

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

AND

IN THE MATTER OF

AN EXEMPTION FOR MORTGAGE INVESTMENT ENTITIES FROM THE REQUIREMENT TO  
REGISTER AS INVESTMENT FUND MANAGERS AND ADVISERS

**Blanket Order 31-517**

Section 208

**WHEREAS:**

1. Unless otherwise defined in this decision or the context otherwise requires, terms used that are defined in the *Act*, NI 31-103 *Registration Requirements and Exemptions* (NI 31-103) or National Instrument 14-101 *Definitions* have the same meaning in this decision.
2. In this decision:
  - (a) “mortgage investment entity” means a person or company whose purpose is to invest substantially all of its assets in debts owing to it that are secured by mortgages, hypothecs or in any other manner on real property, and whose other assets are limited to;
    - (i) deposits standing to its credit in the records of:
      - (A) a bank or other corporation whose deposits are insured by the Canada Deposit Insurance Corporation or the Autorité des marchés financiers; or
      - (B) a credit union;
    - (ii) cash;
    - (iii) securities listed in subsection 8.21(2) of NI 31-103; and
    - (iv) instruments held to hedge specific risks relating to the debts owing to it that are secured by mortgages, hypothecs or in any other manner on real property.
3. A mortgage investment entity or a person or company providing services relating to the business, operations or affairs of a mortgage investment entity may be required to register as an investment fund manager, adviser or exempt market dealer and comply with all requirements applicable to such categories pursuant to the requirements of NI 31-103.
4. Each of the members of the Canadian Securities Administrators (CSA) issued parallel orders effective 20 August 2010 providing relief from the investment fund

manager registration requirement and adviser registration requirement applicable to mortgage investment entities until 31 December 2010.

5. In New Brunswick, this relief was provided in Blanket Order 31-511 *In the Matter of an Exemption for Mortgage Investment Entities from the Requirement to Register as Investment Fund Managers and Advisers* (the Prior Order).
6. Certain members of the CSA have agreed to extend the relief provided by the Prior order until 31 March 2011.

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

- A. The adviser registration requirement does not apply to a person or company so long as the person or company
  - I. does not act as an adviser other than in respect of the securities issued by or owned by a mortgage investment entity, and
  - II. does not carry out activities that would require registration under securities legislation for a person or company that is not a mortgage investment entity.
- B. The investment fund manager registration requirement does not apply to a person or company so long as that person or company
  - I. does not act as an investment fund manager other than in respect of the business, operations or affairs of a mortgage investment entity, and
  - II. does not carry out activities that would require registration under securities legislation for a person or company that is not a mortgage investment entity.
- C. The Prior Order is revoked.
- D. This order will come into effect on 3 December 2010 and will cease to have effect on 31 March 2011.

**DATED** at Saint John, New Brunswick this 2nd day of December 2010.

"Original signed by"

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Anne W. La Forest, Panel Member

"Original signed by"

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Céline Trifts, Panel Member