

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUEBEC, NOVA SCOTIA AND NEWFOUNDLAND

AND

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

AND

IN THE MATTER OF
ALTAMIRA RSP JAPANESE OPPORTUNITY FUND
ALTAMIRA RSP SCIENCE AND TECHNOLOGY FUND
ALTAMIRA RSP *e-business* FUND

DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Altamira Investment Services Inc. ("AISI"), as manager and trustee of Altamira RSP Japanese Opportunity Fund ("RSP Japanese Opportunity Fund"), Altamira RSP Science and Technology Fund ("RSP Science and Technology Fund") and Altamira RSP *e-business* Fund ("RSP *e-business* Fund") (RSP Japanese Opportunity Fund, RSP Science and Technology Fund and RSP *e-business* Fund, collectively, the "RSP Funds") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following requirements and restrictions contained in the Legislation (the "Requirements") shall not apply in respect of certain investments to be made by RSP Japanese Opportunity Fund in Altamira Japanese Opportunity Fund ("Japanese Opportunity Fund"), by RSP Science and Technology Fund in Altamira Science and Technology Fund ("Science and Technology Fund") and by RSP *e-business* Fund in Altamira *e-business* Fund ("*e-business* Fund") (Japanese Opportunity Fund, Science and Technology Fund and *e-business* Fund, collectively, the "Underlying Funds". A reference to an Underlying Fund shall be interpreted to be a reference to Japanese Opportunity Fund when used in relation to RSP Japanese Opportunity Fund, to Science and Technology Fund when used in relation to RSP Science and Technology Fund and to *e-business* Fund when used in relation to RSP *e-business* Fund).

A. the requirements contained in the Legislation requiring each RSP Fund and AISI (as manager) to issue a news release and file a report where the aggregate holdings by the RSP Fund of units of an Underlying Fund exceed 10% of the outstanding units of the Underlying Fund and the requirements to not acquire or

offer to acquire units of the Underlying Fund pending the expiration of one business day from the date the report is filed;

B. the requirements contained in the Legislation requiring AISI to file a report relating to the purchase or sale of securities between an RSP Fund and any related person or company, or any transaction in which, by arrangement other than an arrangement relating to insider trading and portfolio securities, an RSP Fund is a joint participant with one or more of its related persons or companies;

C. the requirements contained in the Legislation prohibiting the RSP Funds from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder.

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this Application;

AND WHEREAS AISI has represented to the Decision Makers that:

1. AISI is a corporation amalgamated under the laws of Canada, AISI will be the manager, trustee and promoter of each RSP Fund and is the manager, trustee and promoter of each Underlying Fund (collectively, the "Funds"). AISI's head office is located in Toronto, Ontario.
2. Each Underlying Fund is an open-end mutual fund trust established under the laws of Ontario which is qualified for distribution in all Jurisdictions under a simplified prospectus and annual information form. Each RSP Fund will be an open-end mutual fund trust and will be qualified for distribution in all Jurisdictions under a simplified prospectus and annual information form.
3. Each Underlying Fund is, and each RSP Fund will be, a reporting issuer under the securities laws of each of the provinces and territories of Canada.
4. The prospectus and annual information form of the RSP Funds will contain disclosure with respect to the investment objective, investment practices and restrictions of each RSP Fund. The investment objective of each RSP Fund is to achieve long term growth that is linked to the return of the applicable Underlying Fund by investing in cash and bank deposits, money market instruments and other securities, and by using forward contracts or other permitted derivatives based on a specific group of securities based on the portfolio of the applicable Underlying Fund or the units of the applicable Underlying Fund. As part of its investment practice, each RSP Fund intends to invest in units of the applicable Underlying Fund. All purchases of the Underlying Funds will be made through Altamira Financial Services Ltd.
5. The purchase and sale of units of an Underlying Fund by an RSP Fund will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the RSP Fund.

6. Each RSP Fund will make investments such that its units will be "qualified investments" for registered retirement savings plans, registered retirement income funds and deferred profit sharing plans (collectively, the "Registered Plans") under the *Income Tax Act* (Canada) (the "Tax Act") and, based on an opinion of counsel to AISI, will not constitute foreign property to a Registered Plan.

7. The direct investment by an RSP Fund in units of an Underlying Fund (the "Permitted RSP Fund Investment") will be in an amount not to exceed the amount prescribed from time to time as the maximum permitted amount which may be invested in foreign property under the Tax Act without the imposition of tax under Part XI of the Tax Act (the "Foreign Property Maximum").

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

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

The Decision of the Decision Makers pursuant to the Legislation is that the Requirements shall not apply to the purchase and sale by each RSP Fund of units of the applicable Underlying Fund provided that;

1. the Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with the matters in clause 2.04(4)(b) of National Policy No. 39;

2. the Decision shall apply only to purchases and sales by the RSP Funds of units of the Underlying Funds made in compliance with the following conditions:

a) the RSP Funds and the Underlying Funds are under common management and the units of the Underlying Funds are offered for sale in the jurisdiction of the Decision Maker pursuant to a prospectus which has been filed with and accepted by the Decision Maker;

b) each RSP Fund restricts the aggregate amount of its direct investment in units of the applicable Underlying Fund to a percentage of its assets that is within the Foreign Property Maximum;

c) the investment by an RSP Fund in units of the applicable Underlying Fund is compatible with the fundamental investment objectives of the RSP Fund;

d) the prospectus and annual information form disclose the intent of each RSP Fund to invest in units of the applicable Underlying Fund;

e) each RSP Fund may change the Permitted RSP Fund Investments if it changes its fundamental investment objective in accordance with the Legislation;

- f) the arrangements between or in respect of the RSP Funds and the Underlying Funds are such as to avoid the duplication of management fees;
- g) no sales charges are payable by an RSP Fund in relation to its purchases of units of the applicable Underlying Fund;
- h) no redemption fees or other charges are charged by an Underlying Fund in respect of the redemption by an RSP Fund of units of the Underlying Fund owned by the RSP Fund (other than an early withdrawal fee of 2% which may be payable when an investor in the RSP Fund redeems units purchased and held less than 90 days);
- i) no fees and charges of any sort are paid by the RSP Funds or by the Underlying Funds or by the manager or principal distributor of the RSP Funds or the Underlying Funds or by any affiliate or associate of any of the foregoing entities to anyone in respect of the RSP Funds' investment in, or redemption of, the units of the Underlying Funds (other than an early withdrawal fee of 2% which may be payable when an investor in the RSP Fund redeems units purchased and held less than 90 days);
- j) in the event of the provision of any notice to unitholders of an Underlying Fund as required by the constating documents of the Underlying Fund or by the laws applicable to the Underlying Fund, such notice will also be delivered to the unitholders of the applicable RSP Fund; all voting rights attached to the units of an Underlying Fund which are owned by an RSP Fund will be passed through to the unitholders of that RSP Fund; in the event that a unitholders' meeting is called for an Underlying Fund, all of the disclosure and notice material prepared in connection with such meeting will be provided to each unitholder of the applicable RSP Fund and each unitholder will be entitled to direct a representative of the RSP Fund to vote that unitholder's proportion of the RSP Fund's holding in the Underlying Fund in accordance with their direction; and the representative of the RSP Fund will not be permitted to vote the RSP Fund's holdings in the Underlying Fund except to the extent the unitholders of the RSP Fund so direct;
- k) there are compatible rates for the calculation of the net asset value of an RSP Fund and the applicable Underlying Fund for the purpose of the issue and redemption of the units of such mutual funds;
- l) to the extent that the RSP Funds and the Underlying Funds do not use a combined report containing both the RSP Funds' and the Underlying Funds' financial statements, in addition to receiving the annual and, upon request, the semi-annual financial statements of the RSP Funds, the unitholders of an RSP Fund will receive the annual and, upon request, the semi-annual financial statements of the applicable Underlying Fund; and

m) to the extent that the RSP Funds and the Underlying Funds do not use a combined simplified prospectus and annual information form containing disclosure about the RSP Funds and the Underlying Funds, copies of the simplified prospectus and annual information form and financial statements relating to an Underlying Fund may be obtained upon request by a unitholder of the applicable RSP Fund.

DATED at "Toronto", on "January 10, 2000"