

CSA Staff Notice 31-330

Omnibus/Blanket Orders Extending Certain Transition Provisions Relating to the Investment Fund Manager Registration Requirement and the Obligation to Provide Dispute Resolution Services

July 5, 2012

Introduction

This Notice announces the issuance by members of the Canadian Securities Administrators (the CSA, or we) of parallel orders (the “orders”) to extend the transition provisions in the following sections of Part 16 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103):

- Section 16.5 [*Temporary exemption for Canadian investment fund manager registered in its principle jurisdiction*]
- Section 16.6 [*Temporary exemption for foreign investment fund manager*]
- Section 16.16 [*Complaint handling*]

Purpose

The purpose of the orders is to extend certain transition provisions that are available in Part 16 of NI 31-103.

Background and Summary of Orders

Transitional relief from the requirement to register as an investment fund manager

On July 5, 2012:

- securities regulators in British Columbia, Alberta, Saskatchewan, Manitoba, Prince Edward Island, Nova Scotia, New Brunswick, Northwest Territories, Yukon and Nunavut published Multilateral Policy 31-202 *Registration Requirement for Investment Fund Managers* (MP 31-202)
- securities regulators in Ontario, Quebec and Newfoundland and Labrador, published Multilateral Instrument 32-102 *Registration Exemptions for Non-*

Resident Investment Fund Managers (MI 32-102) and Companion Policy 32-102CP Registration Exemptions for Non-Resident Investment Fund Managers

- securities regulators in all CSA jurisdictions published amendments to Companion Policy 31-103CP *Registration Requirements, Exemptions and Ongoing Registrant Obligations*

These new and amended instruments and policies relating to the registration of investment fund managers come into effect on September 28, 2012, subject in certain jurisdictions to necessary approvals. You can find more information about each of these policies and instruments in the Notices accompanying the publication of MP 31-202 and MI 32-102.

Sections 16.5 and 16.6 of NI 31-103 provide temporary exemptions for certain investment fund managers from the investment fund manager registration requirement that expire on September 28, 2012. These exemptions are available to investment fund managers that are registered, or have applied for registration, in the jurisdiction of Canada in which their head office is located and investment fund managers that do not have a head office in Canada. In order to provide additional time for affected investment fund managers to comply with these new and amended instruments and policies relating to the registration requirements described above, the CSA is extending the duration of these temporary exemptions.

As a result of these extensions, investment fund managers registered in the jurisdiction of Canada in which their head office is located and investment fund managers that do not have a head office in Canada now have until December 31, 2012 to apply for registration.

Transitional relief from the requirement to provide dispute resolution services prescribed by section 13.16 of NI 31-103

The CSA is currently reviewing the dispute resolution provisions in NI 31-103 and may publish proposed amendments for comment in the future.

Section 16.16 of NI 31-103 provides a temporary exemption for registrants from the requirements of section 13.16 of NI 31-103 that require registered firms to make independent dispute resolution or mediation services available to clients. The temporary exemption in section 16.16, which does not apply in Quebec by reason of the existing regime in that jurisdiction, expires on September 28, 2012. Since we are considering publishing proposed amendments to the dispute resolution provisions in section 13.16 of NI 31-103 for comment, CSA members are extending this temporary exemption until the earlier of September 28, 2014 or the coming into effect of amendments to section 13.16 of NI 31-103. This order will not apply in Quebec.

Questions

If you have questions about this Notice or the orders, please direct them to any of the following:

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THE SECURITIES ACT)	Order No. 6549
)	
Section 20(1) and National Instrument 31-103)	July 5, 2012
<i>Registration Requirements and Exemptions</i>)	

**Transitional Relief from the Requirement to Provide
Dispute Resolution Services Prescribed by Section
13.16 of NI 31-103**

Interpretation

Terms defined in *The Securities Act*, R.S.M. 1988, c. S50, National Instrument 14-101 *Definitions*, or National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) have the same meaning in this order.

WHEREAS

Background

1. Section 13.16 [*dispute resolution service*] of NI 31-103, provides that a registered firm must ensure independent dispute resolution or mediation services are made available, at the firm's expense, to a client to resolve a complaint made by the client about any trading or advising activity of the firm or one of its representatives and must inform the client as soon as possible of how to contact and use the dispute resolution or mediation services which are provided to the firm's clients.
2. Section 16.16 [*complaint handling*] of NI 31-103, provides temporary relief from the application of section 13.16 of NI 31-103 until September 28, 2012 (transition period) to persons or companies registered in a jurisdiction of Canada on the date NI 31-103 came into force.
3. The Manitoba Securities Commission is currently reviewing with the Canadian Securities Administrators the dispute resolution provisions in section 13.16 of NI 31-103 and is extending the transition period that is available in section 16.16 of NI 31-103.

The Commission is of the opinion that it would not be prejudicial to the public interest to make the order requested.

IT IS ORDERED:

1. **THAT** under s. 20(1) of *The Securities Act*, R.S.M. 1988, c. S50, section 13.16 of NI 31-103 does not apply to a person or company that was a registered firm in a jurisdiction of Canada on September 28, 2009.

2. **THAT** this order comes into effect on September 28, 2012 and expires on the earlier of:

(a) September 28, 2014; or

(b) the coming into effect of revisions to section 13.16 of NI 31-103.

BY ORDER OF THE COMMISSION

"Chris Besko"

Deputy Director



THE SECURITIES ACT)	Order No. 6550
)	
Section 20(1) and National Instrument 31-103)	July 5, 2012
<i>Registration Requirements and Exemptions</i>)	

**Transitional Relief from the Requirement to Register as
an Investment Fund Manager**

Interpretation

Terms defined in *The Securities Act*, R.S.M. 1988, c. S50, National Instrument 14-101 *Definitions*, or National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) have the same meaning in this order.

WHEREAS

Background

1. Section 16.5 of NI 31-103 provides a temporary exemption from the investment fund manager registration requirement for investment fund managers registered in the jurisdiction of Canada in which their head office is located.
2. Section 16.6 of NI 31-103 provides a temporary exemption from the investment fund manager registration requirement for investment fund managers that do not have a head office in Canada.
3. These temporary exemptions expire on September 28, 2012.
4. On July 5, 2012, the [insert name of local securities regulatory authority] published for adoption (effective September 28, 2012) Multilateral Policy 31-202 *Registration Requirement for Investment Fund Managers* (MP 31-202), relating to the investment fund manager registration requirement.
5. The Manitoba Securities Commission is extending these temporary exemptions so that investment fund managers affected by the new MP 31-202 will have until December 31, 2012 to apply for registration.

The Commission is of the opinion that it would not be prejudicial to the public interest to make the order requested.

IT IS ORDERED:

1. **THAT** under s. 20(1) of *The Securities Act*, R.S.M. 1988, c. S50, a person or company that is acting as an investment fund manager in Manitoba and is registered as an investment fund manager in the jurisdiction of Canada in which its head office is located is not required to register in Manitoba:

(a) until December 31, 2012, or

(b) if the person or company applies for registration as an investment fund manager by December 31, 2012, until the regulator has accepted or refused the registration.

2. THAT under s. 20(1) of *The Securities Act*, R.S.M. 1988, c. S50, a person or company that is acting as an investment fund manager in Manitoba and whose head office is not in a jurisdiction of Canada is not required to register as an investment fund manager in Manitoba:

(a) until December 31, 2012, or

(b) if the person or company applies for registration as an investment fund manager by December 31, 2012, until the regulator has accepted or refused the registration.

3. THAT this order will come into effect on September 28, 2012.

BY ORDER OF THE COMMISSION

"Chris Besko"

Deputy Director