

IN THE MATTER OF THE SECURITIES ACT S.N.B. C. S-5.5 (the *Act*)

AND

IN THE MATTER OF

AN EXEMPTION FROM THE REGISTRATION REQUIREMENT
FOR TRADES IN SHORT-TERM DEBT INSTRUMENTS

Blanket Order 31-510

Section 208

WHEREAS:

1. Terms defined in the *Act*, or in National Instrument 14-101 *Definitions* have the same meaning in this Blanket Order.
2. "Approved credit rating" has the same meaning ascribed to it in National Instrument 81-102 *Mutual Funds* (NI 81-102) with the exception of paragraph (b) of such definition.
3. A person or company in New Brunswick is exempt from the registration requirement for trades in short-term debt under section 3.35 of NI 45-106 *Prospectus and Registration Exemptions* (NI 45-106).
4. Subsection 3.35(b) of NI 45-106 provides that the dealer registration requirement for short-term debt is available only where, among other things, the negotiable promissory note or commercial paper "has an approved credit rating from an approved credit rating organization."
5. NI 45-106 incorporates by reference the definitions for "approved credit rating" and "approved credit rating organization" in NI 81-102. The definition of "approved credit rating" in NI 81-102 requires, among other things, that (a) the rating assigned to such debt must be "at or above" certain prescribed short-term ratings, and (b) such debt must not have been assigned a rating by any "approved credit rating organization" that is not an "approved credit rating."
6. Certain Canadian financial institutions currently rely on section 3.35 of NI 45-106.
7. Section 3.35 of NI 45-106 will cease to be in force on March 27, 2010 pursuant to section 8.5 of NI 45-106, and the exemption will no longer be available to persons or companies currently relying upon it.

IT IS ORDERED pursuant to section 208 of the *Act* that:

- A. The dealer registration requirement does not apply to

- (a) a bank listed in Schedule I, II or III to the *Bank Act* (Canada);
- (b) an association to which the *Cooperative Credit Associations Act* (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act;
- (c) a loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or of a jurisdiction in Canada to carry on business in Canada or in any jurisdiction in Canada, as the case may be;
- (d) the Business Development Bank of Canada.

in respect of a trade in a negotiable promissory note or commercial paper maturing not more than one year from the date of issue, if the note or commercial paper traded

- (i) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a security described in this order; and
- (ii) has an approved credit rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating that replaces a category listed below:

Rating Organization	Rating
DBRS Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody's Investors Service, Inc.	P-2
Standard & Poor's Corporation	A-2.

B. This order will take effect on March 27, 2010 and cease to have effect after September 28, 2011.

DATED at Saint John, New Brunswick this 25th day of March 2010.

_____ "original signed by" _____
David G. Barry, Q.C., Panel Member

_____ "original signed by" _____
Harry H. Williamson, Q.C., Panel Member