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April 21, 2006

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Securities Act s. 91 Insiders - Exemption from the requirement to file insider reports - An insider of an issuer wants relief from the requirement to file insider reports - Securities Act s. 114(2) Takeover Bids - Exemption from the formal take over bid requirements in Part 13 of the Act - Early warning - A person wants relief from the early warning and moratorium requirements in s. 111 of the Act - The person is an investment manager and its investment activities are similar to those undertaken by an “eligible institutional investor” under NI 62-103 The Early Warning System And Related Take-Over Bid And Insider Reporting Issues; the person would be an “eligible institutional investor” if it were registered in one of the jurisdictions referred to in the definition of investment manager in NI 62-103

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 87, 91, 111 and 114(2)

In the Matter of
the Securities Legislation
of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New
Brunswick, Nova Scotia, and Newfoundland and Labrador
(the Jurisdictions)

and

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

and

In the Matter of Capital International S.A. (CISA)

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from CISA, on behalf of the Filers (as defined herein) for a decision under the securities legislation of the Jurisdictions (the Legislation) (i) exempting the Filers from the early warning requirements, the moratorium provisions and the insider reporting requirements of the Legislation, and (ii) exempting the respective directors and senior officers of the Filers from the insider reporting requirements in cases where they are insiders

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of a reporting issuer solely as a result of being a director or senior officer of the Filers (the Requested Relief) in each case, provided that:

- (a) the joint actors of the Filers which are eligible institutional investors as defined in NI 62-103 (an EII)
 - (i) are entitled to comply with the reporting requirements in Part 4 of National Instrument 62-103 (NI 62-103);
 - (ii) are entitled to relief from the moratorium provisions under section 10.1 of NI 62-103; and
 - (iii) are exempt from the insider reporting requirements in reliance on Part 9 of NI 62-103; and
- (b) a Filer complies with, and otherwise meets, the reporting, filing, and the other applicable conditions of NI 62-103 in each case as if the Filer is an EII thereunder.

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 and in NI 62-103 have the same meaning in this decision unless they are defined in this decision. Filers means CISA and any future affiliates which are established and are not EIIs.

Representations

This decision is based on the following facts represented by Capital Group International, Inc., on behalf of the Filers:

1. Capital Group International, Inc. ("CGII") is a privately owned company incorporated under the laws of California. It is the ultimate holding company of CISA and the following companies (collectively, the "CGII Group"):
 - (i) Capital Guardian Trust Company ("CGTC")
 - (ii) Capital International, Inc. ("CII")

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- (iii) Capital International Limited (“CIL”)
 - (iv) Capital International K.K. (“CIKK”)
2. The companies in the CGII Group provide investment advisory and management services for their respective clients which include registered investment companies and institutional accounts. The companies in the CGII Group never beneficially own securities. However, they have control and/or direction over securities held by accounts managed by them by virtue of holding the investment and, in some cases, voting power over the securities held by these accounts. For the purposes of Canadian securities laws, each company in the CGII Group aggregates its holdings of securities of Canadian reporting issuers with the holdings of the other companies in the CGII Group.
 3. Each of CGII, CGTC, CII, CIKK and CIL qualify as an EII.
 4. The head office of CISA is located in Geneva, Switzerland. CISA is regulated by the Swiss Federal Banking Commission. CISA does not qualify as an EII as it is not an investment manager in a jurisdiction set forth in the definition of “investment manager” in NI 62-103.
 5. The amount of assets under management of CISA invested in Canadian securities is very small relative to the total assets under management of the CGII Group.
 6. Although CISA is not an EII, it follows the same processes and controls as other members of the CGII Group which are EIIs. In particular, with respect to monitoring positions in securities of Canadian reporting issuers, all CGII Group companies provide their numbers for such purpose through the same internal CGII Group process so that they can be combined where required by law with the CGII Group numbers to determine whether reports have to be filed.
 7. Section 4.8 of NI 62-103 exempts joint actors with an EII from having to file multiple reports if the EII files a report at the time the joint actor would be required to file a report. In a situation where the EIIs of the CGII Group are required to file reports in respect of the aggregated positions in a Canadian reporting issuer, which includes positions held by CISA accounts, and are entitled to do so under Part 4 using the alternative monthly reporting system, the early warning obligations of the Filers as non-EIIs would result in the requirement for the Filers to issue instead a press release and to file an

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early warning report in compliance with section 3 of NI 62-103 as the timing requirement for the Filers is different than for all of its other joint actors.

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 Requested Relief is granted; in each case, provided that:

- (a) the joint actors of the Filers which are EIIs
 - (i) are entitled to comply with the reporting requirements in Part 4 of NI 62-103,
 - (ii) are entitled to relief from the moratorium provisions under section 10.1 of NI 62-103, and
 - (iii) are exempt from the insider reporting requirements in reliance on Part 9 of NI 62-103,
- (b) a Filer complies with, and otherwise meets, the reporting, filing, and the other applicable conditions of NI 62-103 in each case as if the Filer is an EII thereunder, and
- (c) the Filer is licensed, qualified or registered to provide portfolio management, investment counselling or similar advisory services in respect of securities, or is exempt from the requirement to be so licensed, qualified or registered, in the jurisdiction where its head office is located.

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