



IN THE MATTER OF THE *SECURITIES ACT*,  
S.N.W.T. 2008, c. 10, AS AMENDED

- and -

**Exemption from the Registration Requirement in National Instrument 31-103 *Registration Requirements and Exemptions for Trades in Short-term Debt Instruments***

**BLANKET ORDER 32-502**

WHEREAS a person registered in the Northwest Territories is exempt from the registration requirement for trades in short-term debt under section 3.35 of National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106).;

AND WHEREAS 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.”;

AND WHEREAS NI 45-106 incorporates by reference the definitions for “approved credit rating” and “approved credit rating organization” in National Instrument 81-102 *Mutual Funds* (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.”;

AND WHEREAS certain Canadian financial institutions currently rely on section 3.35 of NI 45-106;

AND WHEREAS 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 currently relying upon it;

AND WHEREAS the Superintendent has determined that it would not be prejudicial to the public interest to make this Order;

**IT IS ORDERED THAT:**

1. Terms defined in the *Securities Act* or in National Instrument 14-101 *Definitions* have the same meaning in this Order.
2. “Approved credit rating” has the same meaning as in NI 81-102 with the exception of paragraph (b) of such definition.
3. 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, or
- (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

- (e) is not convertible or exchangeable into or accompanied by a right to purchase another security other than a security described in this order; and
- (f) 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:

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

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

**DATED** at Yellowknife in the Northwest Territories this 26<sup>th</sup> day of March, 2010.

  
Gary I. MacDougall,  
Superintendent of Securities