

THE COMMODITY FUTURES ACT

Order No. 7275

Subsection 66(1)

January 21, 2016

PANAGORA ASSET MANAGEMENT, INC.

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WHEREAS:

(A) PanAgora Asset Management, Inc. (the "Applicant") has applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to section 66 of *The Commodity Futures Act* (the "CFA") exempting the Applicant from the requirements of Section 3.17 of MSC Rule 2000-11 (the "Rule");

(B) The Applicant has represented to the Commission that:

(1) The head office of the Applicant is located in Boston, Massachusetts, U.S.A.;

(2) The Applicant is an institutional asset manager in the United States and is registered as an investment advisor with the United States Securities and Exchange Commission and as a commodity pool operator and commodity trading advisor with the United States Commodity Futures Trading Commission. It is also a member of the United States National Futures Association and is swap firm approved;

(3) In Canada, the Applicant is currently registered under the *Securities Act* (Manitoba) as a portfolio manager and is also registered as a portfolio manager with the securities commissions of Ontario (where it is also registered as an exempt market dealer and commodity trading manager under the *Commodity Futures Act* (Ontario)), Alberta, British Columbia, New Brunswick, Newfoundland & Labrador, Nova Scotia, Prince Edward Island, Québec and Saskatchewan. The Company is also currently availing itself of the "permitted client" exemption contained in section 4 of Multilateral Instrument 32-102 *Registration Exemptions for Non-Resident Investment Fund Managers* in Ontario, Québec Newfoundland & Labrador;

(4) The Applicant has applied to become registered as an adviser under the *Commodity Futures Act* (Manitoba) in order to provide investment advice regarding various commodity futures options and commodity futures contracts to institutional investors in Manitoba;

(5) Section 3.17 of the Rule provides that an adviser registered under the CFA must be a member of a registered commodity futures exchange; (6) The only registered commodity futures exchange under the CFA is the ICE Futures Canada, Inc. (the "ICE"); and

(7) The Applicant does not and has no intention of (i) trading in or (ii) advising investors in Manitoba with respect to commodity futures contracts or commodity futures options that are traded on the ICE and therefore does not intend to become a member of the ICE.

(C) Based on the foregoing, the Commission is of the opinion that it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

1. THAT, pursuant to subsection 66(1) of the CFA, the Applicant, once registered as an adviser under the CFA, is exempt from Section 3.17 of the Rule, which would otherwise require it to become a member of a registered exchange, on the condition that the Applicant does not trade in or provide advice on commodity futures contracts and/or commodity futures options that are traded on a commodity futures exchange in Manitoba.

2. THAT the fee for this order is \$650.00.

BY ORDER OF THE COMMISSION

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Director