

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief granted to certain vice presidents of a reporting issuer from the insider reporting requirements subject to certain conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(1), 107, 108, 121(2)(a)(ii)

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., Part VIII

Rules Cited

National Instrument 55-101 Exemption From Certain Insider Reporting Requirements

DATED: February 15, 2005

**IN THE MATTER OF THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC
NEW BRUNSWICK, NOVA SCOTIA AND NEWFOUNDLAND AND LABRADOR**

AND

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

AND

**IN THE MATTER OF
CHARTWELL SENIORS HOUSING REAL ESTATE INVESTMENT TRUST**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia and Newfoundland and Labrador (collectively, the "Jurisdictions") has received an application from Chartwell Seniors Housing Real Estate Investment Trust (the "REIT") for a decision pursuant to the securities legislation in the Jurisdictions (the "Legislation") that the insider reporting

requirements contained in the Legislation not apply to certain individuals who are insiders of the REIT by reason of having the title of Vice-President;

Under the Mutual Reliance Review System for Exemptive Relief Applications:

(a) the Ontario Securities Commission is the principal regulator for this application, and

(b) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the REIT:

1. The REIT is an unincorporated, open-ended investment trust established under the laws of the Province of Ontario by a declaration of trust.

2. The REIT is a reporting issuer under the securities legislation of each of the provinces of Canada and the REIT is not in default of any requirement under such legislation.

3. The authorized capital of the REIT consists of an unlimited number of trust units. As of November 30, 2004 there were approximately 32,733,391 units of the REIT outstanding. The units of the REIT are listed and posted for trading on the Toronto Stock Exchange under the trading symbol CSH.UN.

4. The REIT has 24 persons who are considered to be insiders of the REIT by reason of being a trustee, director, senior officer or a senior executive (as defined in the Legislation) of the REIT or a subsidiary of the REIT, of whom:

(a) none of the insiders of the REIT are currently exempt from the insider reporting requirements of the Legislation by reason of the exemption contained in National Instrument 55-101 Exemption from Certain Insider Reporting Requirements ("NI 55-101");

(b) 16 are senior officers, trustees or directors of the REIT and its subsidiaries who, by virtue of their positions may, in the ordinary course receive or have access to material undisclosed information concerning the REIT (current and future trustees, directors and senior officers of the REIT and its subsidiaries who meet the foregoing description are collectively referred to as "Subject Officers"); and

(c) 8 are currently insiders of the REIT and meet the criteria for exemptions set out under CSA Staff Notice 55-306 Applications for Relief from the Insider Reporting Requirements by Certain Vice Presidents (the "Staff Notice").

5. The REIT has made this application to seek relief from the insider reporting requirements for individuals who meet the following criteria set out in the Staff Notice (the "Exempt Vice President Criteria"):

(a) the individual is a vice-president;

(b) the individual is not in charge of a principal business unit, division or function of the REIT or a "major subsidiary" of the REIT (as that term is defined in NI 55-101);

(c) the individual does not in the ordinary course receive or have access to information regarding material facts or material changes concerning the REIT before the material facts or material changes are generally disclosed; and

(d) the individual is not an insider of the REIT in any capacity other than as vice-president.

Current and future senior officers of the REIT and the REIT's material subsidiaries who meet the Exempt Vice President Criteria are collectively referred to as "Exempt Vice Presidents".

6. The REIT has implemented company-wide policies, standards and procedures (collectively, the "REIT Policy") relating to monitoring and restricting the trading activities of certain of its insiders and other persons. The REIT Policy includes blackout period policies and requirements for pre-clearance of trades. The REIT Policy also relates to identification and handling of non-public material information regarding the REIT and prohibits improper communication and use of such information.

7. Under the supervision of the REIT's corporate secretary or other designated officer, designated employees of the REIT and its subsidiaries will:

(a) ensure that any employee of the REIT or a subsidiary of the REIT who is appointed to a Subject Officer position will be advised of the responsibility to file insider reports in respect of trades in REIT units;

(b) implement a system to identify newly appointed insiders who meet the Exempt Vice President Criteria and monitor any role changes by Exempt Vice Presidents to determine whether the Exempt Vice President Criteria continues to apply to them;

(c) ensure that if an individual who is designated as an Exempt Vice President no longer satisfies the Exempt Vice President Criteria that the individual is informed

about his or her renewed obligation to file an insider report on trades in securities of the REIT; and

(d) review the process for determining Subject Officers and Exempt Vice Presidents annually.

8. In connection with this application, the REIT has delivered to the Decision Makers a copy of the REIT Policy relating to monitoring and restricting the trading activities of certain of its insiders and other persons.

Decision

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.

The decision of the Decision Makers under the Legislation is that the requested relief is granted provided that:

(a) the REIT agrees to make available to the Decision Makers, upon request, to the extent permitted by law, a list of all individuals who are relying on the exemption granted by this Decision as at the time of the request; and

(b) the relief granted hereby will cease to be effective on the date when NI 55-101 is amended.

"Paul M. Moore"

"M. Theresa McLeod"