

THE SECURITIES ACT

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Order No. 3011

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Section 116(1)(c)

)

July 26, 2000

COUNSEL SELECT SECTOR PORTFOLIO

WHEREAS:

(A) Application (the "Application") has been received from Counsel Group of Funds Inc. ("Counsel") and Counsel Select Sector Portfolio to The Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 116(1)(c) of The Securities Act, R.S.M. 1988, c. S50 (the "Act") exempting Counsel from the reporting requirements contained in section 109 of the Act with respect to investments to be made by Counsel Select Sector Portfolio in securities of C.I. Global Telecommunications Sector Shares and C.I. Global Financial Services Sector Shares;

(B) It has been represented by Counsel to the Commission that:

1. Counsel Select Sector Portfolio will be an open-ended mutual fund trust established under the laws of the Province of Ontario. Counsel will be the manager and promoter of Counsel Select Sector Portfolio. Counsel is a corporation established under the laws of the Province of Ontario;
2. The Trust Company of the Bank of Montreal will be the trustee of Counsel Select Sector Portfolio;
3. Counsel Select Sector Portfolio will be a reporting issuer in every Province in Canada (except Quebec) and is not in default of any requirements of the Act or Rules applicable in each of the Province and Territories of the various securities authorities of Canada;
4. Units of Counsel Select Sector Portfolio will be qualified under a simplified prospectus and an annual information form (the "Prospectus");
5. C.I. Global Telecommunications Sector Shares and C.I. Global Financial Services Sector Shares (the "Reference Funds") are classes of special shares of C.I. Sector Fund Limited, a mutual fund corporation incorporated on July 8, 1987 pursuant to the laws of Ontario. The Reference Funds were issued on July 23, 1996 and are managed by C.I. Mutual Funds Inc. ("C.I.");
6. The Prospectus discloses that Counsel Select Sector Portfolio will invest 25% (the "Target Percentages") of its portfolio assets in each of the Reference Funds and that such Target Percentages is subject to variation due solely to market fluctuations;

7. Counsel will amend the Prospectus, provide 60 days' notice to investors or obtain approval of unitholders of Counsel Select Sector Portfolio in the event that it changes the Reference Funds or the Target Percentages;

8. In the absence of this Decision, as soon as the aggregate holdings by Counsel Select Sector Portfolio of securities of either Reference Fund exceed 10% of the outstanding securities of that Reference Fund, Counsel and possibly Counsel Select Sector Portfolio, would be required to comply with the insider reporting requirements of the Act;

(C) The Commission is of the opinion that it would not be prejudicial to the public interest to grant this order.

IT IS ORDERED:

1. **THAT**, pursuant to subsection 116(1)(c) of the Act, Counsel Select Sector Portfolio shall be exempt from the reporting requirements of section 109 of the Act with respect to the purchase or sale of securities of the Reference Funds.

2. **THAT** the fee for this order is \$25.00.

BY ORDER OF THE COMMISSION

Director - Legal