

British Columbia Securities Commission

BC Instrument 32-510

**Exemption from requirement to provide notice to clients
where head office is outside of British Columbia**

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 32-510 entitled “Exemption from requirement to provide notice to clients where head office is outside of British Columbia” 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 32-510
Exemption from requirement to provide notice to clients
where head office is outside of British Columbia

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. Section 14.5 of National Instrument 31-103 - *Registration Requirements and Exemptions (NI 31-103)* provides that a registered firm whose head office is not located in British Columbia must provide its clients in British Columbia with a written statement disclosing information specified in the section.
3. The purpose of section 14.5 is to ensure clients are given information that may be relevant to their ability to obtain civil remedies against a registrant located outside British Columbia.
4. Compliance with section 14.5 of NI 31-103 presents costs that are not justified in respect of a registered firm that has its head office in another jurisdiction of Canada and a physical place of business in British Columbia.
5. The Commission considers that limited relief from the requirements in section 14.5 would not be prejudicial to the public interest.

Order

6. The Commission orders, under section 48(1) of the Act, that the requirement in section 14.5 of NI 31-103 does not apply to a registered firm so long as:
 - (a) the head office of the registered firm is located in another jurisdiction of Canada, and
 - (b) the registered firm has a physical place of business in British Columbia.