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June 1, 2006

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 number of business locations and individuals from another registered dealer in the same jurisdiction. No third parties are involved in the reorganization, so many of the concerns addressed by the notification and registration requirements of MI 33-109 do not apply. The applicant's representatives are registered in multiple jurisdictions. The amalgamation is not contrary to the public interest. It will have no negative consequences on the ability of the applicant to comply with all applicable regulatory requirements or satisfy their obligations to their clients.

Applicable British Columbia Provisions

Multilateral Instrument 33-109, s.7.1

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

and

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

and

**In the Matter of D & D Securities Company
and
Dominick & Dominick Securities Inc.**

MRRS Decision Document

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of British Columbia, Alberta and Ontario (the **Jurisdictions**) has received an application from D&D Securities Company (the **Company**) and Dominick & Dominick Securities Inc. (**DDSI**, together with the Company, the **Filers**) for a decision pursuant to Part 7 of Multilateral Instrument 33-109 *Registration*

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Information (**MI 33-109**) exempting the Filers from MI 33-109 so as to permit the Company to effect a bulk transfer, as referred to in Section 3.1 of the Companion Policy to MI 33-109 (the **Companion Policy**), of the business locations and individuals (the **Representatives**) that are associated on the National Registration Database (**NRD**) with DDSI.

Under the Mutual Reliance Review System (the **MRRS**) for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the 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

1. DDSI was incorporated under the laws of the Province of Ontario in 1968 and continues to be governed by the laws of the Province of Ontario with its registered and head office located in Toronto, Ontario.
2. DDSI carries on business as a broker and investment dealer in the provinces of Alberta, British Columbia and Ontario (the **Business**).
3. DDSI is a member of the Investment Dealers Association of Canada (the **IDA**) and is currently registered as an Investment Dealer (equities & options) in each of Alberta, British Columbia and Ontario.
4. DDSI has approximately 22 Representatives, including seven officers and directors, registered in one or more of the Jurisdictions.
5. The Company is a newly-incorporated Nova Scotia unlimited liability company governed by the laws of the Province of Nova Scotia and is a wholly-owned subsidiary of DDSI.
6. The Company has applied for registration as an investment dealer in each of the Jurisdictions and has submitted an application for membership with the IDA.

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7. DDSI proposes to transfer substantially all of the Business to the Company, following which the Company expects to carry on the Business under the name “D&D Securities Company” (the **Proposed Reorganization**). As consideration for the transfer of the Business, the Company will issue equity to DDSI and assume the liabilities of DDSI.
8. In accordance with the terms of the Proposed Reorganization, each Representative will be transferred to the Company under the same registration category(ies) in which s/he is currently registered on NRD with DDSI.
9. The Company and DDSI wish to complete the Proposed Reorganization, including the bulk transfer of Representatives and the business location, forthwith after receiving applicable regulatory approval of the Proposed Reorganization.
10. It would be difficult to transfer each of the Representatives to the Company as per the requirements set out in MI 33-109 given the multiple jurisdictions in which the Representatives are currently registered. Moreover, it is imperative that the transfer of the Representatives occur on the same date, in order to ensure that there is no break in registration.
11. The Proposed Reorganization is not contrary to the public interest and will have no negative consequences on the ability of the Company to comply with all applicable regulatory requirements or its ability to satisfy any of its obligations to clients of DDSI.

Decision

Each of the Decision Makers is satisfied that the tests contained in MI 33-109 that provide the Decision Maker with the jurisdiction to make the Decision has been met;

The decision of the Decision Makers pursuant to MI 33-109 is that the following requirements of MI 33-109 shall not apply to the Filers, in respect of the bulk transfer of individuals and business locations pursuant to the Proposed Reorganization:

- (a) the requirement to submit a notice regarding the termination of each employment, partner, or agency relationship under section 4.3 of MI 33-109;
- (b) the requirement to submit a notice regarding each individual who ceases to be a non-registered individual under section 5.2 of MI 33-109;

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- (c) the requirement to submit a registration application for each individual applying to become a registered individual under section 2.2 of MI 33-109;
- (d) the requirement to submit a Form 33-109F4 for each non-registered individual under section 3.3 of MI 33-109; and
- (e) the requirement under section 3.2 of MI 33-109 to notify the regulator of a change to the business location information in Form 33-109F3,

provided that the Filers make acceptable arrangements with CDS Inc. for the payment of the costs associated with the bulk transfer, as referred to in section 3.1(5) of the Companion Policy and make such payment within 10 business days of the completion of the bulk transfer.

David M. Gilkes