

THE SECURITIES ACT) Order No. 5066
)
Section 20(1)) May 10, 2006

MANITOBA HYDRO BONDS, SERIES IX

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 Hydro Bonds, Series IX (the "Series IX Bonds") for sale to residents of Manitoba which permit buyers to select one of three alternatives, namely:

(a) a five-year term bond with an interest rate fixed annually (the "Floating Rate Bond") redeemable annually on June 15;

(b) a three-year fixed rate bond (the "Three-Year Fixed Rate Bonds") without redemption features; and

(C) BMO 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) 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 IX Bonds as part of the Offering.

IT IS ORDERED:

1. **THAT**, pursuant to subsection 20(1) 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 IX 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 IX 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;

2. THAT this fee for this order is \$750.00.

BY ORDER OF THE COMMISSION

Director – Legal