

ORDER NUMBER 69

**IN THE MATTER OF THE *SECURITIES ACT* (“the *Act*”)
R.S.N.L. 1990 CHAPTER S-13, AS AMENDED**

AND

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

**ORDER
(Sections 138.19 and 144.(1) of the *Act*)**

Definitions

1. Unless otherwise defined in this order or the context otherwise requires, terms used that are defined in the *Act*, National Instrument 31-103 Registration Requirements and Exemptions or National Instrument 14-101 Definitions have the same meaning in this order.
2. “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;
 - (a) deposits standing to its credit in the records of:
 - (i) a bank or other corporation whose deposits are insured by the Canada Deposit Insurance Corporation or the Régie de l’assurance-dépôts du Québec; or
 - (ii) a credit union;
 - (b) cash;
 - (c) securities listed in subsection 8.21(2) of NI 31-103; and
 - (d) 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.

Background

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 (the "CSA") issued parallel orders effective on August 20, 2010 providing relief from the investment fund manager registration requirement and adviser registration requirement applicable to mortgage investment entities until December 31, 2010.
5. In Newfoundland and Labrador, this relief was provided in Order Number 64, Exemption From The Registration Requirement For Mortgage Investment Entities 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 March 31, 2011.

Order

7. The adviser registration requirement does not apply to a person or company so long as the person or company;
 - (a) does not act as an adviser other than in respect of the securities issued by or owned by a mortgage investment entity, and
 - (b) does not carry out activities that would require registration under securities legislation for a person or company that is not a mortgage investment entity.
8. The investment fund manager registration requirement does not apply to a person or company so long as that person or company;
 - (a) does not act as an investment fund manager other than in respect of the business, operations or affairs of a mortgage investment entity, and
 - (b) does not carry out activities that would require registration under securities legislation for a person or company that is not a mortgage investment entity.
9. The Prior Order is revoked.

This order will come into effect on December 3, 2010 and will cease to have effect on March 31, 2011.

Dated at St. John's, Newfoundland and Labrador this 3rd day of December, 2010.



Douglas Connolly, C.G.A.
Superintendent of Securities