

**BC Instrument 91-503**  
***Contracts Providing for Physical Delivery of Commodities***

Order Under Section 3.1

**PART 1**                      **EXEMPTION ORDER**

For the purposes of the Act and the regulations, a contract that

- (a) is not an exchange contract,
- (b) contains an obligation to make or take future physical delivery of a commodity, and
- (c) does not allow for cash settlement in place of physical delivery

is not a derivative.