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ORDER UNDER SECTION 48 OF THE SECURITIES ACT, R.S.B.C. 1996, c. 418

SHAPIRO CAPITAL MANAGEMENT COMPANY, INC.

## Background

Shapiro Capital Management Company, Inc. applied for an exemption from the adviser registration requirement in section 34(1)(c) of the Act with respect to advising a client resident or otherwise located in British Columbia in the sale and purchase of securities.

## Representations

Shapiro represents that:

1. it was incorporated under the laws of the State of Georgia on December 1, 1989 and its principal place of business is in Atlanta, Georgia;
2. it is registered with the United States Securities & Exchange Commission as an investment advisor under the *Investment Advisors Act of 1940*;
3. it has been in operation as an investment advisor since January 1991, and currently has assets under management of over US \$1,062,000,000 for approximately 105 clients;
4. it specializes in account management for investors in equity of small capitalization issuers and its client base is made up of mainly institutional accounts (public and private pensions plans, foundations, endowments and corporations);
5. it intends to advise its client, a certain family trust organized under the laws of British Columbia (the "Trust"), or a company, trust or other entity controlled by the Trust (collectively, the "Client");
6. it expects to manage under 5%, or US \$2,800,000, of the assets of the Client;
7. in advising the Client, Shapiro will be considered to be acting as an adviser under the Act; without this order, Shapiro would be required to be registered, or otherwise be exempt from registration, as an adviser under section 34(1)(c) of the Act;
8. the Client is a highly sophisticated trust with professionals acting as its trustees, including a certified public accountant and an attorney and the Client employs its own consultants to oversee several money managers of funds held for the Client;
9. Shapiro has made the Client aware that:
  - (a) Shapiro is not registered to advise in British Columbia;

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(b) Shapiro may not have the same proficiency requirements as other persons registered under the Act; and

(c) it may not have the same protection it would otherwise have if Shapiro were registered in British Columbia;

10. Shapiro does not:

(a) maintain offices or a sales force within British Columbia;

(b) have any other clients resident in British Columbia; and

(c) intend to actively solicit other clients within British Columbia;

### **Order**

Because it is not prejudicial to the public interest, the Executive Director orders under section 48 of the Act that Shapiro is exempt from the adviser registration requirements of section 34(1)(c) of the Act with respect to advising the Client in the sale and purchase of securities, provided that Shapiro maintains its registration as an investment advisor under the *Investment Advisors Act of 1940* in good standing.

DATED February 7, 2002.

Rosann L. Youck  
Acting Manager