THE SECURITIES ACT)	Order No. 6161
)	
Section 20(1))	July 5, 2010

I.G. INVESTMENT MANAGEMENT, LTD. AND RCM CAPITAL MANAGEMENT LLC

WHEREAS:

- (A) I.G. Investment Management, Ltd. ("IGIM") and RCM Capital Management LLC ("RCM" and together with IGIM, the "Filers") have applied to The Manitoba Securities Commission (the "Commission") for an order under s.20(1) of The Securities Act R.S.M. 1988, c.S50 (the "Act") exempting RCM from the adviser registration requirement under the Act to allow RCM to provide advisory services to IGIM for the benefit of certain clients of IGIM who are resident in the jurisdiction (the "Exemption Sought").
- (B) The Filers have represented to the Commission that:

The Filers

- 1. IGIM is
- (a) a corporation continued under the laws of Ontario. Its head office is located in Winnipeg, Manitoba;
- (b) registered in the Jurisdiction, Ontario and Quebec as a portfolio manager; and
- (c) indirectly 100% owned by IGM Financial Inc.
- 2. IGIM is the investment fund manager of a number of mutual funds based in the Jurisdiction which are organized as either a unit trust or as a mutual fund corporation (the **Funds**). IGIM also acts as the portfolio advisor for a number of the Funds. IGIM wishes to retain RCM to provide portfolio management and sub-advisory services in respect of one or more of the Funds for which it acts as portfolio advisor.

3. RCM is

- (a) a limited liability company established under the laws of Delaware, USA. Its head office is located in San Francisco, California;
- (b) registered as a portfolio manager (international adviser) in Ontario and as a portfolio manager (foreign adviser) in British Columbia (together **International Adviser Registrations**). Under National Instrument 31-103, the International Adviser Registrations will cease to exist as of September 28, 2010;
- (c) an indirect wholly-owned subsidiary of Allianz SE;

- (d) registered or otherwise qualified under applicable laws in the foreign jurisdiction where its head office is located to provide investment counselling and portfolio management services; and
- (e) not and will not be a resident of Canada and does not maintain an office or investment representatives in the Jurisdiction.

Investment Management Agreement

- 4. The Funds have entered into written investment advisory and administrative services agreements (the **Investment Management Agreements**) with IGIM pursuant to which it acts as investment fund manager of the Funds and which:
- (a) provide IGIM with complete discretionary authority to purchase and sell securities on behalf of the Funds for which it has been appointed portfolio advisor; and
- (b) authorize IGIM to retain sub-advisors with respect to such Funds and delegate investment advisory services to such sub-advisors, including discretionary authority to purchase and sell securities on behalf of such Funds.
- 5. Under the terms of the Investment Management Agreements, IGIM will be responsible for any loss arising directly out of the failure of RCM:
- (a) to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Funds for whose benefit the investment advice is, or portfolio management services are, to be provided; or
- (b) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances,
- and IGIM acknowledges that it cannot be relieved by the Funds from this responsibility (collectively, the **Assumed Obligations**).
- 6. IGIM is responsible for providing the Funds with all applicable reports and statements required under the Legislation.
- 7. If there is any direct contact between RCM and a Fund, a representative of IGIM duly registered as an advising representative to provide advisory services in the jurisdiction the Fund is resident, will be present at all times, either in person or by telephone.

Sub-adviser Agreement

8. IGIM will enter into an agreement with RCM which will set out the obligations and duties of each party in connection with the portfolio management and sub-advisory services to be provided to IGIM with respect to each applicable Fund; such agreement will permit IGIM to exercise the degree of supervision and control it requires in order to adequately supervise the activities of RCM with respect to the Funds.

Exemption Sought

- 9. RCM, when providing portfolio management and sub-advisory services to IGIM with respect to the assets of the applicable Funds, would be considered to be acting as an "adviser" within the meaning of the securities legislation of the Jurisdiction, and in the absence of the Exemption Sought, would be subject to the Registration Requirement unless otherwise exempt.
- 10. There are no exemptions from the Registration Requirement that RCM may rely on to provide portfolio management and sub-advisory services to IGIM with respect to the Funds.
- 11. The Filers are not, to the best of their knowledge, information and belief, in default of securities legislation in the Jurisdiction.

IT IS ORDERED THAT:

- 1. The Commission is satisfied that the decision meets the test set out in the Legislation for the Commission to make the decision.
- 2. The decision of the Commission under the Legislation is that the Exemption Sought is granted provided that:
- (a) IGIM is registered in good standing under the Legislation in a category that permits it to provide portfolio management services;
- (b) the obligations and duties of RCM are set out in a written agreement between RCM and IGIM;
- (c) IGIM contractually agrees with each applicable Fund to be responsible for the Assumed Obligations and IGIM is not relieved by such Funds from IGIM's responsibility for the Assumed Obligations;
- (d) RCM is registered, licensed or otherwise legally permitted to provide investment advice and portfolio management services under the applicable securities laws of the jurisdiction or foreign jurisdiction in which RCM's head office is located; and
- (e) RCM is not registered in any Canadian Jurisdiction, provided that RCM may remain registered as an international adviser (or equivalent) in Ontario and British Columbia until no later than September 28, 2010.
- 3. The fee for this Order is \$750.00.

BY ORDER OF THE COMMISSION

Deputy Director