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Headnote

1996 Securities Act s. 48 Adviser - Exemption from s.34(1)(c) requirement to be registered as an adviser and the obligations of advisers in Part 5 of the Act and rules - 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; 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

TT International Investment Management

Section 48 of the *Securities Act*, R.S.B.C. 1996, c. 418

Background

- ¶ 1 TT International Investment Management (TT) applied for an exemption from the adviser registration requirement in section 34(1)(c) of the Act in order to provide securities advice to a prospective client resident in British Columbia (securities advice).

Representations

- ¶ 2 TT represents that:
1. it is a partnership formed pursuant to the laws of England and Wales, and its principal place of business is the United Kingdom;
 2. it is regulated in the United Kingdom under the *Financial Services and Markets Act (2000)* and is authorized by the Financial Services Authority as an investment manager;
 3. it is also registered: in the United States as an investment advisor with the Securities and Exchange Commission and as a commodity pool operator and commodity trading adviser with the Commodity Futures Trading Commission; as an international adviser with the Ontario Securities Commission; and as a portfolio manager and investment counsel (foreign) with the Alberta Securities Commission;
 4. TT and its predecessor entity have carried on business as an adviser in the United Kingdom since 1988, and currently has assets under management in excess of US\$11.04 billion;

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5. it is engaged in advising on the buying and selling of securities, primarily to institutional (including pension plans, corporations, endowments, foundations, public funds and mutual funds) and high net worth investors;
6. it intends to provide securities advice to the British Columbia Investment Management Corporation (bcIMC), resident in British Columbia;
7. bcIMC is established under the authority of the *Public Sector Pension Plans Act* (British Columbia) and is a sophisticated investor and has professional advisers including legal counsel and chartered accountants;
8. it has advised bcIMC that:
 - (a) it is not registered as an adviser 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 TT were registered as an adviser under the Act;
9. it does not:
 - (a) maintain an office or sales force in British Columbia,
 - (b) have any client other than bcIMC resident in British Columbia, or
 - (c) intend to actively solicit other clients in British Columbia;
10. 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
11. there are no exemptions in the Act 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 TT be exempt from the adviser registration requirements of section 34(1)(c) of the Act for securities advice provided to

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bcIMC, provided that TT remains authorized by and in good standing with the Financial Services Authority (United Kingdom).

¶ 4 April 5, 2005

Sandy Jakab
Manager