

2008 BCSECCOM 314

April 28, 2008

Headnote

Multilateral Instrument 11-102 *Passport System* and National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* – A portfolio manager requires relief from self-dealing requirements and conflict of interest reporting requirements in connection with its acquisition by another organization – For the self-dealing prohibitions: the purchase, sale or holding is consistent with, or necessary to meet, the investment objectives of the mutual fund; purchases of non-exchange traded securities of a Related Person will occur on the secondary market, not under a primary distribution or treasury offering by the Related Person; the mutual fund has, or will establish, an IRC that will review and approve the transaction involving the perceived or actual conflict of interest; the price of the securities will meet independent pricing requirements and transparency requirements; the fund keeps written records about transactions with related parties and, in some cases, is required to file information about the transactions with the securities regulatory authorities – For the Reporting Requirement: the mutual funds will provide alternative disclosure and keep alternative records of all transactions involving related persons, including information on the name of the related person, the amount of fees paid to the Related Person and the name of the person who paid the fees

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 121(2)(a), 2(c), (3), 126(c), 127(1)(a), 127(1)(b) and 130

In the Matter of
the Securities Legislation of
British Columbia, Ontario and Newfoundland and Labrador
(Jurisdictions)

and

In the Matter of
the Process for Exemptive Relief Applications in Multiple Jurisdictions

and

In the Matter of
Phillips, Hager & North Investment Management Ltd.
(the Filer)

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and

In the Matter of

the mutual funds listed in Schedules A and B and any future mutual fund to which National Instrument 81-102 *Mutual Funds* (NI 81-102) applies (each, an NI 81-102 Fund and, collectively, the NI 81-102 Funds) and the pooled funds listed in Schedules A and B and any future mutual fund to which NI 81-102 does not apply (each, a Private Fund and, collectively, the Private Funds) of which the Filer or an affiliate or associate of the Filer is the manager or a portfolio adviser

Decision

Background

- ¶ 1 The securities regulatory authority or regulator in British Columbia and Ontario (Dual Exemption Decision Makers) and in each of British Columbia and Newfoundland and Labrador (Coordinated Exemptive Relief Decision Makers) has received an application from the Filer in respect of each NI 81-102 Fund and each Private Fund (each a Fund, and collectively the Funds) for a decision under the securities legislation of the Jurisdictions (the Legislation) for relief (the Requested Relief) from:
1. the prohibition in the Legislation (the Related Account Prohibition) that prohibits a portfolio manager or a mutual fund (depending on the Jurisdiction) from causing the portfolio of the mutual fund to purchase or sell securities of any issuer from or to the account of a responsible person, any associate of a responsible person or the portfolio manager (a Related Account), in order to permit an NI 81-102 Fund or a Private Fund to purchase from or sell to a Related Person that is a principal dealer in the Canadian debt securities market (a Principal Dealer) debt securities of an issuer other than the federal or a provincial government (Non-Government Debt Securities) or debt securities issued or fully and unconditionally guaranteed by the federal or a provincial government (Government Debt Securities) in the secondary market;
 2. the prohibition in the Legislation (the Related Issuer Prohibition) that prohibits a portfolio manager or a mutual fund (depending on the Jurisdiction) from investing the portfolio of the mutual fund in any issuer (a Related Issuer) in which a responsible person or an associate of a responsible person is an officer or director or where his or her own interest might distort his or her judgment unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase, in order to permit the Private Funds to purchase exchange traded securities and non-exchange traded securities issued by a Related Issuer and to permit the NI 81-102 Funds to purchase non-exchange traded securities issued by a Related Issuer;

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3. the prohibition in the Legislation (the Related Shareholder Prohibition) that prohibits a mutual fund from making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company (a Related Shareholder), in order to permit the Private Funds to purchase and hold exchange traded securities and non-exchange traded securities issued by a Related Shareholder and to permit the NI 81-102 Funds to purchase and hold non-exchange traded securities issued by a Related Shareholder;
4. the prohibition in the Legislation (the Related Party Prohibition) that prohibits a mutual fund from making or holding an investment in an issuer in which a Related Shareholder has a significant interest (a Related Party), in order to permit the Private Funds to purchase and hold exchange traded securities and non-exchange traded securities issued by a Related Party and to permit the NI 81-102 Funds to purchase and hold non-exchange traded securities issued by a Related Party; and
5. the requirement in the Legislation (the Reporting Requirement) that a mutual fund manager or a management company (depending on the Jurisdiction) file a report within thirty days after each month end and in respect of each mutual fund to which it provides services, relating to every purchase or sale effected by such mutual fund through any related person or company (a Related Agent) with respect to which the Related Agent received a fee either from the mutual fund or from the other party to the transaction or both, in order that the Funds are not required to comply with the Reporting Requirement.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Quebec, New Brunswick and Nova Scotia,
- (c) the decision is the decision of the principal regulator and the decision evidences the decision of the securities regulatory authority or regulator in Ontario, and
- (d) the decision evidences the decision of each Coordinated Exemptive Relief Decision Maker.

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Interpretation

- ¶ 2 Terms defined in MI 11-102, National Instrument 14-101 *Definitions*, NI 81-102 and National Instrument 81-107 *Independent Review Committee for Investment Funds* (NI 81-107) have the same meaning if used in this decision unless otherwise defined.

The term Related Person will be used to refer to a Related Account, Related Issuer, Related Shareholder, Related Party, or Related Agent depending on the prohibition referred to.

Representations

- ¶ 3 This decision is based on the following facts represented by the Filer in respect of the Filer and the Funds:
1. the Filer is a company organized under the laws of British Columbia having its head office located in Vancouver, British Columbia;
 2. the Filer is registered under the Legislation of British Columbia as an adviser in the categories of investment counsel and portfolio manager (and in equivalent categories under the securities legislation in the other Jurisdictions); in addition, the Filer is registered under the Legislation of Ontario as a dealer in the category of mutual fund dealer;
 3. the Filer and the existing Managed Funds are not in default of securities legislation in any jurisdiction; to the best of the knowledge of the Filer, the existing Advised Funds are not in default of securities legislation in any jurisdiction.
 4. the Filer or an affiliate or associate of the Filer is or will be the manager of the NI 81-102 Funds listed in Schedule A and any future NI 81-102 Funds managed by the Filer or one of its affiliates or associates (the Managed Mutual Funds) and the Private Funds listed in Schedule A or any future Private Funds managed by the Filer or one of its affiliates or associates (the Managed Pooled Funds); the Filer or an affiliate or associate of the Filer is expected to be a portfolio adviser of the Managed Mutual Funds and Managed Pooled Funds;
 5. the Filer or an affiliate or associate of the Filer is or will be a portfolio adviser, but not the manager, of the Mutual Funds listed in Schedule B and any future NI 81-102 Funds advised (but not managed) by the Filer or one of its affiliates or associates (the Advised Mutual Funds) and the Private Funds listed in Schedule B or any future Private Funds advised (but not managed) by the Filer or one of its affiliates or associates (the Advised Pooled Funds);

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6. each of the existing NI 81-102 Funds and Private Funds is a mutual fund established under the laws of British Columbia or of another jurisdiction;
7. each of the future NI 81-102 Funds or future Private Funds will be a mutual fund established under the laws of British Columbia or of another jurisdiction;
8. the securities of the NI 81-102 Funds are or will be offered for sale pursuant to a prospectus filed in one or more of the Jurisdictions; the NI 81-102 Funds are or will be reporting issuers in one or more of the Jurisdictions;
9. the securities of the Private Funds are or will be offered for sale in one or more of the Jurisdictions pursuant to an exemption from the prospectus requirement;
10. pursuant to the terms of a share purchase transaction (the Transaction) with the shareholders of the Filer, Royal Bank of Canada (RBC) will become, indirectly, a substantial securityholder of the Filer on the closing of the Transaction;
11. as a result of the Transaction, the Requested Relief will be required because:
 - (a) effective on and after the closing date (the Closing Date) of the Transaction the Filer, or an affiliate or associate of the Filer, may wish to purchase for a Fund or sell from a Fund, as the case may be, Non-Government Debt Securities or Government Debt Securities from or to, as the case may be, a Related Person that is a Principal Dealer, in the secondary market;
 - (b) effective on and after the Closing Date the Filer or an affiliate or associate may wish to acquire and/or hold securities of a Related Person for a Fund; and
 - (c) the Filer or an affiliate or associate may wish to effect purchases and sales on behalf of a Fund through a Related Person;
12. the Filer, or an affiliate or associate of the Filer, has established, or will establish, an independent review committee (IRC) in respect of each NI 81-102 Fund in accordance with the requirements of NI 81-107;
13. the purchase of Non-Government Debt Securities and Government Debt Securities from a Related Person of the Funds in the secondary market is subject to the Related Account Prohibition;

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14. the Funds need the Requested Relief from the Related Account Prohibition because
 - (a) there is a limited supply of Non-Government Debt Securities and Government Debt Securities available; and
 - (b) frequently the only source of Non-Government Debt Securities and Government Debt Securities will be a Related Person of the Funds;
15. the Funds require the Requested Relief from the Related Account Prohibition in order to pursue their investment objectives and strategies effectively;
16. pursuant to section 6.2 of NI 81-107 and concurrent relief under NI 81-102, the NI 81-102 Funds are, or will be, permitted to purchase exchange traded securities of a Related Person;
17. securities issued by a Related Person that are not listed and traded on an exchange may be appropriate securities for an NI 81-102 Fund to purchase, sell or hold;
18. securities issued by a Related Person that are exchange traded or non-exchange traded may be appropriate securities for a Private Fund to purchase, sell or hold;
19. a Related Person (in particular RBC) may be an issuer of highly rated commercial paper and other debt instruments; the Filer considers that the Funds should have access to such securities for the following reasons:
 - (a) there is currently and has been for several years a very limited supply of highly rated corporate debt; to limit the supply available to the Funds even further by removing debt issued by a Related Person puts the Funds at a competitive disadvantage and may increase the cost a Fund pays for available securities;
 - (b) diversification is reduced to the extent that a Fund is limited with respect to investment opportunities; and
 - (c) to the extent that a Fund is trying to track or outperform a benchmark it is important for the Fund to be able to purchase any securities included in the benchmark; debt securities of a Related Person are included in most of the Canadian debt indices;

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20. the Filer is seeking the Requested Relief from the Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition to permit the NI 81-102 Funds to purchase and hold non-exchange traded securities issued by a Related Person and to permit the Private Funds to purchase and hold exchange traded securities and non-exchange traded securities issued by a Related Person;
21. each non-exchange traded security purchased by a Fund pursuant to the Requested Relief that is a security issued by a Related Person will have been given, and will continue to have, an approved credit rating (as defined in NI 81-102) by an approved credit rating organization (as defined in NI 81-102);
22. if a Fund's purchase of non-exchange traded securities issued by a Related Person involves an interfund trade with another fund to which NI 81-107 applies, the provisions of section 6.1(2) of NI 81-107 or the conditions, where applicable, of the exemptive relief granted by the principal regulator and the securities regulatory authority or regulator in other jurisdictions to certain Managed Mutual Funds and Managed Pooled Funds on November 29, 2007 (as amended or replaced from time to time) will apply to such transaction;
23. RBC Dominion Securities Inc. (RBCDS) is an affiliate of the Filer and is registered as an investment dealer under the securities legislation of each province and territory of Canada;
24. RBC Capital Markets Corporation (RBCCMC) is a U.S. affiliate of the Filer that acts as a broker-dealer;
25. RBCDS and RBCCMC are related persons to the NI 81-102 Funds within the meaning of the Legislation as RBCDS, RBCCMC, the Filer and its affiliates are all subsidiaries of RBC;
26. the annual information forms or prospectuses of the NI 81-102 Funds will disclose on the date which is the earlier of
 - (a) the date when an amendment to the simplified prospectus or annual information form of a Fund is filed, and
 - (b) the date on which the initial or renewal simplified prospectus or annual information form is receipted,that the portfolio adviser, or sub-adviser as applicable, may allocate brokerage business of the Funds to a Related Person, provided that such transactions are

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made on terms and conditions comparable to those offered by unrelated brokers and dealers;

27. where the Filer or its affiliates or associates act as a portfolio adviser to the Funds, they have discretion to allocate brokerage transactions of each Fund in a manner that they believe to be in the Fund's best interests; the purchase or sale of securities effected through a Related Person reflects the business judgement of the Filer or its affiliates or related entities uninfluenced by considerations other than the best interests of the Funds; in allocating brokerage, consideration is given to commission rates and to research, execution and other services offered;
28. the NI 81-102 Funds prepare and file interim and annual management reports of fund performance (MRFPs) that disclose any transactions involving Related Persons, including the identity of the Related Person, its relationship to the NI 81-102 Fund, the purpose of the transaction, the measurement basis used to determine the recorded amount and any ongoing commitments to the Related Person; a discussion of portfolio transactions with a Related Person must include the dollar amount of commission, spread or any other fee that the NI 81-102 Fund paid to any Related Party in connection with the transaction;
29. the Filer and its affiliates and associates are seeking the Requested Relief from the Reporting Requirement in respect of the NI 81-102 Funds and the Private Funds because, in the absence of the Requested Relief, the Funds would be obliged to prepare a report of any purchase or sale of securities by a Fund that is effected through a Related Person and file the report with the securities regulatory authority or regulator in the Jurisdictions within 30 days of the end of the month in which the transaction occurs; it would be costly and time consuming to provide the information required by the Reporting Requirement on a monthly and segregated basis for each Fund.

Decision

- ¶ 4 Each of the principal regulator, the securities regulatory authority or regulator in Ontario and the Coordinated Exemptive Relief Decision Makers is satisfied that the decision meets the test set out in the Legislation for the relevant regulator or securities regulatory authority to make the decision.

The decision of the Dual Exemption Decision Makers and the Coordinated Exemptive Relief Decision Makers under the Legislation is that:

- A. the Requested Relief from Related Account Prohibition is granted in respect of each NI 81-102 Fund, provided that:

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1. the purchase or sale is consistent with, or is necessary to meet, the investment objective of the NI 81-102 Fund;
 2. the IRC has approved the transaction in accordance with section 5.2(2) of NI 81-107;
 3. the manager of the NI 81-102 Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the NI 81-102 Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
 4. a purchase is not executed at a price which is higher than the available ask price of the security and a sale is not executed at a price which is lower than the available bid price;
 5. the bid and ask price of the security is readily available, as provided in commentary 7 to section 6.1 of NI 81-107;
 6. the purchase and sale is subject to any applicable market integrity requirements as defined in NI 81-107; and
 7. the NI 81-102 Fund keeps the written records required by section 6.1(2)(g) of NI 81-107;
- B. the Requested Relief from Related Account Prohibition is granted in respect of each Private Fund, provided that:
1. the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Private Fund;
 2. an IRC has been established in respect of the Private Fund that is composed in accordance with the requirements of section 3.7 of NI 81-107 and is expected to comply with the standard of care set out in section 3.9 of NI 81-107, as if NI 81-107 applied to the Private Fund;
 3. the mandate of the IRC established in respect of the Private Fund includes reviewing and approving purchases and sales by the Private Fund with Related Persons;
 4. the IRC has approved the transaction in respect of the Private Fund on the same terms as are required under section 5.2 of NI 81-107 as if NI 81-107 applied to the Private Fund;

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5. the manager of the Private Fund complies with section 5.1 of NI 81-107 as if NI 81-107 applies to the Private Fund;
 6. the manager and the IRC of the Private Fund comply with section 5.4 of NI 81-107 as if NI 81-107 applies to the Private Fund for any standing instructions the IRC provides in connection with the transactions;
 7. a purchase is not executed at a price which is higher than the available ask price of the security and a sale is not executed at a price which is lower than the available bid price;
 8. the bid and ask price of the security is readily available, as provided in commentary 7 to section 6.1 of NI 81-107;
 9. the purchase and sale is subject to any applicable market integrity requirements as defined in NI 81-107; and
 10. the Private Fund keeps written records for five years after the end of the fiscal year in which the trade occurred, the most recent two years in a reasonably accessible place, including:
 - (a) a record of each purchase and sale of securities;
 - (b) the parties to the trade; and
 - (c) the terms of the purchase or sale;
- C. the Requested Relief from Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition is granted in respect of each NI 81-102 Fund, provided that any purchase of a non-exchange traded security of a Related Person by a Fund will occur on the secondary market and not under a primary distribution or treasury offering by a Related Person, and at the time of each investment:
1. the purchase or holding is consistent with, or is necessary to meet, the investment objective of the NI 81-102 Fund;
 2. the IRC of the NI 81-102 Fund has approved the transaction in accordance with Section 5.2(2) of NI 81-107;
 3. the manager of the NI 81-102 Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the NI 81-102 Fund comply with section

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- 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;
4. the purchase is not executed at a price which is higher than the available ask price of the security;
 5. the ask price of the security is determined as follows:
 - (a) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or
 - (b) if the purchase does not occur on a marketplace,
 - (i) the NI 81-102 Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - (ii) if the NI 81-102 Fund does not purchase the security from an independent, arm's length seller, the Fund must obtain, immediately before the purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote;
 6. the transaction complies with any applicable market integrity requirements as defined in section 6.1(1)(b) of NI 81-107; and
 7. no later than the time the NI 81-102 Fund files its annual financial statements, the Filer, or an affiliate or associate of the Filer, or in the case of an Advised Mutual Fund, the manager of the Advised Mutual Fund, files with the securities regulatory authority or regulator the particulars of any investments made in reliance on this relief;
- D. the Requested Relief from Related Issuer Prohibition, the Related Shareholder Prohibition and the Related Party Prohibition is granted in respect of each Private Fund, provided that any purchase of a non-exchange traded security of a Related Person by a Private Fund will occur on the secondary market and not under a primary distribution or treasury offering by a Related Person, and at the time of each investment:
1. the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Private Fund;
 2. an IRC has been established in respect of the Private Fund that is composed in accordance with the requirements of section 3.7 of NI 81-107

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and is expected to comply with the standard of care set out in section 3.9 of NI 81-107, as if NI 81-107 applied to the Private Fund;

3. the mandate of the IRC established in respect of the Private Fund includes reviewing and approving purchases and sales by the Private Fund with Related Persons;
4. the IRC of the Private Fund has approved the transaction on the same terms as are required under section 5.2 of NI 81-107 as if NI 81-107 applied to the Private Fund;
5. the manager of the Private Fund complies with section 5.1 of NI 81-107 as if NI 81-107 applies to the Private Fund;
6. the manager and the IRC of the Private Fund comply with section 5.4 of NI 81-107 as if NI 81-107 applies to the Private Fund for any standing instructions the IRC provides in connection with the transactions;
7. if the security is an exchange traded security, the purchase is made on an exchange on which the securities of the issuer are listed and traded;
8. if the security is not an exchange traded security:
 - (a) the purchase is not executed at a price which is higher than the available ask price of the security; and
 - (b) the ask price of the security is determined as follows:
 - (i) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or
 - (ii) if the purchase does not occur on a marketplace,
 - A. the Private Fund may pay the price for the security at which an independent, arm's length seller is willing to sell the security, or
 - B. if the Private Fund does not purchase the security from an independent, arm's length seller, the Private Fund must obtain, immediately before the purchase, at least one quote from an independent, arm's length purchaser or seller and not pay more than that quote.

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9. the transaction complies with any applicable market integrity requirements as defined in section 6.1(1)(b) of NI 81-107; and
 10. on or before the 90th day after the end of each financial year of the Private Fund, the Filer, or an affiliate or associate of the Filer, or in the case of an Advised Pooled Fund, the manager of the Advised Pooled Fund, files with the securities regulatory authority or regulator in the jurisdiction under the laws of which the Private Fund is organized the particulars of any investments made in reliance on this relief.
- E. the Requested Relief from the Reporting Requirement is granted in respect of each NI 81-102 Fund, provided that:
1. the annual and interim MRFPs or financial statements for each NI 81-102 Fund disclose:
 - (a) the name of the Related Person;
 - (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees, if they were not paid by the NI 81-102 Fund; and
 2. the records of portfolio transactions maintained by each NI 81-102 Fund include, separately for every portfolio transaction effected by the Fund through a Related Person:
 - (a) the name of the Related Person;
 - (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees;
- F. the Requested Relief from the Reporting Requirement is granted in respect of each Private Fund, provided that:
1. the annual and interim financial statements for each Private Fund are prepared in accordance with NI 81-106 as if NI 81-106 applied to the Private Fund, and disclose:
 - (a) the name of the Related Person;

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- (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees, if they were not paid by the Private Fund;
- 2. the annual and interim financial statements for each Private Fund are filed, in paper form, with the securities regulatory authority or regulator in the jurisdiction under the laws of which the Private Fund is organized, by no later than the deadline for filing such financial statements established under NI 81-106; and
- 3. the records of portfolio transactions maintained by each Private Fund include, separately for every portfolio transaction effected by the Private Fund through a Related Person:
 - (a) the name of the Related Person;
 - (b) the amount of fees paid to each Related Person; and
 - (c) the person or company who paid the fees.

Brent W. Aitken
Vice Chair
British Columbia Securities Commission

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Schedule A

Managed Mutual Funds

1. Phillips, Hager & North U.S. Equity Fund
2. Phillips, Hager & North Canadian Equity Plus Pension Trust
3. Phillips, Hager & North Bond Fund
4. Phillips, Hager & North Canadian Equity Fund
5. Phillips, Hager & North Dividend Income Fund
6. Phillips, Hager & North Vintage Fund
7. Phillips, Hager & North Canadian Money Market Fund
8. Phillips, Hager & North Canadian Growth Fund
9. Phillips, Hager & North Balanced Pension Trust
10. Phillips, Hager & North \$U.S. Money Market Fund
11. Phillips, Hager & North Balanced Fund
12. Phillips, Hager & North U.S. Growth Fund
13. Phillips, Hager & North Short Term Bond & Mortgage Fund
14. Phillips, Hager & North Small Float Fund
15. Phillips, Hager & North Canadian Equity Pension Trust
16. Phillips, Hager & North High Yield Bond Fund
17. Phillips, Hager & North Total Return Bond Fund
18. Phillips, Hager & North Global Equity Fund
19. Phillips, Hager & North Overseas Equity Fund
20. Phillips, Hager & North Overseas Equity Pension Trust
21. Phillips, Hager & North U.S. Dividend Income Fund
22. Phillips, Hager & North Community Values Bond Fund
23. Phillips, Hager & North Community Values Balanced Fund
24. Phillips, Hager & North Community Values Canadian Equity Fund
25. Phillips, Hager & North Community Values Global Equity
26. Phillips, Hager & North Canadian Income Fund
27. Phillips, Hager & North Currency-Hedged U.S. Equity Fund
28. Phillips, Hager & North Currency-Hedged Overseas Equity Fund
29. BonaVista Global Balanced Fund
30. BonaVista Canadian Equity Value Fund

Managed Pooled Funds

1. Phillips, Hager & North U.S. Pooled Pension Fund
2. Phillips, Hager & North Institutional S.T.I.F.
3. Phillips, Hager & North Long Bond Pension Trust
4. Phillips, Hager & North High Grade Corporate Bond Fund
5. Phillips, Hager & North Investment Grade Corporate Bond Trust
6. Phillips, Hager & North Mortgage Pension Trust
7. Phillips, Hager & North Absolute Return Fund
8. Phillips, Hager & North Income Equity Pension Trust

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9. Phillips, Hager & North Enhanced Income Equity Pension Trust
10. Phillips, Hager & North Global Equity Pension Trust
11. Phillips, Hager & North PRisM – Short
12. Phillips, Hager & North PRisM – Mid
13. Phillips, Hager & North PRisM – Long
14. Phillips, Hager & North Long Mortgage Pension Trust
15. Phillips, Hager & North Long Corporate Bond Pension Trust
16. Phillips, Hager & North Foreign Bond Fund
17. Phillips, Hager & North PRisM Balanced Fund
18. BonaVista Canadian Equity Fund
19. BonaVista U.S. Equity Fund
20. BonaVista Fixed Income Fund
21. BonaVista Money Market Fund
22. BonaVista Balanced Fund
23. BonaVista International Equity Fund
24. BonaVista Private Balanced Fund
25. Phillips, Hager & North Enhanced Total Return Bond Fund

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Schedule B

Advised Mutual Funds

1. Social Housing Canadian Money Market Fund
2. Social Housing Canadian Short-Term Bond Fund
3. Social Housing Canadian Bond Fund
4. Social Housing Canadian Equity Fund
5. Tradex Equity Fund Limited
6. Pinnacle Canadian Value Equity Fund

Advised Pooled Funds

None currently.