

THE COMMODITY FUTURES) Order No. 2790
ACT)
Sections 36(3), 38(4) & 66(1)) February 1, 2000

Transitional matters under
THE COMMODITY FUTURES ACT

WHEREAS:

(A) *The Commodity Futures Act*, S.M. 1996, c.73, and the *Commodity Futures Fee Regulation* (Manitoba Regulation 179/99) and the *Commodity Futures Rule - Making Procedure Regulation* (Manitoba Regulation 180/99), (collectively, the "Act") were proclaimed and are in full force and effect as of February 1, 2000;

(B) Section 24 of the Act requires registration with The Manitoba Securities Commission (the "Commission") under the Act as a dealer, local or adviser when a person or company is trading in contracts or is acting as an adviser in relation to the trading of contracts;

(C) Subsection 36(1) of the Act requires a commodity futures exchange situated outside Manitoba be recognized by the Commission;

(D) Subsection 38(1) of the Act requires a commodity futures exchange to file a contract for approval of the director of the Commission prior to the contract being traded in Manitoba;

(E) The Commission is enacting rules under section 71 of the Act setting out matters required for dealers, locals, advisers, commodity futures exchanges and clearing houses ("industry participants") to comply with the Act;

(F) Industry participants involved in the trading of contracts or in advising as to the trading of contracts have not had the opportunity or ability to comply with some of the requirements of the Act.

(G) The Commission is of the opinion that it would not be prejudicial to the public interest to make this order to permit industry participants to continue to conduct business in Manitoba until such time as there can be compliance with the requirements of the Act;

IT IS ORDERED:

1. **THAT**, under subsection 66(1) of the Act:

(a) a member of the Winnipeg Commodity Exchange acting as dealer, local or adviser that is and remains a member in good standing of the exchange is

exempted from the requirements of registration under subsections 24(1) and 24(2) of the Act;

(b) a person or company acting as an adviser and registered with the Commission under *The Securities Act* in the following categories:

- Investment Dealer; or
- Investment Counsel and Broker-Dealer (Portfolio Manager)

is exempted from the requirement for registration under section 24(2) of the Act on the condition that the registration of the adviser under *The Securities Act* has not been suspended or cancelled;

2. THAT, under subsection 36(3) of the Act, a commodity futures exchange situated outside Manitoba is exempted from the requirement under subsection 36(1) of the Act on the condition that the trading of contracts is conducted by a person or a company referred to in paragraph 1(a) of this order or by a dealer registered as a futures commission merchant under the Act.

3. THAT, under subsection 38(4) of the Act, a commodity futures exchange trading or proposing to trade in a contract in Manitoba is exempted from the requirement under subsection 38(1) of the Act on the condition the contract is traded by a person or company referred to in paragraph 1(a) of this order or by a dealer registered as a futures commission merchant under the Act.

4. THAT, this order shall be in effect up to and including November 30, 2000 and shall expire after that date.

BY ORDER OF THE COMMISSION

Director – Legal