STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION

555 EAST WASHINGTON AVE., SUITE 5200
LAS VEGAS, NEVADA 89101

In the Matter of:

INVESTMENT DEALERS ASSOCIATION OF CANADA – LIMITED EXEMPTION FROM BROKER-DEALER and SALES REPRESENTATIVE LICENSING REQUIREMENTS and SECURITIES REGISTRATION REQUIREMENTS

ADMINISTRATIVE ORDER

WHEREAS, the Administrator of the Nevada Securities Division, Charles E. Moore (hereinafter "Administrator") is charged with the administration of the Nevada Revised Statutes Chapter 90.211 et seq. (hereinafter "NRS"); and

WHEREAS, NRS 90.320(1)(b) provides that the Administrator may exempt from licensing under NRS 90.310 "Other broker-dealers the administrator by regulation or order exempts."; and

WHEREAS, NRS 90.320(2)(e) provides that the Administrator may exempt from licensing under NRS 90.310 "Other sales representatives the administrator by regulation or order exempts." and

WHEREAS, NRS 90.540(1) provides that the Administrator, by regulation or order, may "Exempt any other security or transaction or class of securities or transactions from NRS 90.460 and 90.560."; and

WHEREAS, the Administrator has determined that it is in the public interest and appropriate for investor protection that certain Canadian broker-dealers and their sales representatives be allowed to transact limited securities transactions in this state without licensure pursuant to NRS 90.310 with (1) persons from Canada who are temporarily present in this state or (2) holders of or contributors to self-directed, tax advantaged Canadian retirement plans; and

WHEREAS, the Administrator has also determined that it is in the public interest and appropriate for investor protection that the securities offered and sold by certain

Canadian broker-dealers and sales representatives be exempt from the securities registration and sales/advertising literature filing requirement of NRS 90.460 and 90.560, respectively, when offered or sold solely to (1) persons from Canada who are temporarily present in this state or (2) holders of or contributors to self-directed, tax advantaged Canadian retirement plans.

NOW THEREFORE, IT IS HEREBY ORDERED THAT:

1. **EXEMPTION of BROKER-DEALERS.** Pursuant to NRS 90.320(1)(b) a Canadian broker-dealer that has no place of business in this state and who complies with the following conditions shall be exempt from licensing pursuant to the requirements of NRS 90.310(1):

a) Is registered with or is a member of a self-regulatory organization in Canada, stock exchange in Canada or the *Bureau des services financiers*;

b) Maintains in good standing its provincial or territorial registration and its registration with or membership in a self-regulatory organization in Canada, stock exchange in Canada or the *Bureau des services financiers*;

c) Effects or attempts to effect transactions in securities solely:

i. With or for a person from Canada who is temporarily resident in or visiting this state, with whom the Canadian broker-dealer had a bona fide business-client relationship before the person entered this state; or

ii. With or for a person present in this state, whose transactions are in a Canadian self-directed tax advantaged retirement account of which the person is the holder or contributor.

2. **EXEMPTION of SALES REPRESENTATIVES.** Pursuant to NRS 90.320(2)(e) a Canadian sales representative who is employed by an exempt Canadian broker-dealer as defined in 1 above is exempt from the licensing requirement in this state pursuant to NRS 90.310(1) if that sales representative effects or attempts to effect transactions in securities solely:

a) With or for a person from Canada who is temporarily resident in or visiting this state, with whom the Canadian broker-dealer had a bona fide business-client relationship before the person entered this state; or

b) With or for a person present in this state, whose transactions are in a Canadian self-directed tax advantaged retirement account of which the person is the holder or contributor.

3. **EXEMPTION OF SECURITIES.** Pursuant to NRS 90.540(1) the following class of transactions is exempt from the registration provisions of NRS 90.460 and 90.560:

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1) Any offer or sale of a security, which is effected by a Canadian broker-dealer exempted from licensing pursuant to paragraph 1 above; or

2) Any offer or sale of a security, which is effected by a Canadian sales representative employed by a Canadian broker-dealer exempted by paragraph 1 above and transacting business in securities as provided in paragraph 2 above.

THE ADMINISTRATOR finds the above to be appropriate, in the public interest, and not adverse to the protection of Nevada Investors. This order is adopted as of the date set forth below.

By Order of the Administrator, dated this 14th day of May, 2002

Charles Moore

Charles E. Moore
Administrator