)	Order No. 6028
)	
)	November 19, 2009
)))

HEXAVEST INC.

WHEREAS:

- (A) Hexavest Inc. (the "Applicant") has applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to Section66(1) of *The Commodity Futures Act* (the "CFA") exempting the Applicant from the requirements of Section3.17 of MSC Rule2000-11 (the "Rule");
- **(B)** The Applicant has represented to the Commission that:
 - 1. The Applicant has its head office in Montréal, Québec.
 - 2. The Applicant is registered as an adviser without restriction (derivatives) with the Autorité des marchés financiers (Québec), as a portfolio manager and investment counsel (Securities and Exchange Contracts) with the British Columbia Securities Commission and as investment counsel and portfolio manager, limited market dealer and commodity trading manager with the Ontario Securities Commission.
 - 3. The Applicant is in the process of registering as portfolio manager with the Alberta Securities Commission and the Manitoba Securities Commission, with authority to advise in derivative instruments.
 - 4. The Applicant wishes to develop business with potential clients who are Manitoba residents and advise them directly in derivative instruments, including those that are subject to the CFA.
 - 5. The Applicant is not a member of any registered commodity futures exchange. In the jurisdictions where the Applicant has the authority to deal in commodities and exchange traded derivatives, it does so through brokers such as New Edge Group, Merrill Lynch (Bank of America Merrill Lynch) and State Street.
 - 6. Section 3.17 of the Rule provides that a registrant under the CFA must be a member of a registered commodity futures exchange.
 - 7. The only registered commodity futures exchange under the CFA is ICE.
 - 8. The Applicant will rely entirely on duly qualified members of ICE to settle and clear all of its trades with respect to derivative instruments that are traded on ICE and the Applicant does not have any present intention to become a trading participant of ICE.

IT IS ORDERED:

- 1. **THAT**, pursuant to Section66(1) of the CFA, the Applicant is exempt from Section3.17 of the Rule, which would otherwise require it to become a member of a registered exchange, on condition that the Applicant settles and clears all trades in connection with derivative instruments that are traded on a commodity futures exchange in Manitoba through party that is registered with ICE.
- 2. **THAT** this fee for this order if \$650.00.

BY ORDER OF THE COMMISSION

Deputy Director - Legal