



BC Interpretation Note 33-706

**Discrepancy in Terms, Definitions and Registration Categories  
between the *Securities Act* and National Instrument 31-103 *Registration Requirements  
and Exemptions***

**Portfolio manager**

*Issue*

Section 1(1) of the *Securities Act* and section 1.1 of National Instrument 31-103 *Registration Requirements and Exemptions* (NI 31-103) provide different definitions for the term *portfolio manager*.

The Act defines a *portfolio manager* as “an adviser who manages the investment portfolio of clients through discretionary authority granted by one or more clients”. The term only appears in section 1(1) of the Act. NI 31-103 defines a *portfolio manager* as “a person or company registered in the category of portfolio manager”. In addition, Appendix D of NI 31-103 indicates that, in British Columbia, *portfolio manager* is the new registration category name for both an investment counsel and a portfolio manager.

*Interpretation guide*

Any reference to the term *portfolio manager* in securities legislation (other than in section 1(1) of the Act) has the meaning set out in NI 31-103.

*Future amendments*

When possible, we intend to seek amendments to the Act to have the definition of *portfolio manager* repealed.

**Salesperson / dealing representative**

*Issue*

Appendix C of NI 31-103 indicates that, in British Columbia, *dealing representative* is the new registration category name for a *salesperson*. However, the Act still defines and refers to a *salesperson*.

Section 1(1) of the Act defines a *salesperson* as “an individual employed by a dealer to make trades on the dealer’s behalf in securities, exchange contracts or both”. This term also appears in sections 35(2)(a) and 49(4) of the Act. NI 31-103 does not provide a definition for a *dealing representative*.

*Interpretation guide*

The Act provisions that apply to *salespersons* (i.e., s. 35(2)(a) and 49(4)) apply to *dealing representatives*.

*Future amendments*

When possible, we intend to seek amendments to the Act to repeal the definition of *salesperson*, and repeal and replace the other references to *salesperson*.

**Advising employee, partner, director, officer / advising representative**

*Issue*

Appendix C of NI 31-103 indicates that, in British Columbia, *advising representative* is the new registration category name for an *advising employee, partner, director or officer*. However, the Act still refers to an *advising employee, partner, director or officer* in sections 35(2)(a) and 49(4).

*Interpretation guide*

The Act provisions that apply to an *advising employee, partner, director or officer* apply to an *advising representative*.

*Future amendments*

When possible, we intend to seek amendments to the Act to repeal and replace the references to an *advising employee, partner, director or officer*.

**Underwriter**

*Issue*

There are a number of references in the Act (i.e., sections 35(2)(a), 45(26) and 74(2)(23)) to the *underwriter* registration category. However, this registration category no longer exists.

Previously, section 34 of the Act required a person acting as an underwriter to register as an *underwriter*. Currently, section 34 of the Act requires a person acting as an underwriter to register in the prescribed category, and section 7.1(2) of NI 31-103 states that a person or company registered in the category of *investment dealer, exempt market dealer or restricted dealer* may act as an underwriter.

*Interpretation guide*

Since the *underwriter* registration category no longer exists, the references to this category are not applicable.

*Future amendments*

When possible, we intend to seek amendments to the Act to repeal the references to the *underwriter* registration category.

**Section 35 of the Act**

*Issue*

Sections 35(1) and (3) of the Act refer to renewing a registration (i.e., the executive director must grant a renewal of registration or must not refuse to renew a registration). However,

with permanent registration under NI 31-103, there is no mechanism for an applicant to apply for a renewal of registration.

*Interpretation guide*

Sections 35(1) and (3) do not apply to registration renewals.

*Future amendments*

When possible, we intend to seek amendments to the Act to repeal and replace section 35.

**Responsible person**

*Issue*

Section 120(1) of the *Securities Act* and section 13.5(1) of NI 31-103 provide different definitions for the term *responsible person*.

We have not provided the definitions in this Interpretation Note as they are lengthy. However, the term *responsible person* only appears in sections 120 and 130.1 of the Act.

*Interpretation guide*

Unless otherwise stated, any reference to the term *responsible person* in securities legislation (other than in sections 120 and 130.1 of the Act, NI 81-102, NI 81-107, and NI 81-504) has the meaning set out in NI 31-103.

*Future amendments*

Sections 33 and 38 of Bill 20 repeal sections 120 and 130.1 of the Act. When possible, we intend to have these sections proclaimed.

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*This Interpretation Note may refer to other documents. These documents can be found at the B.C. Securities Commission public website at [www.bcsc.bc.ca](http://www.bcsc.bc.ca) in the section Securities Law & Policy: Policies & Instruments.*