

British Columbia Securities Commission

**BC Instrument 32-509
Continuation of transition provisions for persons
and companies adding a jurisdiction**

The British Columbia Securities Commission, considering that to do so would not be prejudicial to the public interest, orders that effective February 26, 2010, BC Instrument 32-509 entitled “Continuation of transition provisions for persons and companies adding a jurisdiction” is made.

February 26, 2010

Brenda M. Leong
Chair

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

Authority under which Order is made:

Act and sections:- *Securities Act*, section 48(1)

BC Instrument 32-509
Continuation of transition provisions for persons
and companies adding a jurisdiction

Order under section 48(1) of the Securities Act

Definitions

1. Terms defined in the *Securities Act*, R.S.B.C. 1996, c. 418, as amended (the **Act**) or in National Instrument 14-101 *Definitions* have the same meaning in this order.

Background

2. Certain sections of Part 16 of National Instrument 31-103 - *Registration Requirements and Exemptions* (**NI 31-103**) provide a number of transition periods and grandfathering provisions to a person or company registered in a jurisdiction on September 28, 2009. These transition/grandfathering provisions do not apply in additional jurisdictions where this person or company applies for registration after September 28, 2009.
3. A person or company that was not registered in British Columbia on September 28, 2009 is not exempt from the same section in British Columbia.

Order

4. The Commission orders, under section 48(1) of the Act, that subject to paragraph 5 below, a person or company applying to register in British Columbia will not be subject to the sections of NI 31-103 listed in Appendix A if the following conditions apply:
 - (a) the person or company has been continuously registered in another jurisdiction of Canada since NI 31-103 came into force;
 - (b) the person or company remains registered in the jurisdiction referred to in paragraph (a) during their reliance on this exemption;
 - (c) the person or company registering in British Columbia after September 28, 2009 in the same category and, in the case of a registered individual, with the same sponsoring firm as the individual is registered in the jurisdiction referred to in paragraph (a);
 - (d) the person or company is exempt from the same section of NI 31-103 in the jurisdiction referred to in paragraph (a) due to the application of one of the following sections:
 - (i) subsections (2) and (3) of section 16.9;

- (ii) subsections (1) and (2) of section 16.10;
- (iii) section 16.11;
- (iv) section 16.13;
- (v) section 16.14;
- (vi) section 16.15;
- (vii) section 16.16;
- (viii) section 16.17.

5. Paragraph 4 does not apply where the person or company was, immediately prior to NI 31-103 coming into force, registered solely as:
- (a) a limited market dealer or a salesperson, officer, partner or director of a limited market dealer in Ontario; or
 - (b) a limited market dealer or a salesperson, officer or partner of a limited market dealer in Newfoundland and Labrador.

Appendix A

- (a) Each section of Divisions 1 and 2 [*proficiency*] of Part 3
- (b) Section 12.1 [*capital requirements*]
- (c) Section 12.2 [*notifying the regulator of a subordination agreement*]
- (d) Section 12.3 [*insurance - dealer*]
- (e) Section 12.4 [*insurance - adviser*]
- (f) Section 12.5 [*insurance - investment fund manager*]
- (g) Section 12.6 [*global bonding or insurance*]
- (h) Section 12.7 [*notifying the regulator of a change, claim or cancellation*]
- (i) Section 14.2 [*relationship disclosure information*]
- (j) Each section of Division 3 [*referral arrangements*] of Part 13
- (k) Section 13.16 [*dispute resolution service*]
- (l) Section 14.14 [*client statements*]