

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA  
ONTARIO, QUEBEC, NEW BRUNSWICK, PRINCE EDWARD ISLAND  
NOVA SCOTIA AND NEWFOUNDLAND

AND

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

AND

IN THE MATTER OF  
ELLIOTT & PAGE LIMITED

MRRS DECISION DOCUMENT

**WHEREAS** the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Elliott & Page Limited (the "Applicant"), the Manager of certain Elliott & Page Mutual Funds (as hereinafter defined), for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following provisions of the Legislation shall not apply to trades in Additional Units (as hereinafter defined) of an Elliott & Page Mutual Fund (as hereinafter defined) to existing holders of Institutional Classes of Units (as hereinafter defined):

1. under the Legislation of each of the Jurisdictions, other than British Columbia, Alberta, Saskatchewan and Nova Scotia, the dealer Registration requirement and prospectus requirement (the "Dealer Registration Requirement and Prospectus Requirement"); and
2. under the Legislation of each of the Jurisdictions, other than New Brunswick and Prince Edward Island (the "Non-Reporting Jurisdictions"), the requirement to file a report of an exempt trade within the time periods prescribed by the Legislation (the "Report Filing Requirements").

**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** it has been represented to the Decision Makers as follows:

1. The Applicant was incorporated under the *Business Corporations Act* (Ontario) on December 28, 1954 and is registered under the Securities Act (Ontario) (the "Act") as a mutual fund dealer and as an adviser in the categories of investment counsel and portfolio manager. The Applicant is

not a reporting issuer under the Act and is not in default of any of the requirements of the Act or the regulation made thereunder.

2. The Applicant is the trustee, manager, principal distributor, promoter and the registrar and transfer agent of each of Elliott & Page Money Fund, Elliott & Page T-Bill Fund, Elliott & Page Active Bond Fund, Elliott & Page Monthly High Income Fund, Elliott & Page Balanced Fund, Elliott & Page Growth & Income Fund, Elliott & Page Value Equity Fund, E&P Cabot Canadian Equity Fund, Elliott & Page Generation Wave Fund, E&P Cabot Blue Chip Fund, Elliott & Page Sector Rotation Fund, 5 Elliott & Page Growth Opportunities Fund, Elliott & Page American Growth Fund, Elliott & Page U.S. Mid-Cap Fund, Elliott & Page Global Equity Fund, E&P Cabot Global MultiStyle Fund, Elliott & Page Global Momentum Fund, Elliott & Page European Equity Fund, Elliott & Page Asian Growth Fund, Elliott & Page RSP American Growth Fund, Elliott & Page RSP U.S. Mid-Cap Fund and Elliott & Page RSP Global Equity Fund (collectively, the "Existing Elliott & Page Mutual Funds"), Advisor Class, Class F and Class T Units of the Existing Elliott & Page Mutual Fund's are offered for sale on a continuous basis in each of the provinces and territories of Canada pursuant to a combined simplified prospectus and annual information form dated August 16, 2000.

3. Each of the Elliott & Page Mutual Funds (as hereinafter defined) is or likely will be an open-end mutual fund trust. E&P Cabot Canadian Equity Fund, E&P Cabot Blue Chip Fund and E&P Cabot Global MultiStyle Fund are established or governed under the laws of Ontario by an amended and restated Master Declaration of Trust dated June 1, 2000 and a separate Regulation for each such fund. Each of the other Existing Elliott & Page Mutual Funds is established or governed under the laws of Ontario by an amended and restated Master Declaration of Trust dated June 19, 2000 and a separate Regulation for each such fund. The fiscal year end of each of the Elliott & Page Mutual Funds (as hereinafter defined) is or likely will be December 31<sup>st</sup>.

4. Additional mutual fund trusts may be established by the Applicant from time to time in the future as members of the Elliott & Page Mutual Funds to better service the clients of the Applicant (the "Future Elliott & Page Mutual Funds", and collectively with the Existing Elliott & Page Mutual Funds, the "Elliott & Page Mutual Funds"). It is anticipated that the management structure and general nature of the Future Elliott & Page Mutual Funds will be substantially the same as that of the Existing Elliott & Page Mutual Funds.

5. Each of the Elliott & Page Mutual Funds is, or will be, a reporting issuer under the securities legislation of each of the provinces and territories of Canada. None of the Existing Elliott & Page Mutual Funds is in default of any requirements of the securities legislation, regulations or rules applicable in each of the provinces and territories of Canada.

6. The Applicant has or is in the process of creating one or more additional classes of units (collectively referred to herein as the "Existing Institutional Classes of Units") of each Existing Elliott & Page Mutual Fund and, similarly, may create one or more additional classes of units (the "Future Institutional Classes of Units", and collectively with the Existing Institutional Classes of Units, the "Institutional Classes of Units") of each Future Elliott & Page Mutual Fund.

7. Each Elliott & Page Mutual Fund is or will be divided into units ("Units") of one or more classes, Units of a class of an Elliott & Page Mutual Fund rank equally with every other Unit of the same class of the fund, other than with respect to management fee rebates. Units of the Elliott & Page Mutual Funds are not, or will not be, transferable.

8. Except for the fact that the institutional classes of Units are not offered pursuant to a simplified prospectus, each class of an Elliott & Page Mutual Fund is, or will be, administered, managed and invested in accordance with the requirements of National Instrument 81-102 Mutual Funds.

9. Institutional Classes of Units of each Elliott & Page Mutual Fund are or will be offered on a continuous basis to investors in all of the Jurisdictions at a price per Unit equal to the net asset value per Unit for such class of Units of the Elliott & Page Mutual Fund calculated in accordance with the Master Declaration of Trust and Regulation of the relevant fund. Institutional Classes of Units of the Elliott & Page Mutual Funds will be redeemable at the option of investors, in accordance with the Master Declaration of Trust and Regulation of each Elliott & Page Mutual Fund.

10. Institutional Classes of Units of the Elliott & Page Mutual Funds may be offered pursuant to a confidential offering memorandum, in which a description of the following will be included: the investment objectives and restrictions of the Elliott & Page Mutual Fund, how Institutional Classes of Units may be purchased and redeemed, the management structure of the Elliott & Page Mutual Fund, the relevant risk factors, tax considerations, all applicable fees and expenses, the rights of action and rescission as required under applicable Legislation and the other rights of holders of Institutional Classes of Units of the Elliott & Page Mutual Fund. In addition, unitholders of the Elliott & Page Mutual Funds are or will be provided with a regular statement setting out the number and value of the Units they hold in the relevant fund, any transactions they have made since the last report they received and any other relevant information.

11. Institutional Classes of Units of the Elliott & Page Mutual Funds may be offered to, among other investors, institutional investors including (and in Manitoba, limited to), banks, loan or trust corporations, insurance companies, pension plans and registered charities.

12. The assets of each Elliott & Page Mutual Fund will be invested from time to time upon the advice of the Applicant or upon the advice of an investment adviser appointed by the Applicant based on the objectives of such fund as set out in its Master Declaration of Trust and Regulation.

13. The minimum required initial investment (the "Initial Investment") and minimum required continuous holding by an individual investor in an Institutional Class of Units in each of the Elliott & Page Mutual Funds will be an amount (the "Prescribed Amount") no less than \$150,000 in Ontario, Quebec, Nova Scotia and Saskatchewan, \$100,000 in Newfoundland and British Columbia, and \$97,000 in Prince Edward Island, New Brunswick, Manitoba and Alberta.

14. Institutional Classes of Units of each Elliott & Page Mutual Fund are or will be distributed in the Jurisdictions by registered dealers, including the Applicant, pursuant to exemptions from the Dealer Registration Requirement and Prospectus Requirement.

15. In British Columbia, the Applicant and all other mutual fund dealers offering the Institutional Classes of Units for sale will comply with all conditions of registration imposed on such dealers in connection with the offering of such Institutional Classes of Units.

16. Following a unitholder's Initial Investment in an institutional Class of Units of an Elliott & Page Mutual Fund, the unitholder from time to time may wish to purchase additional Units of the same class of such Elliott & Page Mutual Fund ("Additional Units") having an acquisition value of less than the Prescribed Amount. The purchase of Additional Units is permitted pursuant to statutory exemptions from the Dealer Registration Requirement and Prospectus Requirement contained in the Legislation of Nova Scotia, Saskatchewan, Alberta and British Columbia, subject to certain conditions including that, in each case, at the time of the subsequent acquisition the unitholder holds such institutional Class of Units of such Elliott & Page Mutual Fund with an aggregate acquisition cost or aggregate net asset value equal to at least the Prescribed Amount.

17. The Legislation in each Jurisdiction except the Non-Reporting Jurisdictions requires the filing of a report providing certain details of certain exempt trades (and in certain provinces a copy of any offering memorandum used) and the payment of a related fee in respect of each such trade, such filings and payment to be made in accordance with the Report Filing Requirements. There are no Report Filing Requirements in the Non-Reporting Jurisdictions.

18. In the absence of the Decision, an exemption from the Dealer Registration Requirement and Prospectus Requirement may not be available with respect to the purchase of Additional Units having an acquisition value less than the Prescribed Amount in Manitoba, Ontario, Québec, New Brunswick, Prince Edward Island and Newfoundland.

19. In the absence of the Decision, an exemption from the Report Filing Requirements may not be available in each of the Jurisdictions except the Non-Reporting Jurisdictions.

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

**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;

**THE DECISION** of the Decision Makers pursuant to the Legislation is that:

1. The Dealer Registration Requirement and Prospectus Requirement do not apply to the purchase of Additional Units provided that:

(a) this Decision, as it relates to the jurisdiction of a Decision Maker, shall terminate 90 days after the publication in final form of any legislation or rule of that Decision Maker regarding trades in securities of pooled funds;

(b) at the time of the acquisition of Additional Units of an Elliott & Page Mutual Fund, the Unitholder who made the Initial Investment in an Institutional Class of

Units of such fund of at least the Prescribed Amount then owns such Institutional Class of Units of that Elliott & Page Mutual Fund having an aggregate purchase price or net asset value of not less than the Prescribed Amount; and

(c) at the time of the acquisition of Additional Units of an Elliott & Page Mutual Fund, the Applicant or any party assisting the Applicant in selling the Units, where required under the applicable Legislation, is registered or exempt from registration under the applicable Legislation as a dealer in the appropriate category and such registration is in good standing.

2. The Report Filing Requirements do not apply to trades in Institutional Classes of Units of the Elliott & Page Mutual Funds, provided that within 30 days after each financial year end of the Elliott & Page Mutual Funds:

(a) the Applicant files a report of exempt trades in accordance with the form requirements prescribed by the respective Decision Maker in respect of trades in Institutional Classes of Units or Additional Units of the Elliott & Page Mutual Funds during such financial year; and

(b) the Applicant remits, on behalf of the Elliott & Page Mutual Funds, the fee that would otherwise be payable if each report of exempt trades was filed in accordance with the Report Filing Requirements.

3. In Quebec only, the Applicant will, in respect of each Future Elliott & Page Mutual Fund that intends to rely on this Decision, notify staff of the Commission des valeurs mobilières du Québec (the "CVMQ") prior to relying on the relief granted by this Decision, and will obtain confirmation from staff of the CVMQ of such fund's ability to rely on this Decision at that time.

**DATED** this "1<sup>st</sup>" day of "June", 2001.

"J.A. Geller"

"Robert W. Korthals"