

ALBERTA SECURITIES COMMISSION

BLANKET ORDER 31-516

Citation: Exemption from Requirement to Establish Whether a Client is an Insider
(Section 13.2(2)(b) of NI 31-103), Re, 2010 ABASC 512 **Date: 20101103**

Definitions

1. Terms defined in the *Securities Act*, R.S.A. 2000, c. S-4, National Instrument 14-101 *Definitions* or National Instrument 31-103 *Registration Requirements and Exemptions* (NI 31-103) have the same meaning in this Blanket Order.

Background

2. Section 13.2(2)(b) of NI 31-103 requires registrants to take reasonable steps to establish whether their clients are insiders of reporting issuers or of any other issuers whose securities are publicly traded.
3. Because a trade in a security referred to in section 7.1(2)(b) or (c) of NI 31-103 is unlikely to give rise to concerns about illegal insider trading, the cost of compliance with section 13.2(2)(b) of NI 31-103 for trades in such securities exceeds the benefit.

Order

4. Section 13.2(2)(b) of NI 31-103 does not apply to a registrant in respect of a client for which the registrant trades only in securities referred to in sections 7.1(2)(b) and (c) of NI 31-103.
5. Blanket Order 31-511 *Exemption from Section 13.2(2)(b) of National Instrument 31-103 Registration Requirements and Exemptions for Mutual Fund Dealers* which provides similar relief to mutual fund dealers only, 2010 ABASC 81, is revoked.

This order takes effect on 5 November 2010.

For the Commission:

“original signed by”

Glenda Campbell, QC
Vice-Chair

“original signed by”

Stephen Murison
Vice-Chair