



BC Notice 2010/40

Adoption of BC Instrument 32-517
***Exemption from Dealer Registration Requirement for Trades in Securities of Mortgage
Investment Entities***

Introduction

Effective August 20, 2010, the Commission adopted BC Instrument 32-517 *Exemption from dealer registration requirement for trades in securities of mortgage investment entities* (the existing order). The Commission granted this relief to allow Commission staff time to analyze how dealer registration requirements apply to mortgage investment entities operating in BC.

The existing order provides, subject to specific conditions, temporary relief from the dealer registration requirement for trades of securities of a mortgage investment entity issued under a prospectus exemption. The existing order expires on December 31, 2010.

Commission staff need additional time to complete their analysis, so the Commission is extending the existing order to June 30, 2011.

Conditions

The extended relief adds one condition to the existing order. The new condition requires a person relying on the relief to:

- (a) file an information report (in the form of Appendix B to BCI 32-517) with the Commission within 10 days of relying on this exemption
- (b) where there is a change in information contained in a previously filed report, update filed information reports within 10 days of a prospectus exempt distribution relying on this exemption.

Reporting

The requirement to file the information report is in addition to any applicable reporting requirements of NI 45-106.

We will use the information collected in the report for research and compliance purposes.

Persons relying on this relief will be able to file the information report electronically through the Commission's e-filing system. Market participants can go to the Commission's e-filing system by clicking on "BCSC e-services" on the homepage of the Commission website. The link is located under the heading "Exempt Sales Filing".

Please note that parties relying on this exemption should, when completing the report electronically, type 32-517 after your firm name on the “Firm name” line on the report.

Questions

You may refer questions to:

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Brenda M. Leong
Chair

This Notice may refer to other documents. These documents can be found at the B.C. Securities Commission public website at www.bcsc.bc.ca in the section Securities Law & Policy: Policies & Instruments.