

THE SECURITIES ACT

)

Order No. 7135

)

Section 20(1)

)

June 17, 2015

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

WHEREAS:

(A) The Manitoba Securities Commission (the “Commission”) issued an order effective December 31, 2013 granting an exemption from the requirement that a Clearing Agency be recognized by the Commission pursuant to Section 31.7 of the Act.

(B) The Commission along with other members of the Canadian Securities Administrators are currently developing a National Instrument that will set out both the process for recognition and continuing requirements to maintain recognition by a Clearing Agency, which will include compliance with *The Principles for Financial Market Infrastructures*.

(C) The Commission is of the view that the National Instrument 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.

(D) Staff has applied to the Commission to vary Order 6859.

(E) The Commission has determined that it is not prejudicial to the public interest to issue an Order that varies the Previous Order to clarify the Commission’s intent.

IT IS ORDERED:

1. **THAT**, Commission Order No. 6859 effective December 31, 2013 is amended by replacing paragraph 1 with:

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, and is operating in compliance with *The Principles for Financial Market Infrastructures* (“PFMIs”) which were issued jointly by the International Organization of Securities Commissions and The Committee on Payment and Settlement Systems on April 16, 2012

BY ORDER OF THE COMMISSION

Director