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Headnote

Mutual Reliance Review System for Exemptive Relief Application – Multilateral Instrument 33-109, s.7.1 - Registration Information - A registrant wants relief from the filing and notification requirements to permit a bulk transfer of business locations and individuals following an amalgamation or reorganization - The applicant is acquiring a significant number of business locations and individuals from another registered dealer in the same jurisdiction; the application includes the information required in Appendix A to MI 33-109.CP Registration Information

Applicable British Columbia Provisions

Multilateral Instrument 33-109 *Registration Information*, s. 7.1

**In the Matter of
the Securities Legislation
of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario**

and

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

and

**In the Matter of Brownstone Investment Planning Inc. (BIP)
and Capital Investment Management Corp. (CIM)**

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 certain requirements of the Legislation so as to permit CIMC and BIPI to bulk transfer to the new business, Brownstone Investment Planning, Inc. (BIPI Amalco) the registered and non-registered individuals that are associated on the National Registration Database (NRD) with the branch office locations involved in the wind-up of CICM and BIPI into BIPI Amalco (the Requested Relief).

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Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the Ontario Securities Commission is 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 Filers:

1. BIPI is currently a mutual fund dealer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario (and limited market dealer in Ontario) and a member of the Mutual Fund Dealers Association (the MFDA).
2. BIPI is a corporation incorporated under the laws of Ontario with its head office located in Toronto, Ontario.
3. CIMC is a corporation incorporated under the laws of Alberta and is a member of the MFDA. CIMC is also a registered mutual fund dealer with the Alberta Securities Commission.
4. BIPI amalgamated with CIMC on December 31, 2004 to form BIPI Amalco, and all representatives are to be transferred accordingly. The compliance systems, procedures and policies of each BIPI and CIMC will continue to apply for a transition period (the Transition Period) as if each of BIPI and CIMC were divisions of BIPI Amalco. The Transition Period is expected to end on March 31, 2005.
5. These transactions are internal restructuring transactions and do not involve any third parties. BIPI Amalco will carry on the active securities business of CIMC and BIPI in a substantially similar manner with the same directors and salespeople of the combined BIPI and CIMC.
6. Given the sheer volume of representatives of CIMC and BIPI, it would be difficult to transfer each individual to BIPI Amalco as per the requirements set out in the MI 33-109.

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7. Within two months of the date of Restructuring, 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 MI 33-109 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 that the following requirements of the Legislation shall not apply to the Filers in respect of the registered and non-registered individuals that will be transferred from CIMC and BIPI to BIPI Amalco:

- (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 registration application for each individual applying to become a registered individual under section 2.2 of the Legislation;
- (c) the requirement to submit a Form 33-109F4 for each non-registered individual under section 3.3 of the Legislation.

March 14, 2005

Paul M. Moore
Commissioner
Ontario Securities Commission

Susan Wolburgh Jenah
Commissioner
Ontario Securities Commission