

IN THE MATTER OF THE SECURITIES LEGISLATION OF
SASKATCHEWAN, MANITOBA, NEW BRUNSWICK,
PRINCE EDWARD ISLAND, NEWFOUNDLAND, YUKON,
NORTHWEST TERRITORIES AND NUNAVUT

AND

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

AND

IN THE MATTER OF FIDELITY INVESTMENTS CANADA LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Saskatchewan, Manitoba, New Brunswick, Prince Edward Island, Newfoundland, Yukon, Northwest Territories and Nunavut (the "Jurisdictions") has received an application from Fidelity Investments Canada Limited (the "Applicant") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that:

(a) trades in additional units ("Units") of the Funds (as hereinafter defined) to an investor upon:

(i) the subsequent subscription for Units by or on behalf of an investor shall not be subject to the prospectus requirements of the Legislation;

(ii) the reinvestment of distributions out of income or capital gains shall not be subject to the prospectus requirements of the Legislation;

(iii) the reinvestment of distributions which are a return of capital shall not be subject to the prospectus requirements of the Legislation; and

(b) traders in Units are not subject to the requirements of the Legislation of the Jurisdictions, other than Manitoba, relating to the filing of forms and the payment of fees within 10 days of each trade.

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

AND WHEREAS the Applicant has represented to the Decision Maker that:

1. The Applicant is a corporation continued under the laws of the Province of Ontario, is registered in the Jurisdictions as a mutual fund dealer, and has applied to the Jurisdictions for registration as an adviser in the categories of investment counsel and portfolio manager.
2. The Applicant has established certain pooled funds and intends to establish additional pooled funds from time to time (individually, a "Fund" and collectively, the "Funds"), and the Applicant acts, or will act, as the manager of the Funds.
3. Each Fund is, or will be, established under the laws of the Province of Ontario pursuant to a declaration of trust and the Applicant will act as trustee of the Funds.
4. The Applicant intends to offer discretionary investment management services to pension plans and other investors in Canada (the "Private Clients"). The Applicant will carry out the investment mandate of the Private Clients through the purchase of Units of the Funds or through separate accounts. The Applicant may also permit Private Clients to subscribe for Units directly.
5. The Applicant, affiliates of the Applicant, or appropriately registered dealers will distribute the Units.
6. Units will be issued in reliance upon the exemptions from the prospectus requirements contained in the Legislation, including the exemption (the "Private Placement Exemption") for purchasers purchasing as principal if the aggregate acquisition cost (the "Initial Investment" is not less than a prescribed amount (the "Prescribed Amount").
7. The Units will be nontransferable and will be offered on a continuous basis.
8. Following Initial Investment in a Fund, the Applicant proposes that additional Units (the "Additional Units") of that Fund be permitted to be purchased by or on behalf of Private Clients without being subject to any minimum purchase amount by:
 - (a) subscribing and paying for Additional Units; or
 - (b) automatically reinvesting distributions attributable to outstanding Units.

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:

(A) a trade in Additional Units pursuant to a subsequent subscription and payment by or on behalf of a Unitholder shall not be subject to the prospectus requirements of the Legislation provided that:

(i) at the time of the trade in Additional Units, the Applicant, or if the Additional Units are distributed by an affiliate of the Applicant or a registered dealer, that affiliate or registered dealer is registered under the Legislation as a mutual fund dealer;

(ii) at the time of the trade of Additional Units of a Fund, the Unitholder then owns Units of the Fund having an aggregate acquisition cost or an aggregate net asset value of not less than the Prescribed Amount in the applicable Jurisdiction; and

(iii) this clause (A) will cease to be in effect with respect to a Jurisdiction 90 days after the coming into force, subsequent to the date of this Decision, of any legislation, regulation or rule in the Jurisdiction exempting from the prospectus requirements of the Legislation, distributions by a fund manager on behalf of a pooled fund of additional securities which applies to trades of Additional Units as described in this Decision;

(B) a trade in Additional Units of a Fund pursuant to the reinvestment of income or capital gains distribution, or pursuant to the reinvestment of distributions which are a return of capital, shall not be subject to the prospectus requirements of the Legislation provided that:

(i) no sales commission or other charge in respect of such issuance of Additional Units is payable; and

(ii) each Unitholder who receives Additional Units has received, not more than 12 months before such issuance, a statement describing (a) the details of any deferred or contingent sales charge or redemption fee that is payable at the time of the redemption of a Unit, (b) any rights that the Unitholder has to make an election to receive cash instead of Units on the payment of the net income, net realized capital gains or a return of capital distributed by the Fund, (c,) instructions on how the rights referred to in subsubclause(b) can be exercised, and (d) the fact that no prospectus is available for the Fund as Units are offered pursuant to prospectus exemptions only; and

(C) except in Manitoba, the requirements contained in the Legislation of the Jurisdictions to file a report within 10 days of a trade in Units and pay the associated fee shall not apply to such trade, provided that within 30 days after each financial year end such Fund:

(i) files with the applicable Decision Maker a report in respect of all trades in Units of the Fund during such financial year in the form prescribed by the applicable Legislation; and

(ii) remits to the applicable Decision Maker the fee prescribed by the applicable Legislation.

DATED at St. John's, Newfoundland this "22nd" day of November, 2001

Anthony W. Patey
Commissioner