

Headnote

Section 79 of the Securities Act (Nova Scotia) -- Foreign licensed dealer and adviser and their representative residing in Nova Scotia exempted, subject to certain conditions, from the dealer and adviser registration requirements in connection with trades and advice in securities for the benefit of the foreign dealer's clients resident outside of Canada.

Applicable Legislative Provisions

Statutes Cited

Securities Act, R.S.N.S. 1989, c. 418, as am., ss. 31 and 79.

In the Matter of
the *Securities Act*,
R.S.N.S. 1989, c. 418, as amended (the "**Act**")

and

In the Matter of
The Investment Center, Inc. and
IC Advisory Services, Inc.
(together, the "**Applicants**")

RULING
(Section 79)

UPON the application of the Applicants to the Nova Scotia Securities Commission (the "**Commission**") for a ruling under section 79 of the Act that the Applicants and their representative residing in Nova Scotia (the "**Applicant Representative**") who will act as a dealer on behalf of The Investment Center, Inc. ("**TICI**") and who will provide investment advice on behalf of IC Advisory Services, Inc. ("**ICASI**") to non-Canadian clients is exempt from the dealer and adviser registration requirements in subsections 31(1) and 31(2) of the Act, respectively;

AND UPON reading the application and the recommendation of staff of the Commission;

AND UPON the Applicants having represented to the Commission that:

1. TICI is a corporation which was incorporated on March 20, 1986 under the laws of the State of New Jersey, with its principal place of business in Bedminster, New Jersey, U.S.A. TICI is in the business of, among other things, acting as a broker-dealer for its clients.

2. TICI is a registered broker-dealer with the United States Securities and Exchange Commission (the "SEC") (SEC No. 8-35826 and CRD No. 17839), and is a member of the Financial Industry Regulatory Authority and Securities Investor Protection Corporation.
3. ICASI is a corporation which was incorporated under the laws of the State of New Jersey, with its principal place of business in Bedminster, New Jersey, U.S.A. ICASI is in the business of, among other things, providing investment advisory services.
4. ICASI is an SEC Registered Investment Adviser (SEC No. 801-66512 and CRD No. 140190) and was approved as a Registered Investment Adviser on April 13, 2006.
5. ICASI is an advisory affiliate of TICI. Each of TICI and ICASI is a wholly-owned subsidiary of IC Financial Services Inc., which is wholly-owned by its President and Chief Executive Officer. ICASI provides all advisory services to TICI.
6. The Applicant Representative is an individual who will be living part-time in Nova Scotia beginning September 2011 and who is dually registered with the SEC as a broker-dealer for TICI and as an adviser for ICASI.
7. Neither Applicant is presently registered with the Commission in any dealer or adviser capacity, nor is either Applicant registered in any dealer or adviser capacity in any other province or territory of Canada.
8. Neither the Applicants nor the Applicant Representative presently engage in the business of a broker-dealer or an investment adviser in Nova Scotia, nor do they act as a broker-dealer or provide investment advisory services to residents of Nova Scotia or any other province or territory of Canada.
9. TICI and the Applicant Representative acting on its behalf propose to act as a broker-dealer to clients of TICI that are resident outside of Canada (the "**Non-Canadian Clients**") from a location in Nova Scotia.
10. ICASI and the Applicant Representative acting on its behalf propose to provide certain investment advisory services to the Non-Canadian Clients from a location in Nova Scotia.
11. Although the Applicant Representative will engage in trading and advisory activities for the Non-Canadian Clients from a location within Nova Scotia, the Applicants and the Applicant Representative, acting on their behalf, will not solicit or otherwise act as a dealer or provide investment advisory services to any person or company that is resident in Nova Scotia or any other province or territory of Canada, unless, at the relevant time, the Applicants and the Applicant Representative are registered accordingly to engage in such activities under the Act and securities legislation in each applicable province and territory of Canada or are relying on an exemption from the registration requirements.
12. The Applicants and the Applicant Representative will comply with all registration and other requirements under the securities laws of each jurisdiction applicable to the Non-Canadian Clients and will be regulated by the SEC.

AND UPON the Commission being satisfied that to do so would not be prejudicial to the public interest;

IT IS RULED under section 79 of the Act that subsection 31(1) of the Act shall not apply to TICI or to the Applicant Representative, acting on TICI's behalf, when acting as a broker-dealer to the Non-Canadian clients, and that subsection 31(2) of the Act shall not apply to ICASI or to the Applicant Representative, acting on ICASI's behalf, when acting as an adviser to the Non-Canadian Clients, provided that:

- (a) in acting as a broker-dealer and adviser to the Non-Canadian Clients, the Applicants and the Applicant Representative, acting on their behalf, complies with all registration and other requirements of applicable securities legislation governing the Non-Canadian Clients;
- (b) in acting as a broker-dealer and an adviser, respectively, to the Non-Canadian Clients, TICI and ICASI act only through the Applicant Representative;
- (c) the Applicants and the Applicant Representative are registered in good standing with the SEC;
- (d) the Applicants and the Applicant Representative, acting on their behalf, will not solicit or otherwise act as a dealer or provide investment advisory services to any person or company resident in Nova Scotia unless, at the relevant time, the Applicants and the Applicant Representative are registered accordingly to engage in such activities under Nova Scotia securities laws or are relying on an exemption from the registration requirements; and
- (e) prior to relying on this ruling, the Applicants provide the name of the Applicant Representative to the Deputy Director, Capital Markets.

Dated at Halifax, Nova Scotia, this 29 day of June, 2011.

Nova Scotia Securities Commission

"H. Leslie O'Brien"
