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Headnote

Relief from adviser registration requirement to permit U.S. investment adviser to advise one sophisticated client

ORDER UNDER SECTION 48 OF THE SECURITIES ACT, R.S.B.C. 1996, c. 418

OSPREY PARTNERS INVESTMENT MANAGEMENT, LLC

Background

[para 1]

Osprey applied for an exemption from the adviser registration requirement in section 34(1)(c) of the Act (the Adviser Registration Requirement) in order to advise a client resident or otherwise located in British Columbia on the investment in or sale and purchase of securities (Securities Advice).

Representations

[para 2]

Osprey represents that:

1. it was incorporated under the laws of, and its principal place of business is in, New Jersey;
2. it is registered with the Securities and Exchange Commission of the United States of America as an investment advisor under the *Investment Advisors Act of 1940* (the 1940 Act);
3. it has been in operation as an investment advisor since September 24, 1998, and currently has assets under management of over US\$3 billion for approximately 211 clients;
4. it specializes in account management services, following a value investment approach, for institutions and high net worth individuals;
5. it intends to provide Securities Advice to a certain family trust organized under the laws of British Columbia (the Trust), or to a company, trust or other entity controlled by the Trust (collectively, the Client);
6. the Client has financial assets of over C\$5 million;
7. the Client is a sophisticated investor with professionals acting as its trustees, including a certified public accountant and a lawyer; the Client employs consultants to oversee several money managers that have been retained to manage portions of the Client's financial assets;
8. it has instructed the Client as follows:
 - (a) Osprey is not registered as an adviser under the Act,
 - (b) Osprey may not have the same proficiency requirements as other persons registered under the Act, and

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(c) the Client may not have the same protections it would have if Osprey were registered as an adviser under the Act;

9. it does not:

(a) maintain offices or a sales force within British Columbia,

(b) have any other clients resident in British Columbia, and

(c) intend to actively solicit other clients within British Columbia;

10. in providing Securities Advice to the Client, it would be considered to be acting as an adviser under the Act and without this order, would be required to be registered, or otherwise exempt from registration, as an adviser under the Act; and

11. there are no exemptions from the Adviser Registration Requirement that it can rely on to provide Securities Advice to the Client.

Order

[para 3]

Because it is not prejudicial to the public interest, the Executive Director orders under section 48 of the Act that Osprey is exempt from the Adviser Registration Requirement for Securities Advice provided to the Client, provided that Osprey maintains its registration as an investment advisor under the 1940 Act in good standing.

[para 4]

March 21, 2002

Noreen Bent