



THE MANITOBA
SECURITIES
COMMISSION

THE SECURITIES ACT
Subsection 20(1)

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Order No. 7512

Date: April 16, 2020

Blanket Order 31-519

**Temporary Exemption from Certain Client Focused Reforms Conflict of
Interest Provisions of National Instrument 31-103 *Registration
Requirements, Exemptions and Ongoing Registrant Obligations***

WHEREAS:

- (A) The Manitoba Securities Commission (the "Commission") has received an application from the Director to make an order which would provide an exemption from certain amendments to NI 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103") to implement reforms to enhance the client-registrant relationship (the Client Focused Reforms), and in particular, the reforms relating to conflicts of interest and the associated relationship disclosure information provisions taking effect on December 31, 2020, on a temporary basis.
- (B) Terms defined in *The Securities Act* (Manitoba) ("Act"), National Instrument 14-101 *Definitions*, and National Instrument 31-103 have the same meaning in this order.
- (C) On October 3, 2019, the Commission adopted MSC Rule No. 2019-2 which amends NI 31-103 to implement the Client Focused Reforms (the "Amending Instrument"). Paragraph 35(1)(a) of the Amending Instrument provides that certain amendments to Part 13 of NI 31-103 come into force effective December 31, 2020 (the "COI amendments")
- (D) On March 11, 2020, the World Health Organization declared the outbreak of coronavirus disease 2019 ("COVID 19") to be a pandemic. On March 20, 2020 the government of Manitoba declared a state of emergency under the powers set out in sections 10(1) and 10(2) of The Emergency Measures Act (Manitoba) to enable the province to respond to the pandemic. The Director is of the opinion that the pandemic may present challenges to a registrant's ability to implement the Client Focused Reforms scheduled to take effect on December

31, 2020 because of disruptions to registrants' access to office facilities, personnel and other key resources.

- (E) The Commission has determined that it is not prejudicial to the public interest to issue this order.

IT IS ORDERED:

1. **THAT**, under subsection 20(1) of the Act, a registrant is exempt from compliance with the amendments to Part 13 of NI 31-103 that the registrant was required to implement as of December 31, 2020 pursuant to paragraph 35(1)(a) of the Amending Instrument, provided that the registrant comply with the requirements in Part 13, Divisions 2 through 4, of NI 31-103 that were in effect on December 30, 2020.
2. **THAT**, this order comes into effect on December 31, 2020 and expires on June 30, 2021.

BY ORDER OF THE COMMISSION



Director