

ALBERTA SECURITIES COMMISSION

BLANKET ORDER 31-529

Citation: 2014 ABASC 205

Date: 20140529

**Relief from Certain CRM2 Requirements Prescribed by NI 31-103 for MFDA Members**

**Definitions**

1. Terms defined in the *Securities Act* (Alberta), 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 Blanket Order.

**Background**

2. Under section 9.4 [*exemptions from certain requirements for MFDA members*] of NI 31-103, a registered firm that is a member of MFDA is exempt from certain requirements in NI 31-103 if the registered firm complies with the corresponding MFDA Provisions that are in effect. The term “MFDA Provision” is defined in section 1.1 of NI 31-103 to mean “a by-law, rule, regulation or policy of the MFDA named in Appendix H, as amended from time to time”.
3. On 15 July 2014, the following provisions of NI 31-103 will come into effect:
  - (a) paragraph 14.2(2)(m) [*relationship disclosure information*]; and
  - (b) section 14.2.1 [*pre-trade disclosure of charges*] (paragraphs (a) and (b) together, the **CSA 2014 CRM2 Amendments**).
4. On 15 July 2014, certain MFDA Rules in relation to the implementation of Client Relationship Model – Phase 2 (the **MFDA 2014 CRM2 Amendments**) will come into effect.
5. The MFDA 2014 CRM2 Amendments are not reflected in Appendix H of NI 31-103.
6. The following table sets out the relevant NI 31-103 sections of the CSA 2014 CRM2 Amendments and the corresponding MFDA Rules affected by the MFDA 2014 CRM2 Amendments:

NI 31-103 section	MFDA Rule
Paragraph 14.2(2)(m)	MFDA Rule 2.2.5(h)
Section 14.2.1	MFDA Rule 2.4.4

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- 7. The MFDA 2014 CRM2 Amendments are materially harmonized with the CSA 2014 CRM2 Amendments.

**Decision**

- 8. The following provisions of NI 31-103 do not apply to any registered firm that is a member of MFDA if the registered firm complies with the corresponding MFDA 2014 CRM2 Amendments:

- (a) paragraph 14.2(2)(m); and
- (b) section 14.2.1.

- 9. This decision expires on the date on which amendments to Part 9 of NI 31-103 and Appendix H of NI 31-103 come into effect providing an equivalent exemption for MFDA members.

This order takes effect on 15 July 2014.

**For the Commission:**

*“original signed by”*  
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 William Rice, QC  
 Chair

*“original signed by”*  
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 Tom Cotter  
 Vice-Chair

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