

ALBERTA SECURITIES COMMISSION

BLANKET ORDER 31-513

Citation: Temporary Relief for Mortgage Investment Entities from the Requirement to Register as Investment Fund Managers and Advisers, Re, 2010 ABASC 386

Date: 20100817

Definitions

1. Terms defined in the *Securities Act*, R.S.A. 2000, c. S-4, National Instrument 14-101 *Definitions*, or National Instrument 31-103 *Registration Requirements and Exemptions (NI 31-103)* have the same meaning in this Blanket 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 has agreed to review the applicability of the requirement for entities referred to in paragraph 3 to register as investment fund managers or advisers.

Order

5. 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.
6. The investment fund manager registration requirement does not apply to a person or company so long as the 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.

This order takes effect on 20 August 2010 and ceases to have effect on 31 December 2010.

For the Commission:

“original signed by”

Glenda Campbell, QC
Vice-Chair

“original signed by”

Stephen Murison
Vice-Chair