

2003 BCSECCOM 450

Headnote

Mutual Reliance Review System for Exemptive Relief Application - issuer of asset-backed securities exempt from the requirement to prepare, file and deliver interim and annual financial statements and annual information circulars or, where applicable, annual reports in lieu of an information circular subject to conditions, including the requirement to prepare, file and deliver monthly and annual reports regarding performance of pools of securities assets – previous order varied

Applicable British Columbia Provisions

Securities Act, R.S.B.C.1996, c. 418, s. 171

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

AND

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

AND

IN THE MATTER OF MANSFIELD TRUST/FIDUCIE MANSFIELD

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the Decision Maker) in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland and Labrador (collectively, the Jurisdictions) issued on November 28, 2001 a decision (the Previous Decision) pursuant to the securities legislation of the Jurisdictions (the Legislation) that Mansfield Trust/Fiducie Mansfield (the Issuer) is exempted, on certain terms and conditions, from the requirements of the Legislation concerning the preparation, filing and delivery of interim and annual financial statements and the annual filing of an information circular or, where applicable, a report in prescribed form in lieu thereof, and the preparation of an information circular, where management of the Issuer solicits proxies of holders of “voting securities” (the Disclosure Requirements) in connection with certain commercial mortgage pass-through certificates;

AND WHEREAS each Decision Maker has received an application from the Issuer for a decision under the Legislation that the Previous Decision be varied to

2003 BCSECCOM 450

not require that the Issuer on a quarterly basis, publish in newspapers a notice setting forth certain reporting requirements in respect of the Certificates, where such reports are located and that upon request paper copies will be delivered by ordinary mail, as described in paragraph 17 of the Previous Decision;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the System), the Ontario 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 Quebec Commission Notice 14-101;

AND WHEREAS the Issuer has represented to the Decision Makers that:

1. The Issuer is a special purpose trust which was established by The Trust Company of Bank of Montreal (the Issuer Trustee) under the laws of Ontario pursuant to a declaration of trust dated as of May 24, 2001, the beneficiary of which is a registered charity. The only security holders of the Issuer will be holders of its asset-backed securities (the Certificateholders).
2. The Issuer Trustee is located in Toronto, Ontario and the head office of Sun Life Assurance Company of Canada, the administrative agent of the Trust, is located in Toronto, Ontario.
3. The Issuer filed a short form prospectus (the Prospectus) dated July 17, 2001 with each of the Canadian provincial securities regulatory authorities for the issuance of approximately \$253,300,000 aggregate principal amount of Commercial Mortgage Pass-Through Certificates Series 2001-1 (the Certificates) and received receipts for such prospectus from each of the Canadian provincial securities regulatory authorities.
4. The Issuer is a reporting issuer, or the equivalent, in each of the provinces and territories of Canada that provides for a reporting issuer regime and to its knowledge is currently not in default of any applicable requirements under the securities legislation thereunder.
5. The Issuer is a special-purpose trust and does not carry on any activities other than issuing asset-backed securities and purchasing assets in connection thereto (the Assets).
6. The Issuer has no material assets or liabilities other than its rights and obligations arising from acquiring Assets and in respect of the Certificates.

2003 BCSECCOM 450

7. On November 28, 2001, the Decision Makers issued the Previous Decision.
8. To the knowledge of the Trust's Administrative Agent, no Certificateholder has requested paper copies of the reports referenced in paragraph 17 of the Previous Decision.
9. In the past few years, the Canadian market for asset-backed securities has matured and investors have become familiar with the types of reports to which holders of such securities are entitled and where such reports are available.
10. The Prospectus advises investors that certain reports will be available on the website of the reporting agent appointed by the Issuer in connection with the Certificates and on SEDAR, and provides the web address in respect of both, and that upon request paper copies will be delivered by ordinary mail.
11. Except as otherwise stated in this application, all of the factual statements concerning the Issuer contained in the Previous Decision remain true as of, and as if made on, the date hereof.

AND WHEREAS pursuant to 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 the Previous Decision be varied by:

- (a) deleting in its entirety paragraph 17 of the Previous Decision and substituting therefor the following:

“The Issuer will advise investors in the relevant short form prospectus under which any Additional Certificates are offered, that the monthly information prescribed in paragraph 13 hereof, the quarterly information prescribed in paragraph 18 hereof and the annual information prescribed in paragraph 19 hereof is available on the Reporting Agent's website and on SEDAR, and provide the website address in respect of both, and that Certificateholders may request that paper copies of such reports be provided to them by ordinary mail.”

2003 BCSECCOM 450

- (b) deleting in its entirety paragraph 21 of the Previous Decision and substituting therefor the following:

“The provision of information to Certificateholders on a monthly, quarterly and annual basis as described in paragraphs 13, 18 and 19 hereof, as well as the annual notices to be given by the Issuer as to availability of such information given pursuant to paragraph 16 hereof, will meet the objectives of allowing the Certificateholders to monitor and make informed decisions about their investments”; and

- (c) deleting in its entirety the Decision of the Previous Decision and substituting therefor the following:

“*THE DECISION* of the Decision Makers pursuant to the Legislation is that the Issuer is exempted from the requirements of the Legislation concerning the preparation, filing and delivery of interim and annual financial statements and annual report, where applicable, and the annual filing of an information circular or, where applicable, a report in prescribed form in lieu thereof, and the preparation of an information circular, where management of the Issuer solicits proxies of holders of “voting securities” in respect of a meeting of which notice has or will be given, in connection with the Certificates and Additional Certificates, provided that:

- (i) the Issuer complies with paragraphs 13, 16, 17, 18, 19 and 20 hereof; and
- (ii) the exemption from the requirements of the Legislation concerning the annual filing of an information circular or, where applicable, a report in lieu thereof, shall terminate sixty days after the occurrence of a material change in any of the representations of the Issuer contained in paragraphs 5 through 9 inclusive, unless the Issuer satisfies the Decision Makers that the exemption should continue.”

DATED this 7th day of July, 2003.

Paul M. Moore, Q. C.

H. Lorne Morphy, Q. C.