

2005 BCSECCOM 758

Headnote

1996 Securities Act s. 48 Adviser - Exemption from s. 34(1)(c) requirement to be registered as an adviser - A person who resides outside BC wants to advise BC residents. - The person is registered or qualified to provide the advice in the jurisdiction in which they reside or carry on business; the person will only advise a small number of BC clients; the person will not carry on any other business in BC; the BC clients are sophisticated and have a high net worth; the clients are aware that the person is not registered in BC and the consequences.

Exemption Order

MVision Private Equity Advisers USA LLC

Section 48 of the *Securities Act*, RSBC 1996, c. 418

Background

- ¶ 1 MVision Private Equity Advisers USA LLC (MVision) applied for an exemption from the adviser registration requirements in section 34(1)(c) of the Act in order to provide securities advice to a prospective investor resident in British Columbia (BC).

Representations

- ¶ 2 MVision represents that:
1. it is incorporated under the laws of Delaware and is a wholly-owned subsidiary of MVision Private Equity Advisers Limited, a company incorporated under the laws of England;
 2. it is registered with the Securities Exchange Commission in the United States, is a broker-dealer member of the National Association of Securities Dealers in the United States and is registered as an International Dealer in the Province of Ontario; MVision Private Equity Advisers Limited is regulated by the Financial Services Authority in the United Kingdom;
 3. it assists private equity funds located outside of BC (the Funds) with marketing their unlisted securities to institutional accredited investors which manage pools of capital of at least US\$500 million;
 4. it intends to provide securities advice to a BC resident, the British Columbia Investment Management Corporation (BCIMC), about the securities offered by the Funds;

2005 BCSECCOM 758

5. BCIMC is a sophisticated investor with professional advisers;
6. it has advised BCIMC that:
 - (a) it is not registered under the Act,
 - (b) it may not have the same proficiency requirements as other persons registered under the Act, and
 - (c) BCIMC may not have the same protection that it would otherwise have if MVision were registered as an adviser under the Act;
7. it does not:
 - (a) maintain an office or sales forces in BC;
 - (b) have any investor other than BCIMC resident in BC; or
 - (c) intend to actively solicit other investors in BC;
8. in providing securities advice to BCIMC, it would be considered to be acting as an adviser under the Act and without this order would be required to be registered, or otherwise exempt from registration, as an adviser under the Act; and
9. there are no exemptions from the adviser registration requirement that it can rely on to provide securities advice to BCIMC.

Order

- ¶ 3 Because it is not prejudicial to the public interest, the Executive Director orders under section 48 of the Act that MVision be exempt from the adviser registration requirements of section 34(1)(c) of the Act for securities advice provided to BCIMC.

December 29, 2005

Sandy Jakab
Manager