



THE SECURITIES ACT

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Order No. 7706

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Section 20(1)

)

July 24, 2025

National Instrument 81-102

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**MANITOBA SECURITIES COMMISSION
COORDINATED BLANKET ORDER 81-930**

**Re: Exemptions from Certain Repurchase Transactions Requirements
for Investment Funds**

Definitions

1. Terms defined in *The Securities Act* (Manitoba) (the **Act**), Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) and National Instrument 81-102 *Investment Funds* (**NI 81-102**) have the same meaning as in this Order.

2. In this Order:

“certain repurchase transactions requirements” means the requirements in paragraphs 2.13(1)2, 5 and 6, subsection 2.13(2) and paragraphs 2.17(1)(a)(b)(c) of NI 81-102 that apply to repurchase transactions.

Background

3. Investment funds that are reporting issuers are subject to the NI 81-102 requirements for repurchase transactions.
4. The Bank of Canada (**Bank**) has developed a facility to support the stability of the Canadian financial system by assisting market participants to address liquidity issues that may arise if there are severe market-wide liquidity stresses. The Contingent Term Repo Facility (**CTRF**) is a facility under which the Bank will repurchase certain eligible fixed income securities issued or guaranteed by the Government of Canada or a provincial government. The CTRF offers Canadian-dollar funding for a term of up to 30 days to eligible participants.
5. The Commission recognizes that investment funds with exposure to Canadian dollar money markets and/or fixed income securities may need to access the CTRF to manage their liquidity during periods of severe market-wide liquidity stresses in the Canadian dollar money markets or fixed income markets.

6. NI 81-102 sets out requirements that investment funds that want to engage in repurchase transactions must follow, including those set out in certain repurchase transactions requirements. An investment fund that accesses the CTRF would not be able to comply with certain repurchase transactions requirements for the reasons set out below:
- (a) the cash to be delivered to the investment fund at the beginning of the CTRF will be less than an amount equal to at least 102% of the market value of the sold securities as required by paragraph 2.13(1)5 of NI 81-102;
 - (b) the sold securities will be marked to market on each business day, but the amount of sale proceeds in the possession of the investment fund will not be adjusted on each business day, as applicable, as required by paragraph 2.13(1)6 of NI 81-102;
 - (c) given (a) and (b) above, the Bank's master repurchase agreement for the CTRF would not implement all the requirements of section 2.13(1) of NI 81-102 as required by paragraph 2.13(1)2 of NI 81-102;
 - (d) the cash delivered to an investment fund as consideration for sold securities would be used for liquidity management of the investment fund which is not permitted under subsection 2.13(2) of NI 81-102; and
 - (e) to promptly manage liquidity during periods of severe market-wide liquidity stresses in the Canadian dollar money markets and/or fixed income markets,
 - (i) mutual funds, other than exchange-traded mutual funds not in continuous distribution, may not have sufficient time to provide disclosure required for accessing the CTRF as required by paragraph 2.17(1)(a) of NI 81-102;
 - (ii) exchange-traded mutual funds that are not in continuous distribution or non-redeemable investment funds may not have sufficient time to provide a news release of the required prospectus disclosure and the date on which the investment funds intend to begin entering the CTRF as required by paragraph 2.17(1)(b) of NI 81-102; and
 - (iii) investment funds may not have sufficient time to provide their securityholders with 60 days written notice prior to accessing the CTRF as required by paragraph 2.17(1)(c) of NI 81-102.

Order

7. The Commission, considering that it would not be prejudicial to the public interest to do so, orders under section 20(1) of the Act that investment funds that are reporting issuers are exempt from certain repurchase transactions requirements for the purpose of accessing the

CTRF, provided that:

- (a) the manager has determined that accessing the CTRF is in the best interest of the investment fund;
- (b) the cash delivered to an investment fund as consideration for sold securities in the CTRF is used for liquidity management of the investment fund;
- (c) as soon as practicable, and in any event within 5 business days after an investment fund's application to become an eligible counterparty to the CTRF is approved by the Bank, the investment fund provides notification to their principal regulator by email as set out in Annex B that the investment fund's CTRF application has been approved and the investment fund intends to rely on this Order;
- (d) as soon as practicable, and in any event within 5 business days after each instance an investment fund accesses the CTRF, the investment fund provides notification to their principal regulator by email as set out in Annex B that the investment fund has accessed the CTRF; and
- (e) as soon as practicable after each instance an investment fund accesses the CTRF, the investment fund provides the information required in Annex A in an Excel document to their principal regulator by email as set out in Annex B.

Effective Date

8. This Order comes into effect on July 24, 2025.

FOR THE COMMISSION



Chris Besko
Executive Director