

**British Columbia Securities Commission**

**BC Instrument 32-522**

***Exemption from the registration requirement for trades in short-term debt instruments***

The British Columbia Securities Commission, considering that to do so would not be prejudicial to the public interest, orders that effective January 1, 2015 BC Instrument 32-522 *Exemption from the registration requirement for trades in short-term debt instruments* is varied by substituting “July 10, 2015” for “December 31, 2014” in paragraph 7, so that it reads as attached.

Dated December 12, 2014.

Brenda M. Leong  
Chair

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(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, sections 48(1), 171

BC Instrument 32-522

***Exemption from the registration requirement for trades in short-term debt instruments***

Order under section 48(1) of the Securities Act

**Definitions**

1. Terms defined in the *Securities Act*, National Instrument 14-101 *Definitions*, National Instrument 25-101 *Designated Rating Organizations* (NI 25-101), and National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* have the same meaning in this order.
2. “Designated rating” has the same meaning ascribed to it in National Instrument 81-102 *Mutual Funds* with the exception of paragraph (b) of such definition.

**Background**

3. On March 26, 2010, the Commission issued BCI 32-515 *Exemption from the registration requirement for trades in short-term debt instruments* (the 2010 Order) exempting certain Canadian financial institutions from the requirement to register when trading in short-term debt instruments that satisfied certain conditions.
4. On September 21, 2011, the Commission extended the relief granted in the 2010 Order in BC Instrument 32-522 (the 2011 Order).
5. On April 20, 2012, NI 25-101 came into effect. NI 25-101 contains new terms that replace certain terms used in the 2011 Order and introduces a new defined term “DRO affiliate”.

**Order**

6. The dealer registration requirement does not apply to
  - i. a bank listed in Schedule I, II or III to the *Bank Act* (Canada);
  - ii. an association to which the *Cooperative Credit Associations Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473 (1) of that Act;
  - iii. a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or of a jurisdiction in Canada to carry on business in Canada or in any jurisdiction in Canada, as the case may be; and
  - iv. the Business Development Bank of Canada;in respect of a trade in a negotiable promissory note or commercial paper maturing not more than one year from the date of issue, if the note or commercial paper traded
  - (a) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a security described in this order; and
  - (b) has a designated rating issued by a designated rating organization, or its DRO

affiliate, that is at or above one of the following rating categories or that is at or above a category that replaces one of the following rating categories:

<b>Rating Organization</b>	<b>Rating</b>
DBRS Limited	R-1 (low)
Fitch, Inc.	F2
Moody's Canada Inc.	P-2
Standard & Poor's Rating Services (Canada)	A-2

7. This order expires on July 10, 2015.