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Headnote

An issuer wants relief from the requirements in Parts 2 and 3 of MI 52-109 to file annual and interim certificates

Exemption Order

Canada Mortgage Acceptance Corporation

Section 4.5 of Multilateral Instrument 52-109

Background

- ¶ 1 Canada Mortgage Acceptance Corporation (CMAC) applied for an exemption from the requirements in Parts 2 and 3 of MI 52-109 to file annual and interim certificates.

Representations

- ¶ 2 CMAC represents that:
1. it is a special purpose corporation incorporated under the laws of Ontario on March 11, 2004 and wholly-owned by GMAC Residential Funding of Canada, Limited (GMAC);
 2. other than GMAC its only securityholders are and will be the holders (the Certificateholders) of its asset-backed securities (the Certificates);
 3. it is a reporting issuer or equivalent in each of the provinces of Canada that provides for a reporting issuer regime; it is not in default of any requirements of applicable securities legislation except the requirements that are the subject of this Order;
 4. it is a venture issuer as defined in National Instrument 51-102 – *Continuous Disclosure Obligations* (NI 51-102);
 5. its financial year-end is December 31;
 6. it received receipts for three short form prospectuses (the Prospectuses) dated June 18, 2004, December 8, 2004 and July 20, 2005, and filed with the securities regulatory authorities in each of the provinces of Canada; the Prospectuses qualified the issuance of approximately \$909,648,000 aggregate

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principal amount of mortgage pass-through certificates (the Issued Certificates);

7. it does not carry on any activities other than issuing Certificates and purchasing assets in connection with issuing such Certificates (the Assets);
8. it has no material assets or liabilities other than its rights and obligations arising from the Assets and the Issued Certificates;
9. under an MRRS decision document dated September 8, 2004 (the Continuous Disclosure Order), CMAC is exempted, on certain terms and conditions, from the requirements of the securities legislation in British Columbia and certain other provinces concerning the preparation, filing and delivery of interim financial statements and audited annual financial statements;
10. under an MRRS decision document dated May 31, 2005, in certain provinces other than British Columbia CMAC is exempted, on certain terms and conditions, from the requirements under MI 52-109 to file annual and interim certificates;
11. for each offering of Certificates, CMAC and, among others, the servicer (the Servicer) for all of the Assets in a given pool, the custodian on behalf of all Certificateholders and a reporting agent (the Reporting Agent) enter into a pooling and servicing agreement (the Pooling and Servicing Agreement) providing for, among other things, the preparation by the Servicer and the Reporting Agent of periodic reports (the Reports) to Certificateholders containing financial and other information about the applicable pool of Assets and Certificates;
12. under the Pooling and Servicing Agreement and as disclosed in each of the Prospectuses, the Reporting Agent prepares the Reports based solely on information provided by the Servicer;
13. in accordance with the Continuous Disclosure Order, within 60 days of the end of each of its interim periods as defined in NI 51-102 (or within 45 days of the end of an interim period if CMAC is not a venture issuer at the end of such period), the Reporting Agent or CMAC or its duly appointed representative or agent will post on the applicable website and mail to Certificateholders who so request, and contemporaneously file through SEDAR, management's discussion and analysis (MD&A) relating to the applicable pool of Assets acquired with the proceeds of the Certificates;

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14. in accordance with the Continuous Disclosure Order, within 120 days of the end of each of its financial years (or within 90 days of the end of a financial year if CMAC is not a venture issuer at the end of such year), the Reporting Agent or CMAC or its duly appointed representative or agent will post on the applicable website and mail to Certificateholders who so request, and contemporaneously file through SEDAR:

- (a) MD&A relating to the applicable pool of Assets acquired with the proceeds of the Certificates;
- (b) an annual statement of compliance signed by a senior office of the Servicer or other party acting in a similar capacity for the applicable pool of Assets; and
- (c) an annual accountants' report prepared by a firm of independent public or chartered accountants regarding compliance by the Servicer (or such other party acting in a similar capacity) with the Uniform Single Attestation Program for Mortgage Bankers, or such other servicing standard acceptable to the Commission.

Order

¶ 3 Because it is not prejudicial to the public interest, the Commission orders under section 4.5 of MI 52-109 that CMAC is exempt from the requirements in MI 52-109 to file annual and interim certificates, provided that :

- (a) CMAC is not required to prepare, file and deliver financial statements under the legislation of British Columbia or under an exemption;
- (b) within 120 days of the end of each of its financial years (or within 90 days of the end of a financial year if CMAC is not a venture issuer at the end of such year), CMAC or its duly appointed representative or agent will file through SEDAR an annual certificate in the form set out in Schedule A and signed by a person who, at the time of filing, is a senior officer of CMAC, its administrative agent or a Servicer;
- (c) if CMAC voluntarily files an annual information form for a financial year after it has filed the annual certificate for that year under paragraph (b), CMAC will file through SEDAR a second annual certificate that:
 - (i) is in the form set out in Schedule A;

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- (ii) is signed by a person who at the time of filing is a senior officer of the same person or company whose officer signed the annual certificate under paragraph (b); and
- (iii) certifies the annual information form in addition to the other documents identified in the annual certificate;
- (d) within 60 days of the end of each of its interim periods (or within 45 days of the end of an interim period if CMAC is not a venture issuer at the end of such period), CMAC or its duly appointed representative or agent will file through SEDAR an interim certificate in the form set out in Schedule B and signed by a person who at the time of filing is a senior officer of CMAC, its administrative agent or a Servicer; and

This Order will cease to be effective on the earlier of:

- (a) June 1, 2008; and
- (b) the date on which a rule regarding the continuous disclosure requirements for issuers of asset-backed securities comes into force in British Columbia.

¶ 4 January 31, 2006

Noreen Bent,
Manager, Legal Services, Corporate Finance
British Columbia Securities Commission

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Schedule A

Certification of annual filings for issuers of asset-backed securities

I, [identify (i) the certifying individual, (ii) his or her position in relation to the issuer and (iii) the name of the issuer], certify that:

1. I have reviewed the following documents of [identify issuer] (the issuer):
 - (a) the servicer reports for each month in the financial year ended [insert financial year end] (the servicer reports);
 - (b) annual MD&A in respect of the issuer's pool(s) of assets for the financial year ended [insert the relevant date] (the annual MD&A);
 - (c) AIF for the financial year ended [insert the relevant date] (the AIF); [if applicable] and
 - (d) each annual statement of compliance regarding fulfillment of the obligations of the servicer(s) under the related servicing agreement(s) for the financial year ended [insert the relevant date] (the annual compliance certificate(s)),

(the servicer reports, the annual MD&A, the AIF [if applicable] and the annual compliance certificate(s) are together the annual filings);
2. Based on my knowledge, the annual filings, taken as a whole, do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make the statements not misleading in light of the circumstances under which they were made, with respect to the periods covered by the annual filings;
3. Based on my knowledge, all of the distribution, servicing and other information and all of the reports on assessment of compliance with servicing criteria for asset-backed securities and the annual accountant's report respecting compliance by the servicer(s) with servicing criteria for asset-backed securities required to be filed under the decision(s) [identify the decision(s)] as of the date of this certificate, other than material change reports and press releases, have been filed with the securities regulatory authorities through SEDAR;
4. Option #1 [use this alternative if a servicer is providing the certificate]

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I am responsible for reviewing the activities performed by the servicer(s) and based on my knowledge and the compliance review(s) conducted in preparing the annual compliance certificate(s), and except as disclosed in the annual filings, the servicer(s) [has/have] fulfilled [its/their] obligations under the servicing agreement(s); and

Option #2 [use this alternative if the Issuer or the administrative agent is providing the certificate]

Based on my knowledge and the annual compliance certificate(s), and except as disclosed in the annual filings, the servicer(s) [has/have] fulfilled [its/their] obligations under the servicing agreement(s); and

5. The annual filings disclose all material instances of non-compliance with the servicing criteria based on the [servicer's/servicers'] assessment of compliance with such criteria.

[In giving the certifications above, I have reasonably relied on information provided to me by the following unaffiliated parties [insert name of issuer, servicer, sub-servicer, co-servicers, administrative agent, reporting agent or trustee].

Date: [insert date of filing]

[Signature]

[Title]

[indicate the capacity in which the certifying officer is providing the certificate]

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Schedule B

Certification of interim filings for issuers of asset-backed securities

I, [identify (i) the certifying individual, (ii) his or her position in relation to the issuer and (iii) the name of the issuer], certify that:

1. I have reviewed the following documents of [identify issuer] (the issuer):
 - (a) the servicer reports for each month in the interim period ended [insert financial year end] (the servicer reports); and
 - (b) interim MD&A in respect of the issuer's pool(s) of assets for the interim period ended [insert the relevant date] (the interim MD&A),(the servicer reports and the interim MD&A are together the interim filings);
2. Based on my knowledge, the interim filings, taken as a whole, do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make the statements not misleading in light of the circumstances under which they were made, with respect to the periods covered by the interim filings;
3. Based on my knowledge, all of the distribution, servicing and other information required to be filed under the decision(s) [identify the decision(s)] as of the date of this certificate, other than material change reports and press releases, have been filed with the securities regulatory authorities through SEDAR;

[In giving the certifications above, I have reasonably relied on information provided to me by the following unaffiliated parties [insert name of issuer, servicer, sub-servicer, co-servicers, administrative agent, reporting agent or trustee].

Date: [insert date of filing]

[Signature]

[Title]

[indicate the capacity in which the certifying officer is providing the certificate]