

THE SECURITIES ACT) **Order No. 2911**
)
Section 20) **May 18th, 2000**

MANITOBA BUILDER BONDS, SERIES VI

WHEREAS:

(A) Local Policy No. 3.06 of The Manitoba Securities Commission (the "Commission") sets forth the Commission's interpretation of the range of trading permitted by registrants under section 6 of The Securities Act (the "Act") whose registration is restricted to the sale of certain specified securities ("Restricted Registrants");

(B) The Province of Manitoba proposes to offer (the "Offering") Manitoba Builder Bonds, Series VI (the "Series VI Bonds") for sale to residents of Manitoba which permit buyers to select one of three alternatives, namely:

1. a five year term bond with an interest rate fixed every six months, redeemable at six month intervals;
2. a three year fixed rate bond, without redemption features;
3. a compound discount bond which will be sold for a portion of the eventual face value at maturity, with a five year term to maturity (the "Compound Discount Bond"), without redemption features.

(C) Nesbitt Burns Inc. and Wellington West Capital Ltd. (collectively, the "Managers") are the managing agents in respect of the Offering and they are organizing a selling group which includes, among others, certain members of The Investment Dealers Association of Canada (Manitoba District) (the "Registered Dealers") each of which is registered as an investment dealer under the Act;

(D) The Managers and the Registered Dealers propose appointing sub-agents, including Restricted Registrants, with a view to achieving as wide a distribution of the Offering as possible;

(E) An information statement (the "Information Statement") will be provided to all purchasers of Compound Discount Bonds describing the characteristics of these instruments;

(F) In the opinion of the Commission it is not contrary to the public interest to exempt the Restricted Registrants from the provisions of section 6 of the Act in respect of the sale of Series 6 Bonds as part of the Offering.

I HEREBY ORDER pursuant to a delegation to me by the Commission under subsection 4(1) of the Act of the powers in that behalf:

1. THAT, pursuant to section 20 of the Act, the Restricted Registrants shall be exempt from section 6 of the Act in respect of the primary distribution to the public of the Series VI Bonds, subject to the following conditions:

(a) each such Restricted Registrant shall be appointed as sub-agent by agreement with one of the Managers or one of the Registered Dealers;

(b) payment for the Series VI Bonds shall be made by the subscriber by cheque or money order payable to the Manager or the Registered Dealer that appointed the Restricted Registrant or to such other third party as may be prescribed in the sub-agency agreement with the Restricted Registrant;

(c) all purchasers of Compound Discount Bonds shall be provided with a copy of the Information Statement, acceptable to the Director of the Commission as to form and content, which:

i) in the case of sales by investment dealers who are members of The Winnipeg Stock Exchange, shall be provided to purchasers no later than with the confirmation of the trade;

ii) in all other cases, shall be provided to purchasers prior to the trade.

2. THAT this fee for this order is \$1000.00.

BY ORDER OF THE COMMISSION

Director