

PROVINCE OF BRITISH COLUMBIA

RULE OF THE BRITISH COLUMBIA SECURITIES COMMISSION

Securities Act

The British Columbia Securities Commission orders that, effective June 12, 2019, National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, B.C. Reg. 226A/2009, is amended by repealing section 14.6.1 (1) and (2) and substituting the following:

(1) In this section:

“cleared specified derivative”, “clearing corporation option”, “futures exchange”, “option on futures”, “specified derivative” and “standardized future” have the same meaning as in section 1.1 of National Instrument 81-102 Investment Funds;

“regulated clearing agency” has the same meaning as in subsection 1 (1) of National Instrument 94-101 Mandatory Central Counterparty Clearing of Derivatives.

(2) Subsection 14.5.2 (2) does not apply to a registered firm in respect of cash or securities of a client or investment fund deposited with a member of a regulated clearing agency or a dealer as margin for transactions outside of Canada involving clearing corporation options, options on futures, standardized futures or cleared specified derivatives if

- (a) the member or dealer is a member of a regulated clearing agency, futures exchange or stock exchange, and, as a result in any case, is subject to a regulatory audit,
(b) the member or dealer has a net worth, determined from its most recent audited financial statements, in excess of \$50 million, and
(c) a reasonable person would conclude that using the member or dealer is more beneficial to the client or investment fund than using a Canadian custodian.

DEPOSITED
June 5, 2019
B.C. REG. 119/2019

June 5, 2019
Date

British Columbia Securities Commission

(This part is for administrative purposes only and is not part of the Order.)

Authority under which Order is made:

Act and section: Securities Act, R.S.B.C. 1996, c. 418, s. 184

Other: