

IIROC NOTICE

Rules Notice
Guidance Notice
Dealer Member Rules

Please distribute internally to:
Operations
Regulatory Accounting

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Bare Trustee Agreements

The Investment Dealers Association of Canada (IDA), now the Investment Industry Regulatory Organization of Canada (IIROC) and the Canadian Investor Protection Fund (CIPF) entered into an Agreement dated May 9, 2005 in which all custody agreements executed in the name of the CIPF as bare trustee was assigned to IIROC to administer. In the administration of these custody agreements, IIROC carries out due diligence to ensure that the bare trustee agreement is in prescribed form and is duly executed by those in authority. Many of these agreements date back to the early 1990's when the bare trustee agreement was first made available to Investment Fund Managers.

IIROC recently conducted a review of the bare trustee agreements currently on file. The objective of the review was twofold: 1) determine whether the Investment Fund Manager continues to exist and, 2) determine which Investment Fund Managers are registered with the Canadian Securities Administrators (CSA), Office of the Superintendent of Financial Institutions (OSFI) or have credit union registration.



Investment Fund Manager Existence

There were a total of 118 Investment Fund Managers that information could not be found because either the fund manager merged with another entity or is no longer in business (See Appendix I).

IIROC asks that Dealer Members provide any information that confirms the continued existence of these entities and to forward it to IIROC for review. If no information is received, the Investment Fund Managers included in Appendix I will be removed from the monthly list of bare trustee agreements effective November 1, 2009.

Investment Fund Manager Registration

Currently, fund managers need not be registered unless they are also managing portfolio assets, in which case they must be registered as advisors. However, recognizing the role of fund managers play in establishing, promoting and running investment fund and providing or overseeing a broad range of services including fund valuation and registrar, keeping the accounts and financial records, transfer agency activities, maintaining the statutory books and records etc., National Instrument (NI) 31-103 introduces a new category of registration in each Canadian province and territory: Investment Fund Manager.

This registration category will apply to managers of all types of investment funds managed in Canada, whether reporting issuers or not, including mutual funds, pooled funds, closed-end funds, exchange traded funds and hedge funds. Investment fund managers active as of September 28, 2009 will have one year to apply for registration in their principal jurisdiction – September 28, 2010. Investment Fund Managers that are newly established after September 28, 2009 must apply for registration and obtain registration as an Investment Fund Manager before commencing any fund management activities. Investment Fund Managers that do not manage funds in Canada and/or do not have a head office in Canada may be required to apply for registration in a Canadian province or territory by September 28, 2011 (dependant on CSA proposals).

As a result of NI 31-103, any domestic or foreign Investment Fund Manager that is currently on the bare trustee listing and not registered with the CSA by September 28, 2010 will no longer qualify for the IIROC bare trustee arrangement and will be removed.



APPENDIX I

BARE TRUSTEE AGREEMENTS POSSIBLE DELETIONS

- 1 abria diver
- 2 Aderes Portfolio Management Limited
- 3 AIM Distributors Inc.
- 4 Algonquin Power Venture Management Inc.
- 5 Alpha Strategic Partners Ltd.
- 6 AlphaOne Asset Management
- 7 Alternavest Capital Corp.
- 8 Altruista Fund Inc.
- 9 Anchorage Management Ltd.
- 10 Argentum Management & Research Corp.
- 11 Bio Future Capital Corp.
- 12 Biocapital Mutual Fund Management Inc.
- 13 Black Investment Management Ltd.
- 14 BPI Capital Management Corporation
- 15 BPI International Funds Management Inc.
- 16 Canadian Anaesthetists' Mutual Accumulating Fund Ltd.
- 17 Capital Alliance Ventures Inc.
- 18 Capstone Funds
- 19 Cartier Mutual Funds Inc.
- 20 Central Guaranty Property Fund
- 21 CGD Management Ltd.
- 22 Citizen Funds
- 23 Clarington Funds Inc.
- 24 Clean Environment Mutual Funds Ltd.
- 25 Corporate Mortgage Fund Ltd.
- 26 Crocus Investment Fund
- 27 CT Fund Services Inc. (Canada Trust)
- 28 CTI Fonds Mutuels Inc.
- 29 Dynamic Ventures Opportunities Fund Ltd.
- 30 Emerging 3rd.Millennium.com Inc.
- 31 Ensis Growth Fund Inc.
- 32 Equisure Trust Company
- 33 Excalibur Investment Strategies Inc.
- 34 First Grenadier Fund Management Inc.
- 35 First Horizon Capital Corp. (Horizons Funds)



36	First Ontario Labour Sponsored Investment Fund
37	Firststar Trust Company
38	Fonds D'investment REA Inc.
39	Fonds Ferique
40	Fonds Immobilier Maximma / Exar
41	Gateway Growth Funds LP
42	Georgian Capital Partners Inc.
43	Gestion de placements Valorem Inc.
44	Global Manager Limited
45	Globinvest Funds Management Inc.
46	Goldfund Ltd. / Goldtrust
47	GT Capital Management Inc.
48	GT Global Distributors Limited
49	Gulf & Fraser Fisherman's Credit Union
50	Hercules Funds (TD Trust)
51	Hodgson, Robertson, Laing
52	Infinity Investment Counsel Ltd.
53	Infinity Private Equity Limited Partners
54	IPM Funds Inc.
55	Juniper Fund Management Corp.
56	Kingsdale Leasing Inc.
57	Lake Shore Asset Management Inc.
58	Les Fonds Diamant Inc.
59	Logix Asset Management Inc.
60	Main Street Capital Management
61	Marathon Resource Fund
62	McDonald Investment Management
63	Millenium Group of Funds
64	MT Associates Investment Counsel Inc.
65	Navigator Capital Management Inc.
66	Navigator Fund Company Ltd.
67	NCE Financial Corp.
68	NDI Life Sciences Fund (VCC) Ltd.
69	Network Options Opportunity Fund Trust
70	Newton Fund Managers (C.I.) Ltd.
71	NF Capital Management Ltd.
72	NGB Management Inc.
73	NN Financial
74	Noram Capital Management
75	Norboung Gestion D'Actifs Inc.
76	Norshield Asset Management (Canada) Ltd.
77	North American Trust Company / Cornerstone



- 78 North Point Capital (IF) Corp.
- 79 Northwest Life Assurance Company of Canada (The)
- 80 Nottingham Management Company (The)
- 81 O'Donnell Asset Management Corp.
- 82 O'Donnell Investment Management Corp.
- 83 OHA Investment Management Ltd.
- 84 One Signature Financial Corp.
- 85 Permanent Value Asset Management Ltd.
- 86 Peter Cundill & Associates Ltd.
- 87 Portus Asset Management / Paradigm Asset Mgt Inc.
- 88 Quebec Growth Fund
- 89 Quorum P.I.P.E. Management Inc.
- 90 Refco Sphinx Managed Futures Index Fund Ltd.
- 91 Robertson Stephens Contrarian Fund
- 92 Roycom Advisors Inc.
- 93 S. Liberman & Company Ltd.
- 94 Savoy Capital Management Ltd.
- 95 Saxon Group of Funds
- 96 Scudder Canada Investor Services Ltd.
- 97 Sogefonds, MFQ Inc.
- 98 Spectrum Bullock Financial Services Inc.
- 99 Sphinx Providence Ltd.
- 100 Stanley Investment Management Ltd.
- 101 Strata Mutual Funds Limited
- 102 Strategic Value Funds Management Inc.
- 103 Thales Fund Management Inc.
- 104 Titan Investment Management Corp.
- 105 Top 50 Financial Group
- 106 Triax Growth Fund Inc.
- 107 Trillium Growth Capital Inc.
- 108 Trust General Funds
- 109 Trust Pret et Revenu
- 110 U.S. Dollar Floating Rate Fund Ltd.
- 111 Ubiquity Financial
- 112 Watrous Credit Union Ltd.
- 113 Western Growth Investments Fund Ltd.
- 114 Workers Investment Fund
- 115 Working Opportunity Fund (EVCC) Ltd.
- 116 Yield Management Group Inc.
- 117 Zenith Management & Research Corp.
- 118 Zurich Life Insurance Co. (Canada)