COMMODITY FUTURES ACT	)	Order No. 3142
	)	
SECTION 66(1)	)	November 22, 2000

# I.G. INVESTMENT MANAGEMENT, LTD. I.G. INTERNATIONAL MANAGEMENT LIMITED AND INVESTORS GROUP TRUST CO. LTD.

#### WHEREAS:

- (A) I.G. Investment Management, Ltd., I.G. International Management Limited and Investors Group Trust Co. Ltd. (the "Applicants") have applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to section 66(1) of The Commodity Futures Act to exempt dealers and advisors providing services to one or more of the Applicants from time to time from the registration requirements contained in s.24 of the Act.
- (B) The Applicants have represented to the Commission that:

## Background

- 1. I.G. Investment Management, Ltd. ("IGIM") is currently the manager or, in certain cases, co-manager with I.G. International Management Limited ("IRCO"), of approximately 73 mutual funds, which number may increase from time to time, except with respect to five funds commonly known as the "Rothschild Select: Global Strategy Series" funds, for which Global Strategy Financial Inc. is the manager (the "IG Funds").
- 2. All of the IG Funds are distributed to the public under Simplified Prospectuses and Annual Information Forms or, in the case of Investors Real Property Fund, a long form prospectus (collectively, the "Prospectuses") filed with The Manitoba Securities Commission (the "Commission") for which the Director of the Commission has issued receipts.
- 3. Investors Group Trust Co. Ltd. ("IGTC") or its affiliate, The Trust Company of London Life ("TCOLL"), are the trustees (the "Trustees") for all of the IG Funds and Investors Group Financial Services Inc. ("IGFS") and Les Services Investors Limit饌("LSIL"), distribute units of IG Funds to the public.
- 4. IGIM, IRCO, IGTC, TCOLL, IGFS and LSIL are all controlled, directly or indirectly, by Investors Group Inc.
- 5. In the case of certain IG Funds (the "Subadvised Funds"), IGIM, or an affiliate of IGIM, has engaged third party investment advisers (the "Sub-Advisers") to

provide investment advisory and portfolio management services concerning the investment portfolios of the Subadvised Funds.

- 6. IGIM and IRCO remain responsible for all of the investment decisions made in respect of the IG Funds, even if a Sub-Adviser has been engaged with respect to the particular IG Fund.
- 7. IG Funds may engage in derivatives transactions from time to time, all in accordance with the relevant Prospectuses and the requirements of National Instrument 81-102- Mutual Funds.

### **Manitoba Legislation**

- 8. The Commodities Futures and Consequential Amendments Act of Manitoba (the "Commodities Act") requires that:
  - (i) persons or companies trading in exchange traded commodity futures contracts or commodity futures options (collectively, "Contracts"), or
  - (ii) providing advice concerning Contracts,

be registered.

- 9. Clause 34(c) of the Commodities Act contains an exemption (the "Foreign Dealer Exemption"), in certain circumstances, from the dealer registration requirement for trades in Contracts which are executed on a commodity futures exchange outside Manitoba and placed with a dealer that does not carry on business in Manitoba.
- 10. The Foreign Dealer Exemption in the Commodities Act has not yet been proclaimed into force.

#### **Registration Status**

- 11. IGIM is registered under The Securities Act of Manitoba (the "Securities Act") as an investment counsel and portfolio manager and is in the process of obtaining registration as an adviser under the Commodities Act.
- 12. IRCO is registered under the Securities Act as an International Adviser.
- 13. The Sub-Advisers are not registered as advisers or dealers under the Commodities Act in Manitoba, but do maintain registrations under securities and/or commodity futures legislation in the jurisdiction in which their principal place of business is located, if required.

- 14. Trades in Contracts may be executed and/or cleared on behalf of IG Funds through dealers ("Derivatives Dealers") which may or may not be registered under the Commodities Act or the Securities Act in Manitoba, but which do maintain any required registrations under securities and/or commodity futures legislation in the jurisdiction in which their principal place of business is located.
- (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 THAT:

- **1. THAT**, pursuant to section 66(1) of the Commodities Act, persons or companies engaged by or on behalf of IGIM, IRCO or the Trustees to provide investment advisory and portfolio management services in respect of the Subadvised Funds shall be exempt from the requirement to be registered as advisers set forth in Subsection 24(2) of the Commodities Act.
- **2. THAT**, trades in Contracts executed and/or cleared on behalf of IG Funds through Derivatives Dealers and the Derivatives Dealers through which the trades are executed and/or cleared shall be exempt from the dealer registration requirement set forth in Subsection 24(1) of the Commodities Act.
- **3. THAT**, the fee for this order shall be \$650.00.

BY ORDER OF THE COMMISSION

Director – Legal