

### Headnote

1996 Securities Act, s. 48 Adviser – Exemption from s. 34(1)(b) requirement to be registered as an adviser – A person who resides in BC wants to advise US residents - The person is registered in the US as a broker-dealer, the advice is in connection with a trade in a security that the person is permitted to make under their US registration, the person will comply with applicable US securities laws - The person is registered in the US as an investment adviser, the person will not advise any BC resident in reliance on this relief, the person will comply with applicable US securities laws.

### Applicable Legislative Provisions

Securities Act R.S.B.C. 1996, s. 34(1)(b) and s. 48

March 7, 2025

### Citadel Advisors LLC

### Section 48 of the Securities Act, R.S.B.C. 1996, c.418

### Background

1. The British Columbia Securities Commission (the **Commission**) has received an application from Citadel Advisors LLC (the **Filer**) and its representatives (**Representatives**) pursuant to section 48 of the *Securities Act* (British Columbia) (the **Act**) for an exemption from the adviser registration requirement under section 34(b) of the Act (the **Adviser Registration Requirement**) in order for the Filer and its Representatives to provide advisory services, from British Columbia (the **Jurisdiction**), to affiliated investment vehicles domiciled outside of Canada (the **Requested Exemption**).

### Interpretation

2. Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this order, unless otherwise defined.

### Representations

3. This decision is based on the following facts represented by the Filer:
  - (a) The Filer is a limited liability company formed under the laws of Delaware with its principal place of business located in Miami, Florida, United States of America (**U.S.**).
  - (b) The Filer is registered with the Securities and Exchange Commission (**SEC**) as an investment adviser under the Investment Advisers Act of 1940, as amended.
  - (c) The Filer is registered with the Commodity Futures and Trading Commission (**CFTC**) as a commodity trading adviser, and as a commodity pool operator.
  - (d) The Filer is a member of the National Futures Association (**NFA**).

- (e) The Filer and the Representatives are subject to all applicable oversight and compliance requirements of the SEC, CFTC and NFA.
- (f) The Filer and the Representatives are in compliance in all material respects with U.S. federal securities laws and U.S. derivatives laws including commodity futures laws.
- (g) The Filer and the Representatives are not required to be registered under either the securities or derivatives legislation, including commodity futures legislation, in the Cayman Islands or Ireland.
- (h) The Filer is not registered under the Act or under any other securities, derivatives or commodity futures legislation of any jurisdiction of Canada.
- (i) The Filer currently relies on the registration exemption available in section 4 of Multilateral Instrument 32-102 *Registration Exemptions for Non-Resident Investment Fund Managers* for the purposes of acting as an investment fund manager in Ontario and Québec.
- (j) The Filer currently relies on the international adviser exemption under National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* in Ontario, and the international adviser registration exemption pursuant to section 7 of OSC Rule 32-506 (Commodity Futures Act) *Exemptions for International Dealers, Advisers and Sub-Advisers*.
- (k) Neither the Filer nor any of the Representatives is in default of the securities, derivatives or commodity futures legislation of any jurisdiction of Canada.
- (l) The Filer is registered with the CFTC and SEC to advise on, *inter alia*, securities, options, futures, swaps, forward rate agreements and any other derivative contracts.
- (m) The Filer proposes to operate in the Jurisdiction as an adviser to affiliated investment vehicles domiciled outside of Canada for implementing certain investment strategies, including providing advice on trading, and managing trading in, securities and derivatives, including commodity futures, through discretionary authority (**Advisory Services**).
- (n) All of the affiliated investment vehicles are investment funds and are not managed by any registered investment fund managers in any jurisdiction of Canada. None of the affiliated investment vehicles include any managed accounts or third-party funds.
- (o) Investors in the affiliated investment vehicles are comprised of sophisticated institutional investors.
- (p) The Filer will not provide services relating to the execution of trades for the affiliated investment vehicles within Canada. Trading execution will be conducted in the U.S.
- (q) The affiliated investment vehicles are “permitted clients” within the meaning of NI 31-103.

- (r) The Filer is proposing to provide Advisory Services in the Jurisdiction to accommodate the relocation of up to 10 Representatives to the Jurisdiction.
- (s) The Filer does not have employees, nor does it directly employ the Representatives. The Representatives in the Jurisdiction will be employed by Citadel Canada ULC (**Citadel ULC**). Pursuant to a services agreement between the Filer and Citadel ULC, the Advisory Services performed by the Representatives will be performed on behalf of the Filer, and the Filer will retain ultimate responsibility and supervision over the conduct of the Representatives in the Jurisdiction in accordance with the requirements of U.S. federal securities laws, and U.S. derivatives laws including commodity futures laws.
- (t) Citadel ULC is an unlimited liability company formed under the laws of the Province of Nova Scotia, a wholly owned subsidiary of CIG Canada Holdings LLC, and an affiliate of the Filer.
- (u) Citadel ULC operates as an administrative entity and currently provides primarily administrative staff and other support for the Filer and its affiliates in the U.S. and other jurisdictions. Citadel ULC has operations in the provinces of Alberta, British Columbia, Ontario and Nova Scotia.
- (v) The Representatives will be based in the Citadel ULC office in the Jurisdiction.
- (w) Citadel ULC will serve as the administrative entity for local payroll and tax purposes for the Representatives and will not conduct any registerable activities.
- (x) Citadel ULC is not registered under the Act or under either the securities or derivatives legislation, including commodity futures legislation, of any jurisdiction of Canada or of any foreign jurisdiction.
- (y) Under the Requested Exemption, the Filer will only advise the affiliated investment vehicles and will not advise clients resident in the Jurisdiction.

#### **Order**

- 4. Considering that it is not prejudicial to the public interest, the Commission orders that the Requested Exemption is granted provided that:
  - (a) the Filer and the Representatives provide Advisory Services exclusively to affiliated investment vehicles;
  - (b) the Filer and the Representatives are in compliance with all applicable licensing and registration requirements under applicable U.S. federal securities laws and U.S. derivatives laws including commodity futures laws;
  - (c) the Filer and the Representatives will not solicit or service clients that are resident or located in any jurisdiction of Canada;
  - (d) the Filer files with the Commission a current information report in the form of Appendix "A" before relying on this order, and files an updated information report within 10 days of a change to a previously filed information report.

5. This decision will terminate on the earlier of:

(a) five years after the date of this decision; and

(b) the coming into force of a change in the securities legislation of British Columbia (the **Legislation**) that exempts the Filer from the registration requirements in the Legislation in connection with the trading and/or advising activity it provides to affiliated investment vehicles from the Jurisdiction on terms and conditions other than those set out in this decision.

*"Mark Wang"*

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Mark Wang  
Director, Capital Markets Regulation  
British Columbia Securities Commission

## Appendix "A"

### Information report

#### Complete the applicable sections.

Indicate the jurisdiction(s) in which the firm has employees who trade for or advise U.S. resident clients.

AB	BC	MB	NB	NL	NS	NT	NU	ON	PE	QC	SK	YT
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

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[Name of firm]

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[Street address]

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[Telephone number]

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[Name of firm in Canada with which you are affiliated, have a business arrangement, or share employees or offices]

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[Name of individual responsible for ensuring conditions to use this exemption are met]

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[Telephone number for responsible individual]

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[E-mail address for responsible individual]

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[Names of employees trading or advising on securities for non-Canadian clients. Use separate sheet if necessary]

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[Date]