

**Blanket Order No. 31-524**

**In the Matter of the Securities Act, R.S.N.S. 1989,  
Chapter 418, as amended**

**-and-**

**In the Matter of Transitional Relief from the Requirement to  
Provide the Relationship Disclosure Information  
Prescribed by Section 14.2(1) of National Instrument 31-103  
*Registration Requirements, Exemptions and Ongoing  
Registrant Obligations* for MFDA Member Firms**

**Order  
(Section 151A)**

**Interpretation**

Unless otherwise defined in this order or the context otherwise requires, terms used in this order that are defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103) or National Instrument 14-101 *Definitions* have the same meaning.

**Background**

1. Under section 14.2(1) [*Relationship disclosure information*] of NI 31-103, a registered firm must deliver to a client all information that a reasonable investor would consider important about the client's relationship with the registrant.
2. The Mutual Fund Dealers Association of Canada (the MFDA) has adopted new member rules for relationship disclosure information (the MFDA RDI rules) finalizing a proposal (the MFDA RDI proposal) published on July 26, 2010, in MFDA Bulletin 0444-P - *Proposed amendments to MFDA Rule 2.2 (Client accounts), Policy No. 2 Minimum Standards for account supervision, Rule 2.8 (Client communications) and Rule 5.3 (Client reporting)*.
3. The purpose of the MFDA RDI rules is to set out detailed requirements to assist registered firms who are MFDA members to comply with the general principle in section 14.2(1) of NI 31-103.
4. Under section 16.14 of NI 31-103, temporary relief from the application of section 14.2(1) of NI 31-103 was available until September 28, 2010, to persons or companies that were registered on the date when NI 31-103 came into effect.

5. On September 10, 2010, the Nova Scotia Securities Commission (Commission) issued Blanket Order No. 31-517, further temporary relief from the application of section 14.2(1) of NI 31-103 to MFDA members, until the earlier of September 28, 2011, or the coming into force date of the MFDA RDI proposal.
6. The MFDA RDI rules will be implemented in phases, starting on September 28, 2011, and ending December 3, 2013.
7. Since the MFDA RDI rules will be fully implemented by December 3, 2013, the cost that MFDA members will incur by having to comply with section 14.2(1) of NI 31-103 in the interim is not justified.
8. The Commission is of the opinion that to do so is not prejudicial to the public interest.

IT IS ORDERED pursuant to section 151A(1) of the Act that section 14.2(1) of NI 31-103 does not apply to registered firms that are members of the MFDA, provided the MFDA member complies with the MFDA RDI rules subject to applicable transition periods.

This order comes into effect on September 28, 2011, and expires on December 31, 2013.

Dated at Halifax, Nova Scotia, this 22nd day of September, 2011.

Nova Scotia Securities Commission

  
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H. Leslie O'Brien, Q.C., Chair

  
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Sarah P. Bradley, Vice-chair