	2015
	$	$
Canada Government Treasury Bills	**5,987,670**	5,982,060
CIBC Imperial Money Market Pooled Fund	**8,856,582**	6,298,652
Cash on hand for investment	**153,057**	142,927
Total investments	**14,997,309**	12,423,639
Comprised of:		
Investments pertaining to the Operating Fund	**10,808,009**	12,423,639
Investments pertaining to the PRB Fund (see Note 11)	**4,189,300**	-
Total	**14,997,309**	12,423,639

The Statement of Revenues and Expenses reports the investment income. Details are as follows:

	2016	2015
	$	$
Distributions from Money Market Pooled Fund	**60,352**	68,978
Interest from Treasury Bills	**28,823**	39,940
	89,175	108,918
Bank interest	**25,856**	34,733
Total Investment Income	**115,031**	143,651

5. Capital assets

			2016	2015
	Cost	**Accumulated Amortization**	**Net book value**	Net book value
	$	**$**	**$**	$
Computers and software development	**3,592,579**	**2,645,724**	**946,855**	511,616
Office furniture and equipment	**1,554,213**	**1,379,210**	**175,003**	193,677
Leasehold improvements	**2,566,500**	**2,429,048**	**137,452**	129,509
Equipment under capital leases	**169,834**	**87,068**	**82,766**	64,749
	7,883,126	**6,541,050**	**1,342,076**	899,551

6. Employee benefit plans

The MFDA provides retirement and post-employment benefits for its employees.

The MFDA maintains two defined benefit plans, a registered pension plan ("RPP") for eligible employees and a supplementary executive retirement plan ("SERP") for designated executive employees.

The RPP is a contributory defined benefit pension plan for eligible employees based on earnings and years of service. The RPP was closed to new or rehired employees commencing employment on or after January 1, 2014.

The SERP is a funded supplementary defined benefit pension plan for eligible executives, based on earnings and years of service.

The MFDA also has a non-pension Post-Retirement Benefits plan ("PRB"). The benefits provided under the plan to retired employees are medical care, dental care, health care and life insurance coverage to eligible retirees.

The most recent actuarial valuation of the RPP and the SERP plans for funding purposes was as of July 1, 2015. The next actuarial valuation for the RPP and the SERP are scheduled for July 1, 2018. An actuarial valuation of the PRB plan was conducted as at July 1, 2016.

The MFDA measures its accrued benefit obligation and the fair value of Fund assets for accounting purposes as at June 30 of each year.

The asset / (liability) on the MFDA's Statement of Financial Position is as follows:

	June 30, 2016			June 30, 2015		
	RPP	**SERP**	**PRB**	RPP	SERP	PRB
	$	**$**	**$**	$	$	$
Accrued benefit obligation	**33,825,300**	**6,025,800**	**5,972,100**	26,361,684	5,090,000	5,603,902
Fair value of plan assets	**22,209,100**	**6,768,600**	**-**	19,774,000	6,632,800	-
Accrued benefit asset / (liability)	**(11,616,200)**	**742,800**	**(5,972,100)**	(6,587,684)	1,542,800	(5,603,902)

The employee future benefit expense (component of salaries and employee benefits) is as follows (for the years ended):

	June 30, 2016			June 30, 2015		
	RPP	**SERP**	**PRB**	RPP	SERP	PRB
	$	**$**	**$**	$	$	$
Current service cost	**2,191,869**	**170,900**	**581,560**	1,951,784	146,500	495,102
Finance cost	**371,931**	**(63,100)**	**262,440**	227,200	(86,400)	230,500
Employee future benefit expense	**2,563,800**	**107,800**	**844,000**	2,178,984	60,100	725,602

The remeasurements and other items charged on the Statement of Changes in Net Assets (for the years ended) is as follows:

	June 30, 2016			June 30, 2015		
	RPP	**SERP**	**PRB**	RPP	SERP	PRB
	$	**$**	**$**	$	$	$
Actuarial gains / (losses)	**(3,552,447)**	**(706,100)**	**452,362**	(2,673,200)	(402,200)	(533,200)
Asset gains / (losses)	**(557,100)**	**(209,100)**	**-**	155,400	(66,100)	-
Total of remeasurement and other items	**(4,109,547)**	**(915,200)**	**452,362**	(2,517,800)	(468,300)	(533,200)

6. Employee benefit plans (continued)

Reconciliation of fund status - plan surplus / (deficit):

	June 30, 2016			June 30, 2015		
	RPP	**SERP**	**PRB**	RPP	SERP	PRB
	$	**$**	**$**	$	$	$
Reconciliation of fair value of Fund assets						
Fair value of fund assets - beginning of year	**19,774,000**	**6,632,800**	**-**	17,299,700	6,342,700	-
Net contributions and benefits paid during the year	**2,112,700**	**61,600**	**-**	1,452,100	53,600	-
Actual return on fund assets	**322,400**	**74,200**		1,022,200	236,500	-
Fair value of fund assets - end of year	**22,209,100**	**6,768,600**	**-**	19,774,000	6,632,800	-
Reconciliation of the accrued benefit obligation						
Accrued benefit obligation - beginning of year	**26,361,684**	**5,090,000**	**5,603,902**	20,282,900	4,486,500	4,364,900
Net current service cost and benefits paid during the year	**2,659,769**	**9,500**	**558,160**	2,311,584	(14,900)	475,302
Interest on accrued benefit obligation	**1,251,400**	**220,200**	**262,400**	1,094,000	216,200	230,500
Actuarial gain (loss) during the year	**3,552,447**	**706,100**	**(452,362)**	2,673,200	402,200	533,200
Accrued benefit obligations - end of year	**33,825,300**	**6,025,800**	**5,972,100**	26,361,684	5,090,000	5,603,902
Fund surplus / (deficit)	**(11,616,200)**	**742,800**	**(5,972,100)**	(6,587,684)	1,542,800	(5,603,902)
Accrued benefit asset / (liability)						
Balance at beginning of year	**(6,587,684)**	**1,542,800**	**(5,603,902)**	(2,983,200)	1,856,200	(4,364,900)
Net contributions, pension costs and remeasurement during the year	**(5,028,516)**	**(800,000)**	**(368,198)**	(3,604,484)	(313,400)	(1,239,002)
Balance at end of the year	**(11,616,200)**	**742,800**	**(5,972,100)**	(6,587,684)	1,542,800	(5,603,902)

Plan assets

The plan assets are invested in the Beutel Goodman Balanced Fund. At June 30, the Fund was invested in the following categories:

	June 30, 2016			June 30, 2015		
	RPP	**SERP**	**PRB**	RPP	SERP	PRB
	%	**%**	**%**	%	%	%
Cash and short term notes	**1.7**	**0.9**	**-**	2.4	1.3	-
Bonds	**30.5**	**15.6**	**-**	31.9	16.7	-
Canadian equities	**30.9**	**15.8**	**-**	31.2	16.3	-
Foreign equities	**36.9**	**18.9**	**-**	34.5	18.0	-
Deposit with the Canada Revenue Agency	**-**	**48.8**	**-**	-	47.7	-
Total	**100.0**	**100.0**	**-**	100.0	100.0	-

6. Employee benefit plans (continued)

Actuarial assumptions

The following rates were used in the calculations:

	June 30, 2016			June 30, 2015		
	RPP	**SERP**	**PRB**	RPP	SERP	PRB
	%	**%**	**%**	%	%	%
Discount rate	**3.75**	**3.50**	**3.75**	4.25	4.25	4.25
Expected rate of return on plan assets	**3.75**	**3.50**	**-**	4.25	4.25	-
Rate of compensation increase	**3.25**	**3.25**	**n/a**	3.50	3.25	n/a

To measure the accrued benefit obligation for the PRB plan as at June 30, 2015, the medical trend rates were set at 10% grading down to 5% over 5 years and the drug trend rates were set at 11% grading down to 5% over 6 years. The dental benefit trend rates are assumed to increase at an annual rate of 3.5%. There were no changes to these trend rates in measuring the obligation for the year ended June 30, 2016.

7. MFDA Investor Protection Corporation

The MFDA IPC administers an investor protection fund for the benefit of clients of mutual fund dealers that are members of the MFDA. The MFDA assesses and collects fees from its Members on behalf of the MFDA IPC and subsequently transfers these funds to the MFDA IPC. The MFDA does not use these funds in its operations and the fees are not reflected in the Statement of Revenues and Expenses of the MFDA.

The MFDA provides the MFDA IPC administration, corporate, secretarial and other support as part of a service agreement between the two entities. The administration costs charged to the MFDA IPC for the year amounted to $60,000 (2015 - $60,000) plus applicable taxes. As at June 30, 2016, an amount of $25,894 (2015 - $17,591) was due from the MFDA IPC and is non-interest bearing. The MFDA has an economic interest in MFDA IPC, as it provides a guarantee of a $30 million line of credit granted to the MFDA IPC by its bank in the event of default. The credit facility is secured by a general security agreement charging all property of the MFDA excluding the RPP and SERP assets in trust. At June 30, 2016, no obligation exists under the agreement.

8. Commitments and contingent liabilities

Capital leases

The MFDA has entered into four capital leases for office equipment. The capital leases expire in May 2017, October 2017, January 2018 and January 2021, respectively. Interest expense incurred on the capital leases for the year amounted to $3,040 (2015 - $7,080).

Operating leases

The MFDA has entered into operating leases for its office premises in Toronto, Calgary and Vancouver.

The MFDA's Vancouver office lease will expire on November 30, 2016. In July 2016, the MFDA extended the lease on the current location to November 30, 2021.

8. Commitments and contingent liabilities (continued)

Operating lease obligations, excluding operating costs for future years and sales taxes, are as follows:

	$
2017	**1,109,349**
2018	**1,346,976**
2019	**1,288,494**
2020	**1,232,193**
2021	**1,234,278**
Thereafter	**6,142,440**
Total	**12,353,730**

9. Credit facility

The MFDA has a demand credit facility in the amount of $6,000,000 (2015 - $6,000,000). The credit facility bears an interest rate of prime plus 0.75% per annum (2015 - prime plus 0.75%). The MFDA has granted a general security interest to the bank in connection with this facility. During the year ended June 30, 2016 the credit facility was not utilized.

10. Discretionary Fund

Enforcement fines collected during the year amounted to $989,318 (2015 - $378,807). Investment income earned during the year was $4,409 (2015 - $0) and the investment management fees incurred during the year were $105 (2015 - $0).

During the year, the MFDA did not transfer any funds from the Discretionary Fund to the Operating Fund (2015 - $0).

At June 30, 2016, the Discretionary Fund balance was $1,372,429 (2015 - $378,807). $437,790 (2015 - $378,472) was held in cash and $934,639 (2015 - $335) was held in the CIBC Money Market Pooled Fund.

11. Post-Retirement Benefits Fund

As explained in Note 2, effective June 30, 2016, the MFDA has established a new internally restricted fund named the Post-Retirement Benefits Fund to meet the PRB and other pension benefit commitments. As of June 30, 2016, investments of $4,189,300 (2015 - $0) were transferred from the Operating Fund into the Post-Retirement Benefits Fund (see Note 4). The value of the PRB obligation for the purpose of this fund ($4,189,300) was determined using a discount rate of 5.5%.

12. Financial instruments

The MFDA is exposed to various financial risks through transactions in financial instruments.

Credit risk

Credit risk is the risk of other parties' inability to discharge their financial obligations to the MFDA. The MFDA's credit risk derives from cash, membership fees receivable and investments.

The MFDA maintains cash balances with a major Canadian financial institution, although the amounts on deposit are in excess of Canada Deposit Insurance Corporation limits. Cash not required for current activities is invested directly in short term Canada Government treasury bills or a money market pooled fund as stipulated in the Investment Policy Statement for Short-Term Investments.

The MFDA believes the credit risk associated with membership fees receivable is minimal as all fees billed are to Members whose registration is in good standing. As at June 30, 2016, there are no outstanding membership fees due from fiscal 2016 assessments.

12. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk of holding assets that cannot be readily converted into cash and also the risk of the MFDA's inability to meet its liabilities. The financial instruments that are exposed to liquidity risk are membership fees receivable, investments, and accounts payable and accrued liabilities.

The MFDA minimizes liquidity risk by investing only in highly liquid investments that can be readily converted into cash. The MFDA's Investment Policy Statement for Short-Term Investments addresses this risk by restricting the term of the investments the MFDA may invest in.

The MFDA manages liquidity risk of liabilities by effective cash management to ensure there is sufficient cash available to meet its commitments.

In addition, the MFDA has a line of credit available with a major Canadian financial institution (Note 9).

Interest rate risk

Interest rate risk is the risk of the change in the financial instrument's fair value due to fluctuations in the current interest rate.

The MFDA mitigates interest rate risk by investment in short-term holdings that are not significantly impacted by current rate fluctuations. Investment income is not a significant amount of the overall revenues of the MFDA.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The MFDA minimizes exposure to market risk by investing in a portfolio of Canadian treasury bills with maturities of less than one year and a money market pooled fund. Pension Fund assets are invested in a diversified Balanced Fund.

13. Accounts payable and accrued liabilities

Included in accounts payable and accrued liabilities are government remittances receivable of $3,366 (2015 – payable of $3,321) for harmonized sales tax.

Executive Officers

Steven Donald	Chair of the Board
Christopher Nicholls	Vice-Chair of the Board
Mark T. Gordon	President & Chief Executive Officer

Officers

Karen McGuinness	Senior Vice-President, Member Regulation, Compliance
Shaun Devlin	Senior Vice-President, Member Regulation, Enforcement
Paige Ward	General Counsel, Corporate Secretary & Vice-President, Policy
Jeff Mount	Vice-President, Pacific Regional Office
Mark Stott	Vice-President, Prairie Regional Office
Paul Reid	Vice-President, Finance & Administration
Mahesh Manikonda	Controller
Sarah Rickard	Legal Counsel & Director of Regional Councils
Bernadette Devine	Assistant Corporate Secretary & Manager, Board Administration

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