

THE SECURITIES ACT

)

Order No. 6859

)

Section 20(1)

)

December 17, 2013

BLANKET ORDER

**EXEMPTION FROM REQUIREMENT FOR A CLEARING
AGENCY TO BE RECOGNIZED PURSUANT TO SECTION 31.7
OF THE SECURITIES ACT**

WHEREAS:

(A) An application has been made by Staff to The Manitoba Securities Commission (the “Commission”) for an Order under Section 20(1) of The Securities Act (the “Act”) granting an exemption from the requirement that a Clearing Agency be recognized by the Commission pursuant to Section 31.7 of the Act.

(B) Background:

(1) The Act is being amended to put into force on December 31, 2013 a requirement that a Clearing Agency be recognized in writing by the Commission in order to conduct business in Manitoba.

(2) The Commission, along with other members of the Canadian Securities Administrators are currently developing a Rule which will set out both the process for recognition and continuing requirements to maintain recognition by a Clearing Agency (the “CSA Rule”).

(3) The Commission is of the view that the CSA Rule will provide the necessary standards for the application of the requirement for recognition of a Clearing Agency pursuant to Section 31.7 of the Act and that enforcing this provision prior to conclusion of the CSA Rule would be disruptive to the markets and not in the public interest.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

1. THAT, under section 20(1) of the Act, the requirement for a Clearing Agency to be recognized by the Commission to carry on business in Manitoba contained in section 31.7 of the Act, does not apply to a Clearing Agency provided that the Clearing Agency is in compliance with the laws of the jurisdiction in which it is located to carry on business as a clearing agency.

2. THAT this Order takes effect on December 31, 2013.

BY ORDER OF THE COMMISSION

Director **"Douglas R. Brown"**