

British Columbia Securities Commission

BC Instrument 45-505

The Commission, having considered that to do so would not be prejudicial to the public interest, orders that, effective September 14, 2005:

1. the attached BC Instrument 45-505 *Alternate reporting requirements for exempt distributions of securities of eligible pooled funds* is made; and
2. BC Instrument 45-505 *Alternate reporting requirements for exempt distributions of securities of eligible pooled funds*, published December 20, 2000 and effective January 1, 2001, is revoked.

September 8, 2005

Douglas M. Hyndman
Chair

(This part for administrative purposes only and is not part of the Order)

Authority under which Order is made:

Act and sections:- *Securities Act*, sections 48, 76 and 171

Other (specify):- National Instrument 45-106 *Prospectus and Registration Exemptions*

**Alternate reporting requirements for exempt distributions of securities
of eligible pooled funds**

Order Under Section 187 of the *Securities Act*

Definitions

1. In this Instrument:

“additional assets under management” means cash or other assets invested in an eligible pooled fund by an eligible portfolio manager, but does not include cash or other assets transferred into the eligible pooled fund from another eligible pooled fund that is managed by the same eligible portfolio manager;

“eligible pooled fund” means a mutual fund

- (a) the securities of which are distributed solely in reliance on exemptions from the registration and prospectus requirements of the Act, and
- (b) the investment portfolio of which is managed by an eligible portfolio manager;

“eligible portfolio manager” means a person that is registered as a portfolio manager under the *Securities Act* and includes the eligible portfolio manager in combination with one or more sub-advisers not resident in British Columbia retained by the eligible portfolio manager under a written agreement setting out the obligations and duties of the sub-advisers;

“fully managed account” has the same meaning as in section 1.1 of National Instrument 45-106 *Registration and Prospectus Exemptions*.

Interpretation

2. Unless otherwise defined in this Instrument, terms used in this Instrument that are defined or interpreted in the *Securities Act* or *Securities Rules* should be read in accordance with the *Securities Act* or *Securities Rules*.

Exemption for eligible pooled funds from certain filing requirements

3. The requirements of section 139 of the *Securities Rules* and section 6.1 of National Instrument 45-106 *Prospectus and Registration Exemptions* do not apply to an eligible pooled fund that distributes its securities to fully managed accounts of an eligible portfolio manager of the eligible pooled fund, provided that the eligible pooled fund:
 - (a) on or before the filing date that would otherwise apply under section 139 of the Rules or section 6.1 of National Instrument 45-106,
 - (i) has filed an initial notice, in BC Form 45-505F1, regarding the intention of the eligible pooled fund to rely on this Instrument, and
 - (ii) has made the filings and paid the fees applicable under sections 3 (c) and (d) of BC Form 45-505F1; and
 - (b) not later than 30 days after the end of the calendar year in which the eligible pooled fund distributes securities, in distributions to which the requirements of section 139 of the Rules or section 6.1 of National Instrument 45-106 would otherwise apply,
 - (i) files a report, in BC Form 45-505F2, in respect of those distributions, and
 - (ii) pays the fees determined in accordance with section 7 of BC Form 45-505F2.