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July 13, 2005

Headnote

Mutual Reliance Review System for Exemptive Relief Application – Securities Act s. 48 Adviser - Exemption from s.34(1)(c) requirement to be registered as an adviser and the obligations of advisers in Part 5 of the Act and rules - A person who resides outside BC wants to advise BC residents. - The person is hired under a written agreement with a BC registered dealer or adviser to provide advice to the BC registrant and its BC clients; the person is registered or qualified to provide the advice in the jurisdiction in which they reside; under a written agreement with its BC clients or the person, the BC registrant accepts responsibility for all losses resulting from inappropriate advice provided by the person.

Applicable British Columbia Provisions

Securities Act, R.S.B.C.1996, c. 418, ss. 34(1)(c) and 48

**In the Matter of the Securities Legislation
of Ontario, British Columbia, Alberta, Saskatchewan, New Brunswick,
Nova Scotia, Newfoundland and Labrador, Prince Edward Island,
Northwest Territories, Nunavut and Yukon**

and

**In the Matter
of the Mutual Reliance Review System for Exemptive Relief Applications**

and

**In the Matter of Royal Trust Corporation of Canada and
The Royal Trust Company**

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the “Decision Maker”) in each of Ontario, British Columbia, Alberta, Saskatchewan, New Brunswick, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, Northwest Territories, Nunavut and Yukon (the “Jurisdictions”) has received an application from the Royal Trust Corporation of Canada and The Royal Trust Company (the “Applicants”) for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) seeking relief in each of the Jurisdictions from the adviser registration requirement in respect of certain currently proposed and potential future advisers to the Applicants to the extent that such advisers are not registered as an adviser in the applicable category in the Jurisdiction (such

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unregistered advisers being the “Applicants’ Advisers”), to permit the Applicants to retain the Applicants’ Advisers to provide investment advisory services to the Applicants in respect of accounts for which the Applicants act as trustee or as co-trustee with a third party.

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

Interpretation

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

Representations

This decision is based on the following facts represented by the Applicants:

1. Royal Trust Corporation of Canada is incorporated under the federal *Trust and Loan Companies Act*, has its head office in Toronto and is registered to carry on business in all Jurisdictions other than Yukon.
2. The Royal Trust Company is continued under the federal *Trust and Loan Companies Act*, has its head office in Montréal and is registered to carry on business in all Jurisdictions.
3. The Applicants provide estate and trust services through the trust services division of the Applicants. The performance of investment advisory services by the trust services division of the Applicants is solely incidental to the principal business or occupation of the Applicants.
4. The Applicants are not registrants (as such term, or equivalent term, is defined in the applicable securities laws of the Jurisdictions) and have no current intention of becoming registrants.
5. Each Applicant is eligible for and satisfies the exemption from the adviser registration requirement in those provinces in which it is registered to conduct its business pursuant to the express exemption (an “Express Exemption”) available to trust corporations (or equivalent) under the securities legislation in those provinces namely, Ontario, British Columbia, Alberta, Saskatchewan,

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New Brunswick, Nova Scotia, Newfoundland and Labrador and Prince Edward Island.

6. Securities legislation in each of Northwest Territories, Nunavut and Yukon provides the relevant securities regulatory authority within each such territory with the discretionary authority to relieve the Applicants from having to comply with the adviser registration requirement in respect of the business that the respective Applicant carries on in the relevant territory. Orders relieving the Applicants from the adviser registration requirement were granted by the Registrar of each respective territory on October 13, October 19 and October 13, 2004, respectively.
7. The identity and relevant particulars of the currently proposed Applicants' Advisers are indicated in Schedule "A", including the applicable regulatory authority with which each such Applicants' Adviser is licensed or registered as an adviser. The Applicants may add or replace such Applicants' Advisers from time to time in the discretion of each such Applicant and consequently, the current list of proposed Applicants' Advisers is subject to change.
8. Each Applicant wishes to retain the Applicants' Advisers to provide investment advisory services to the Applicants in respect of accounts for which the Applicants act as trustee or co-trustee with a third party in the Jurisdictions. Each Applicant believes that the Applicants' Advisers will provide the Applicant with access to specialized expertise relating to specific market segments or relating to investment strategies for international investment management mandates, through their expertise or location in and familiarity and experience with foreign markets.
9. Each Applicant is bound by its statutory and common law fiduciary duties and obligations to the beneficiaries of the accounts for which it is trustee. The contract for investment advisory services between the Applicants and the Applicants' Advisers will in no way affect each Applicant's statutory and common law fiduciary duties and obligations to the beneficiaries of the accounts for which it is trustee and those beneficiaries will retain their right of action against the Applicants for any breach of trust.
10. The obligations and duties of the Applicants' Adviser and the Applicants will be set out in a written agreement between each Applicants' Adviser and the Applicants.
11. The Applicants' Adviser, if a resident of a province or territory of Canada, will be registered as an adviser in that Jurisdiction.

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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 under the Legislation is that the adviser registration requirement (or equivalent) contained in the Legislation shall not apply to the Applicants' Advisers with respect to their activities in providing investment advisory services to the Applicants in respect of the Applicants' estate and trust services business provided that:

- (a) with respect to the relevant Jurisdiction, the Applicant to which the investment advisory services are being provided by the relevant Applicants' Adviser is in compliance with the requirements for the Applicant's reliance on the Express Exemption in such Jurisdiction;
- (b) any currently proposed Applicants' Adviser or future Applicants' Advisers relying on this decision is licensed or registered with the applicable regulator, or otherwise legally qualified to provide investment advisory services, in the jurisdiction in which such Applicants' Adviser is ordinarily resident; and
- (c) any Applicants' Adviser relying on this decision in advising the Applicants, complies with the licensing, registration or similar legal requirements applicable to such Applicant's Adviser in the jurisdiction in which such Applicants' Adviser is ordinarily resident, as though the Applicants were resident in that jurisdiction when receiving the investment advice.

Wendell S. Wigle
Commissioner
Ontario Securities Commission

David L. Knight
Commissioner
Ontario Securities Commission

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Schedule “A”

NAME	JURISDICTION OF REGISTRATION	REGULATOR
1. Capital Guardian Trust Company	USA and all provinces of Canada except Québec and Newfoundland	United States Securities and Exchange Commission (the “SEC”) and the respective securities regulatory authority or regulator in each Canadian Jurisdiction of Registration
2. Voyageur Asset Management Inc.	USA, Ontario, British Columbia and Alberta	SEC and the respective securities regulatory authority or regulator in each Canadian Jurisdiction of Registration
3. Greystone Managed Investments Inc.	All provinces and territories of Canada except Northwest Territories	The respective securities regulatory authority or regulator in each Canadian Jurisdiction of Registration
4. Boyar Asset Management Inc.	USA	SEC
5. Mondrian Investment Partners Limited	UK and USA	Financial Services Authority and SEC