

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, MANITOBA, NEWFOUNDLAND AND LABRADOR, NOVA SCOTIA,
ONTARIO, Québec AND SASKATCHEWAN

AND

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

AND

IN THE MATTER OF
INVESTORS GROUP INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Manitoba, Newfoundland and Labrador, Nova Scotia, Ontario, Québec and Saskatchewan (collectively, the "Jurisdictions") has received an application from Investors Group Inc. ("Investors Group") and Mackenzie Financial Corporation ("MFC") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation to file "insider" reports shall not apply to certain individuals who are insiders of Investors Group by reason of being an officer of MFC and having the title Vice-President or Assistant Vice-President;

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

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Québec Commission Notice 14-101;

AND WHEREAS Investors Group and MFC have represented to the Decision Makers that:

1. Investors Group is a corporation incorporated under the *Canada Business Corporation Act*. It is a reporting issuer in each of the provinces and territories of Canada.
2. MFC is a corporation incorporated under the *Business Corporations Act* (Ontario). MFC was a reporting issuer in each of the provinces and territories of Canada. Investors Group indirectly acquired 100% of MFC's outstanding shares in April 2001. MFC ceased to be a reporting issuer pursuant to a MRRS Decision Document dated July 26, 2001.
3. MFC is a "major subsidiary" of Investors Group as defined in National Instrument 55-101 – Exemption from certain Insider Reporting Requirements ("NI 55 – 101").

4. Investors Group is not in default of any requirements under the Legislation.

5. As of October 21, 2002, there were 121 "insiders" of Investors Group who were insiders as a result of being an officer or director of MFC.

6. None of the Exempt VPs (as defined below) are otherwise exempt from the insider reporting requirements by reason of an existing exemption order.

7. The relief sought in this application is being sought on behalf of 56 insiders of Investors Group who are Vice-Presidents or Assistant Vice-Presidents of MFC and who meet the criteria in CSA Staff Notice 55-306 (the "Staff Notice") to be considered "nominal vice-presidents". These individuals are collectively referred to herein as the "Exempt VPs".

8. None of the Exempt VPs are in charge of a principal business unit, division or function of Investors Group, or a "major subsidiary" (as that term is defined in NI 55-101) of Investors Group including MFC. The Exempt VPs do not, in the ordinary course of their employment, receive notice of or have access to information as to material facts or material changes in respect of Investors Group prior to the general disclosure to the public of such facts or changes. In addition, none of the Exempt VPs are insiders of Investors Group in any other reporting capacity.

9. Investors Group has developed policies and procedures with respect to "insider" trading that govern all "insiders" and that also apply to employees who have knowledge of material undisclosed information (collectively, the "Insider Trading Policy"). The Insider Trading Policy sets out the following two general guidelines with respect to trading in the securities of Investors Group: (i) insiders should not deal in securities of Investors Group if in possession of material undisclosed information; and (ii) insiders in possession of material undisclosed information should not communicate this information to any other person, other than if it is necessary to carry out their duties. In addition, the Insider Trading Policy sets out specific "Closed Periods" when no trading may take place by insiders without the prior approval of the Chairman or the President of Investors Group. These Closed Periods include the periods around the preparation of financial results.

10. Investors Group has established a compliance committee (as defined in this paragraph) to determine who will be an Exempt VP and to inform insiders of their obligations as insiders to file insider reports and their obligation to notify the Compliance Committee of any changes to their job descriptions so that the Compliance Committee can make a determination as to whether that insider should be added to or removed from the list of Exempt VPs. For the purpose of this decision, the Compliance Committee will be comprised of: (a) the senior vice-president and general counsel of Investors Group and (b) the corporate secretary of Investors Group (together, the Investors Group representatives); (c) the senior vice-president/general counsel of MFC; (d) the senior law clerk of MFC and (e) the chief compliance officer of MFC ((c), (d) and (e) together, the MFC representatives) (the "Compliance Committee").

11. In compiling the list of Exempt VPs, the Compliance Committee considered the job requirements and principal functions of MFC's Vice-Presidents and Assistant Vice-Presidents to determine which of them met the definition of "nominal vice-president" contained in the Staff

Notice. In the opinion of the Compliance Committee, the Exempt VPs meet the criteria set out in the Staff Notice.

12. The Compliance Committee will assess any future employee of MFC who has the title of Vice-President or Assistant Vice-President on the same basis as set out above, and will re-assess all Exempt VPs who experience a change in job requirements or functions, to determine if such individuals meet, or continue to meet, the definition of "nominal vice-president" contained in the Staff Notice. This process will be carried out as follows: all individuals who are Assistant Vice-Presidents or Vice-Presidents will be reviewed by the MFC representatives on the Compliance Committee who will then provide their recommendation as to who qualifies as an Exempt VP. Subsequently, this list will be provided to the Investors Group representatives who will have the opportunity to question the MFC recommendations or to accept them.

13. If an individual who is designated as an Exempt VP no longer satisfies the definition of "nominal vice-president" contained in the Staff Notice, the individual will be added to the list of Investors Group insiders, given a copy of the Insider Trading Policy that applies to insiders of Investors Group, a member of the Compliance Committee will explain the trading policies to such insider and confirm with such insider in writing that he or she understands their obligation to file insider reports in accordance with securities legislation and that he or she undertakes to comply with such requirements.

14. Investors Group has filed with the Decision Makers in connection with this application a copy of its Insider Trading Policy and the list of Exempt VPs.

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 under the Legislation is that the requirement contained in the Legislation to file insider reports shall not apply to the Exempt VPs or to any other employee of MFC who hereafter acquires the title Vice-President or Assistant Vice-President provided that:

(a) the individual satisfies the definition of "nominal vice-president" contained in the Staff Notice;

(b) Investors Group prepares and maintains a list of all individuals who propose to rely on the exemption granted, submits the list on an annual basis to the board of directors of Investors Group for approval, and files the list with the Decision Makers;

(c) Investors Group files with the Decision Makers a copy of its Insider Trading Policy; and

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

Dated at Winnipeg this 5th day of February, 2003.

"Doug Brown"
Director - Legal