

**THE REAL ESTATE BROKERS
ACT**

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Order No. 2581

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Section 47

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September 26, 2007

Registration Exemption for Salespersons' Corporations

WHEREAS:

(A) A commission or remuneration payable to a Salesperson by a registered broker as a result of a transaction in real estate is an activity that requires the recipient of the commission or remuneration to be registered under the Act;

(B) The Manitoba Securities Commission has received various representations from industry that a Salesperson registered under the Act, if permitted, may choose to structure his or her business in a manner which would include the payment of commissions or remuneration paid by a broker to a corporation controlled by the Salesperson;

(C) The Manitoba Securities Commission has determined, subject to terms and conditions set out in this order, that it would not be prejudicial to the public interest to exempt certain corporations controlled by a Salesperson from the registration requirements of the Act for the sole purpose of permitting the corporation to receive commissions or remuneration from a broker relating to a transaction in real estate.

IT IS ORDERED:

1. THAT pursuant to section 47 of the Act that a corporation is exempt from the registration requirement in section 40 of the Act, solely in connection with receiving commissions or remuneration from a broker, subject to the following terms and conditions:

- a. The corporation must be incorporated under the laws of Canada or a province or territory of Canada, all of whose directors, officers and shareholders are salespersons of the same broker or family members of those salespersons;
- b. The Corporation and broker have a written contract under which the broker is liable for the acts or omissions of the corporation that relate to a transaction in real estate; and
- c. Upon the request of staff of the Commission, the Corporation will make any and all of its books and records available for inspection by Commission staff.

BY ORDER OF THE COMMISSION

Director – Legal

