

# **2002 BCSECCOM 601**

## **Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – mutual fund dealer exempted from the legislative requirements that it file an application to become a member of the Mutual Fund Dealers Association (MFDA) and become a member of the MFDA – mutual fund dealer subject to certain terms and conditions of registration

## **Applicable British Columbia Provisions**

*Securities Act*, R.S.B.C. 1996, c. 418, s. 48

*Securities Rules*, B.C. Reg. 194/97, s. 6(4)

## **IN THE MATTER OF THE SECURITIES LEGISLATION OF ONTARIO AND BRITISH COLUMBIA**

**AND**

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

**AND**

## **IN THE MATTER OF AGF FUNDS INC.**

## **MRRS DECISION DOCUMENT**

WHEREAS the local securities regulatory authority or regulator (the “Decision Maker”) in each of the provinces of Ontario and British Columbia (the “Jurisdictions”) has received an application (the “Application”) from AGF Funds Inc. (the “Registrant”) for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) that the Registrant not be required to file an application to become a member of the Mutual Fund Dealers Association of Canada (the “MFDA”) and to become a member of the MFDA.

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 it has been represented by the Registrant to the Decision Makers that:

1. the Registrant is a corporation subsisting under the laws of the Province of Ontario and is registered as a dealer in the category of mutual fund dealer in the Jurisdictions;

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2. the Registrant also is registered with the Ontario Securities Commission as an advisor in the categories of investment counsel and portfolio manager and as a commodity trading manager;
3. the Registrant's principal business activity is managing mutual funds (the "Mutual Funds"), the securities of which are generally qualified for sale to the public in some or all of the provinces and territories of Canada pursuant to prospectuses for which receipts have been issued by the relevant Canadian securities administrators;
4. the Registrant also engages in activities incidental to its principal business activities pursuant to its registration as mutual fund dealer registration;
5. the Registrant's activities as a mutual fund dealer currently represent and will continue to represent activities that are incidental to its principal business activities;
6. the Registrant has agreed to the imposition of the terms and conditions on the Registrant's registration as a mutual fund dealer set out in the attached Schedule "A", which outlines the activities the Registrant has agreed to adhere to in connection with its application for this Decision;
7. any person or company that is not currently a client of the Registrant on the effective date of this Decision, will, before they are accepted as a client of the Registrant, receive prominent written notice from the Registrant that:

*The Registrant is not currently a member, and does not intend to become a member of the Mutual Fund Dealers Association; consequently, clients of the Registrant will not have available to them investor protection benefits that would otherwise derive from membership of the Registrant in the MFDA, including coverage under any investor protection plan for clients of members of the MFDA;*

8. upon the next general mailing to its account holders and in any event before [July 2, 2002](#), the Registrant shall provide, to any client that was a client of the Registrant on the effective date of this Decision, the prominent written notice referred to in paragraph 7, above;

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, "Decision");

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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;

IT IS THE DECISION of the Decision Makers pursuant to the Legislation that, effective May 23, 2001 in both Ontario and British Columbia, the Registrant not be required to file an application to become a member of the MFDA and to become a member of the MFDA;

PROVIDED THAT:

The Registrant complies with the terms and conditions on its registration under the Legislation as a mutual fund dealer set out in the attached Schedule "A".

June 20, 2002

David M. Gilkes