

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted from the requirement to file an application to become a member of the Mutual Fund Dealers Association by the deadline, subject to certain conditions - variation of a previous decision to give the registrant additional time to complete a reorganization of its mutual fund operations

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 171
Securities Rules, B.C. Reg. 194/97, s. 6(4)

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA AND SASKATCHEWAN

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF PHILLIPS, HAGER & NORTH INVESTMENT MANAGEMENT LTD.

MRRS DECISION DOCUMENT

[para 1]

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of British Columbia and Saskatchewan (the “Jurisdictions”) has received an application from Phillips, Hager & North Investment Management Ltd. (“PH&N”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) varying the decision of the Decision Makers entitled In the Matter of Phillips, Hager & North Investment Management Ltd. dated June 4, 2001 and effective May 23, 2001, as varied by a decision by the Decision Makers entitled In the Matter of Phillips, Hager & North Investment Management Ltd. dated October 10, 2001, (together, the “Previous Decision”);

[para 2]

AND WHEREAS the terms “MFDA”, “MFDA Application Deadline”, “Dealerco” and “Reorganization” each have the respective meaning ascribed to them under the Previous Decision;

[para 3]

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the British Columbia Securities Commission is the principal regulator for this application;

[para 4]

AND WHEREAS PH&N has represented to the Decision Makers that:

1. the Previous Decision provided that the requirement to apply to become a member of the MFDA before the MFDA Application Deadline did not apply to PH&N provided that, prior to January 1, 2002, PH&N either:

(a) applied for membership in the MFDA; or

(b) with respect to each of the Jurisdictions, either:

- (i) surrendered its registration as a mutual fund dealer in the Jurisdiction, or
- (ii) applied for and obtained a permanent exemption from the requirement to become a member of the MFDA from the Decision Maker in the Jurisdiction;

2. Dealerco filed an application for registration as a mutual fund dealer in every province and territory in Canada and applied for membership in the MFDA on August 27, 2001; to date, Dealerco has been granted registration as a mutual fund dealer (or its equivalent) in the Yukon and Nunavut Territories only, the remaining applications for registration are still under review;

3. PH&N has filed an application for and obtained a permanent exemption from the requirements to join the MFDA from the decision maker in Ontario;

4. after the Reorganization is complete, PH&N intends to surrender its mutual fund dealer registration in each of the Jurisdictions other than Ontario; and

5. PH&N cannot effect the Reorganization and therefore surrender its mutual fund dealer registration until Dealerco has been registered as a mutual fund dealer in each of the Jurisdictions, therefore PH&N will not be able to comply with the conditions of the Previous Decision by January 1, 2002;

[para 5]

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

[para 6]

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

[para 7]

THE DECISION of the Decision Makers under the Legislation, effective January 1, 2002, is that the Previous Decision be varied by deleting the reference to January 1, 2002 and replacing it with July 2, 2002.

[para 8]

DATED January 4, 2002.

"Gerry Halischuk"

Gerry Halischuk
Director
Capital Markets Regulation