

Citation: Exemption from Sections 3.6, 3.10 and 3.14 of National Instrument 31-103
*Registration Requirements and Exemptions for Chief Compliance Officers of
Portfolio Managers Adding a Category, 2010 ABASC 77* Date: 20100226

ALBERTA SECURITIES COMMISSION

BLANKET ORDER 31-507

February 26, 2010

Definitions

1. Terms defined in the *Securities Act*, R.S.A. 2000, c. S-4 (the **Act**) or in National Instrument 14-101 *Definitions* have the same meaning in this Blanket Order.

Background

2. Under section 3.6 [*mutual fund dealer – chief compliance officer*] of National Instrument 31-103 *Registration Requirements and Exemptions (NI 31-103)*, a mutual fund dealer must not designate an individual as its chief compliance officer unless the individual has satisfied the proficiency requirements in paragraph (a) or (b) of that section. Paragraph 3.6(b) provides that an individual may be designated a mutual fund dealer's chief compliance officer if the individual has met the requirements of section 3.13 [*portfolio manager – chief compliance officer*].
3. Under section 3.10 [*exempt market dealer – chief compliance officer*] of NI 31-103, an exempt market dealer must not designate an individual as its chief compliance officer unless the individual has satisfied the proficiency requirements in paragraph (a) or (b) of that section. Paragraph 3.10(b) provides that an individual may be designated an exempt market dealer's chief compliance officer if the individual has met the requirements of section 3.13 [*portfolio manager – chief compliance officer*].
4. Under section 3.14 [*investment fund manager – chief compliance officer*] of NI 31-103, an investment fund manager must not designate an individual as its chief compliance officer unless the individual has satisfied the proficiency requirements in paragraph (a), (b) or (c) of that section. Paragraph 3.14(c) provides that an individual may be designated an investment fund manager's chief compliance officer if the individual has met the requirements of section 3.13 [*portfolio manager – chief compliance officer*].
5. If a person or company registered as a portfolio manager in Alberta was registered as a portfolio manager when NI 31-103 came into force, the portfolio manager's chief compliance officer is exempt from section 3.13 [*portfolio manager – chief compliance officer*] due to the application of subsection 16.9(2) [*registration of chief compliance officers*].

6. The chief compliance officer of a person or company registered as a portfolio manager and applying for registration in an additional category is not exempt from sections 3.6 [*mutual fund dealer – chief compliance officer*], 3.10 [*exempt market dealer – chief compliance officer*], and 3.14 [*investment fund manager – chief compliance officer*] of NI 31-103 since section 16.9 of NI 31-103 does not apply to such chief compliance officer.

Order

7. The Commission orders, under section 213 of the Act, that sections 3.6 [*mutual fund dealer – chief compliance officer*], 3.10 [*exempt market dealer – chief compliance officer*], and 3.14 [*investment fund manager – chief compliance officer*] of NI 31-103 do not apply to a person or company registered as a portfolio manager in Alberta who applies for registration in an additional category if:
- (a) the person or company is exempt from section 3.13 [*portfolio manager – chief compliance officer*] in any jurisdiction of Canada due to the application of subsection 16.9(2) [*registration of chief compliance officers*]; and
 - (b) the individual designated as the person or company's chief compliance officer in respect of the person or company's mutual fund dealer, exempt market dealer or investment fund manager activities is the same individual designated as the person or company's chief compliance officer in respect of its portfolio manager activities.

This order takes effect on February 26, 2010.

“original signed by”

Glenda A. Campbell, QC, Vice-Chair
Alberta Securities Commission

“original signed by”

Stephen R. Murison, Vice-Chair
Alberta Securities Commission