

November 16, 2005

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, NEW BRUNSWICK,
NOVA SCOTIA, PRINCE EDWARD ISLAND AND
NEWFOUNDLAND AND LABRADOR
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
GMP SECURITIES LTD. (**GMP Ltd.**)

AND

GMP SECURITIES L.P.
(GMP L.P., together with GMP Ltd., the **Filers**)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filers for a decision pursuant to Part 7 of Multilateral Instrument 33-109 - *Registration Information* (the **Legislation**), exempting the Filers from requirements of the Legislation so as to permit GMP Ltd. to bulk transfer to GMP L.P. the registered and non-registered individuals that are associated on the National Registration Database (**NRD**) with the branch office locations involved in the plan of arrangement (the **Arrangement**) whereby GMP Ltd. will be converting its corporate structure to GMP L.P., a limited partnership structure (the **Requested Relief**):

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the MRRS decision document evidences the decision of each Decision Maker.

Interpretation

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

Representations

1. GMP Ltd. is a member of the Investment Dealers Association of Canada (the **IDA**) and is currently registered as an investment dealer (or equivalent) under the Legislation of each Jurisdiction.
2. GMP Ltd. is incorporated under the laws of Canada and its head office is located in Toronto, Ontario.
3. GMP L.P. has applied for membership in the IDA and for registration as an investment dealer (or equivalent) under the Legislation of each Jurisdiction.
4. GMP L.P. is a limited partnership organized under the laws of Manitoba and its head office is located in Toronto, Ontario.
5. GMP Ltd. is an investment dealer whose business is focused on investment banking and institutional equities for corporate clients and institutional investors in Canada. GMP Ltd. has approximately 182 employees, including 66 officers and 2 registered directors that are registered to trade on its behalf under the Legislation of one or more of the Jurisdictions.
6. GMP Ltd., to the best of its knowledge, is not in default of any of the requirements of the Legislation of any of the Jurisdictions.
7. The details of the Arrangement are as follows:
 - a. GMP Ltd. will be converting its current corporate structure into a limited partnership structure to be called GMP L.P.
 - b. GMP L.P. will apply for registration as an investment dealer (or the equivalent) under the Legislation of all the Jurisdictions and will make the necessary applications to replicate the registration and membership status presently held by GMP Ltd. in each of the Jurisdictions and with the IDA.
 - c. The public parent corporation, GMP Capital Corp., will be converted into a public income trust.
 - d. At the close of the Arrangement, all the business and assets of GMP Ltd. will be transferred to Private Client L.P.
 - e. At the close of the Arrangement, GMP L.P. will carry on all of the active securities business of GMP Ltd. in substantially the same manner, and with the same representatives, as previously carried on by GMP Ltd.

8. The arrangement is to be effective on or about December 1, 2005 (the Closing Date). The compliance systems, procedures and policies of GMP Ltd. will continue under the business of GMP L.P.

9. As the result of NRD systems constraints, and the significant number of individuals to be transferred between the Filers in connection with the Arrangement, it would be unnecessarily difficult, costly and time consuming to conduct the transfer as a separate and distinct transfer of the branch office and sub-branch office locations and each registered and non-registered individual while ensuring that all such transfers occur at the same time in order to preclude any disruption of individuals registrations or GMP Ltd. and Private Client L.P. business activities.

10. It would be unduly onerous to transfer each individual associated with the Filers in accordance with the requirements set out in the Legislation having regard to the fact that there should be no change to their employment or responsibilities and each individual will be transferred under the same category.

11. Within two months of the Closing Date, the Filers will complete the bulk transfer of all affected individuals and locations.

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 pursuant to the Legislation is that the Requested Relief is granted, and the following requirements of the Legislation shall not apply to the Filers in respect of the registered and non-registered individuals that will be bulk transferred from GMP Ltd. to GMP L.P.:

- a. the requirement to submit a notice regarding the termination of each employment, partner or agency relationship under section 4.3 of the Legislation;
- b. the requirement to submit a notice regarding each individual who ceases to be a non --registered individual under section 5.2 of the Legislation;
- c. the requirement to submit a registration application for each individual applying to become a registered individual under section 2.2 of the Legislation;
- d. the requirement to submit a Form 33-109F4 for each non-registered individual under section 3.3. of the Legislation; and
- e. the requirement under section 3.1 of the Legislation to notify the regulator of a change to the business location information in Form 33-109F3.

"David M. Gilkes"
Manager, Registrant Regulation
Ontario Securities Commission