

THE SECURITIES ACT

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Order No. 2945

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Section 20

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June 6, 2000

ONTARIO SCHOOL BOARDS FINANCING CORPORATION

WHEREAS:

(A) Ontario School Boards Financing Corporation ("OSBFC") makes application to The Manitoba Securities Commission (the "Commission") for an order pursuant to Section 20(1) of the *Securities Act*, R.S.M. 1988, c.S50 (the "Act") that certain trades of Series 2000-A1 Pooled Debentures Ownership Interests (the "Ownership Interests") of OSBFC to Portfolio Managers (as hereinafter defined) acting as agents for Managed Accounts (as hereinafter defined) will not be subject to Section 37 of the Act.

(B) OSBFC has represented to the Commission that:

1. OSBFC is a non-share capital corporation existing under the *Corporations Act* (Ontario).
2. OSBFC has been formed as a non-profit corporation, for the sole purpose of providing Ontario school boards with efficient and highly flexible access to the debt capital markets while minimizing the costs associated therewith. OSBFC has not carried on any business prior to the date hereof other than in connection with the initial proposed sale of the Ownership Interests which represent undivided co-ownership interests in a specific pool of debentures to be issued by the Dufferin-Peel Catholic District School Board, the Durham Catholic District School Board, the Catholic District School Board of Eastern Ontario, the Halton Catholic District School Board, the Hamilton-Wentworth Catholic District School Board, the Simcoe Muskoka Catholic District School Board, the Toronto Catholic District School Board, the Waterloo Catholic District School Board and the York Catholic District School Board (the "Participating School Boards"), which undivided interests will be evidenced by certificates.
3. OSBFC is not subject to, and has no present intention of becoming subject to, the continuous disclosure requirements of the Act.
4. The offering of Ownership Interests in the Province of Manitoba will be made by way of private placement (the "Offering") of the Ownership Interests with a minimum subscription price of \$100,000. The Offering will be made by way of offering memorandum (the "Offering Memorandum"). The Offering Memorandum will include a description of Purchasers' Contractual Rights of Action required by the Act and these rights will be made available to Manitoba purchasers (including the Managed Accounts) either pursuant to the underwriting

agreement pursuant to which OSBFC will agree that such rights are available to the purchasers as third party beneficiaries or pursuant to a subscription agreement to be entered into between OSBFC and each Manitoba purchaser.

5. The sale of the Ownership Interests will be made through a syndicate of underwriters led by CIBC World Markets Inc. (the "Underwriters").

6. The Underwriters propose to offer the Ownership Interests under the Offering to certain persons (that are not individuals) and companies in Manitoba ("Portfolio Managers") who are (i) registered under the Act as broker-dealers or investment counsel restricted to portfolio managers, or (ii) registered for trading in securities under the Act and exempt from registration as securities advisers pursuant to subsection 18(c) of the Act, purchasing as agent for certain third persons or companies ("Managed Accounts").

7. Each Portfolio Manager is solely responsible for the management of its Managed Accounts with full power, authority and discretion to buy, sell or otherwise effect transactions as agent for the Managed Accounts.

8. A distribution of the Ownership Interests in Manitoba with an aggregate acquisition cost for the securities purchased for each Managed Account of less than \$97,000 (a "Specified Managed Account") would not, in the absence of the order sought, be exempt from the prospectus requirements of section 37 of the Act.

9. If a Portfolio Manager were deemed to be acting as principal in connection with the purchase of Ownership Interests with an aggregate acquisition cost to the Portfolio Manager of not less than \$97,000 and the allocation of such Ownership Interests was among Specified Managed Accounts, the distribution of the Ownership Interests to the Portfolio Manager would be exempt from the prospectus requirements set out in section 37 of the Act pursuant to clause 58(1)(a) of the Act.

10. The aggregate acquisition cost of the Ownership Interests purchased by a Portfolio Manager on behalf of its Managed Accounts will not be less than \$97,000.

11. Each Specified Managed Account will, at the time of the purchase of the Ownership Interests by a Portfolio Manager on its behalf pursuant to this order, hold assets having an aggregate net value or an aggregate acquisition cost of not less than \$97,000.

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

1. THAT, pursuant to subsection 20(1) of the Act, trades in the Ownership Interests in Manitoba in connection with the Offering to a Portfolio Manager acting as agent for Specified Managed Accounts be exempt from section 37 of the Act, provided that:

(a) each Portfolio Manager, at the time of the purchase of the Ownership Interests, has full power, authority and discretion to buy, sell or otherwise effect transactions in securities as agent for the Managed Accounts managed by it and the aggregate acquisition cost of the Ownership Interests to all Managed Accounts managed by each Portfolio Manager will be not less than \$97,000;

(b) each Specified Managed Account will, at the time of purchase of the Ownership Interests, hold assets having an aggregate net asset value or aggregate acquisition cost of not less than \$97,000; and

(c) on or before the close of the Offering, the Portfolio Managers who purchase the Ownership Interests will be provided with a copy of this order and the Underwriters shall have received written confirmation from the Portfolio Managers, on behalf of their respective Specified Managed Accounts, that they are aware of the limitations imposed by this order on dispositions of the Ownership Interests by Specified Managed Accounts; and

(d) within 10 days of the closing of the Offering, OSBFC shall file or shall cause the Underwriters to file with the Commission a report, in duplicate, in respect of each Specified Managed Account, which is in Form 8 of the Regulations, or which includes substantially the same information as is required in a report prepared in accordance with Form 8 of the Regulations, and in conjunction therewith the Applicants or such Underwriters shall pay the fee which would be payable on the filing of such report.

2. THAT the fee for this Order is \$1,000.00.

BY ORDER OF THE COMMISSION

Director