



THE MANITOBA
SECURITIES
COMMISSION

**MSC Staff Notice 2007-37
The Securities Act
The Commodity Futures Act**

Registration Exemption for Salespersons' Corporations

The Manitoba Securities Commission has issued orders under each of *The Securities Act* and *The Commodity Futures Act* to provide a registration exemption to permit a closely held corporation established and controlled by a registered salesperson to receive payments of commissions or fees from the salesperson's registered dealer.

The Commission has determined, subject to the terms and conditions set out in each of the orders, that it would not be prejudicial to the public interest to permit the payment of commissions or fees to a corporation that is not registered.

The issuing of these orders should not be viewed as a recommendation or requirement by the Commission that a salesperson must use a corporation to receive commissions or fees.

A salesperson and his or her dealer that intends to rely on one or both of the orders must comply with the terms and conditions set out in the order. These terms and conditions include:

- restrictions on the structure of the corporation, and
- a requirement for a written contract between the corporation and the dealer setting out the dealer's responsibility for any registerable activities conducted by the corporation.

The Commission is not prescribing the form of contract between the dealer and the corporation. The purpose of the contract is to prevent a registrant from using the corporation to shield itself from responsibility for trading or advising activities.

October 9, 2007

Any questions may be directed to:

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