

THE SECURITIES ACT

)

Order No. 4266

)

Subsection 20(1)

)

September 10, 2003

PAYROLL LOANS CAPITAL CORP.

WHEREAS:

(A) Payroll Loans Capital Corp. (the "Applicant") has applied to The Manitoba Securities Commission (the "Commission") pursuant to subsection 20(1) of *The Securities Act*, RSM 1988, c.S50 (the "Act") for an order that certain trades in Series "A" Bonds of the Applicant (the "Bonds") will, subject to the terms and conditions hereinafter set forth, be exempted from sections 6 and 37 of the Act.

(B) The Applicant has represented to the Commission that:

1. The Applicant is a non-reporting company formed under the laws of the province of British Columbia, created for the purpose of providing, directly or indirectly, loans to qualified individuals, which loans mature on the borrower's next pay day.
2. The Applicant, pursuant to an offering memorandum dated December 15, 2001 (the "Offering Memorandum") conducted an offering of up to 2,000 Bonds of the Applicant, offering such Bonds to potential investors in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario.
3. The offering under the Offering Memorandum was made principally in reliance upon registration and prospectus exemptions set forth in sections 89(b) and 128(b) of the Rules to the *Securities Act*, British Columbia.
4. Two purchasers from the province of Manitoba (the "Manitoba Purchasers") prepared and forwarded subscriptions for the Applicant's Bonds, which subscriptions were accepted by the Applicant on or about June 19, 2002.
5. The Applicant filed a Form 23 - Notice of Intention to Trade in a Security, with the Commission on July 16, 2002, being a day subsequent to the date of trading of Bonds in Manitoba.
6. No exemptions from the registration and prospectus requirements of the Act are available for the sale of Bonds to the Manitoba purchasers.

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

IT IS ORDERED:

1. THAT, pursuant to subsection 20(1) of the Act, that trade of the Bonds to the Manitoba Purchasers are exempt from sections 6 and 37 of the Act provided that:

- (a) the Applicant provide to the Manitoba Purchasers a copy of this Order; and
- (b) the Manitoba Purchasers be given ten days from the date of receipt of the Order to confirm or rescind their purchase.

2. THAT the fee for this Order shall be \$1,000.

BY ORDER OF THE COMMISSION

Deputy Director - Legal