



THE MANITOBA
SECURITIES
COMMISSION

MSC NOTICE 2005-33

NOTICE OF PROPOSED NATIONAL INSTRUMENT 33-105 *Underwriter Conflicts* AND COMPANION POLICY 33-105CP UNDERWRITING CONFLICTS

Introduction

The Manitoba Securities Commission is publishing for comment proposed National Instrument 33-105 *Underwriting Conflicts* ("NI 33-105") and proposed Companion Policy 33-105CP *Underwriting Conflicts* ("NI 33-105CP").

NI 33-105 is currently not in effect in Manitoba. In connection with current harmonization efforts, The Manitoba Securities Commission ("Commission") intends to adopt NI 33-105 as a rule and NI 33-105CP as a policy of the Commission. The Commission is publishing the latest version of NI 33-105 and NI 33-105 CP which incorporates amendments up to and including the consequential amendments made in connection with the publication of National Instrument 45-106 *Prospectus and Registration Exemptions*, the final version of which is being published concurrently with this notice.

Substance and Purpose of the Proposed National Instrument and Companion Policy

The substance and purpose of the proposed National Instrument is to impose appropriate regulatory requirements on distributions of securities in which the relationship between the issuer or selling securityholder of the securities and the registrant acting as underwriter raises the possibility that the registrant will be in an actual or perceived position of conflict between its own interests or those of the issuer or selling securityholder, and those of investors. The proposed National Instrument imposes certain disclosure requirements on these transactions and, in some cases, the requirement that an independent dealer participate in the distribution.

The purpose of the proposed Companion Policy is to state the views of the Canadian securities regulatory authorities on various matters relating to the proposed National Instrument, and to provide market participants with guidance in understanding the operation of the proposed National Instrument and the policy concerns that lie behind some of its provisions.

Comments

Interested parties are invited to make written submissions with respect to the proposed National Instrument. Submissions received by September 5, 2005 will be considered.

Submissions should be sent to:

Chris Besko
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The Manitoba Securities Commission
(204) 945-2561
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A diskette containing the submissions (DOS or Windows format, preferably Microsoft Word) should also be submitted. As we publish a summary of the written comments received during the comment period, confidentiality of submissions received cannot be maintained.

Text of Proposed National Instrument and Companion Policy

The text of the proposed NI 33-105 and NI 33-105CP follows.

DATED: July 8, 2005