

THE SECURITIES ACT

)

Order No. 2904

)

Section 20

)

May 15, 2000

**SCUDDER INVESTMENTS CANADA LTD.
(FORMERLY, SCUDDER, STEVENS & CLARK OF CANADA LTD.)**

WHEREAS:

(A) Scudder Investments Canada Ltd. (formerly, Scudder, Stevens & Clark of Canada Ltd.) ("Scudder") has applied to the Manitoba Securities Commission (the "Commission") for an order pursuant to subsection 20(1) of the *Securities Act*, R.S.M. 1988, c. S50 (the "Act"), exempting the distribution of units of pooled fund trusts established or to be established by Scudder (the "Units") from the dealer registration and prospectus requirements contained in sections 6 and 37 of the Act, respectively, subject to certain conditions;

(B) Scudder has represented to the Commission that:

1. Scudder is incorporated under the laws of Canada and is registered in Ontario as an adviser in the categories of investment counsel and portfolio manager and adviser in the category of commodity trading manager;
2. Scudder's head office is located in Ontario;
3. Scudder has established the Scudder Canada International Equity Fund, Scudder Canada Global Equity Fund, Scudder U.S. Growth and Income Fund and Scudder Canada Global Equity Fund II and may in the future establish other similar funds (each, the "Fund" and collectively the "Funds");
4. the Funds are separate investment trusts together comprising the Scudder Canada Trusts which were established by a trust agreement pursuant to which The Royal Trust Company was appointed as trustee of each of the Funds and as custodian of the trust property comprising each of the Funds;
5. Units in each of the Funds will be non-transferrable except, with the consent of Scudder, in the limited circumstances set out in the trust agreement of the particular Fund, but are redeemable in accordance with the procedures set out in the trust agreement of the particular Fund;
6. Units will be offered to taxable and non-taxable institutional investors, including, but not limited to pension plans, religious orders, charitable organizations, endowments and insurance companies;
7. Units are sold to purchasers resident in Manitoba by Scudder;

8. the minimum aggregate initial investment in any of the Funds by an investor is not less than \$97,000 (the "Initial Investment");

9. the Initial Investment is made in reliance upon a registration exemption contained in subsection 19(3) of the Act, and upon a prospectus exemption contained in clause 58(1)(a) of the Act and, with respect to individuals, contained in section 90 of the regulations under the Act;

10. following the Initial Investment, it is proposed that Unit-holders be permitted to subscribe for additional Units (the "Additional Units") by:

(1) automatically reinvesting distributions otherwise receivable by the Unit-holder which are attributable to outstanding Units, unless otherwise requested by a Unit-holder; or

(2) subscribing and paying for Additional Units;

11. no Unit-holder may acquire Additional Units at an acquisition cost of less than \$97,000 unless, at the time of such subsequent acquisition, the Unit-holder holds Units of that Fund which have either an aggregate acquisition cost or an aggregate net asset value of at least \$97,000;

12. the issuance of Additional Units to existing Unit-holders pursuant to the reinvestment by such Unit-holders of distributions receivable from a Fund without additional sales charge as contemplated in paragraph 10(1) above, will be made by each Fund in reliance upon the exemptions from the prospectus requirement and dealer registration requirement;

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

IT IS ORDERED:

THAT, pursuant to subsection 20(1) of the Act, trades in connection with the issuance of Additional Units of the Funds shall be exempt from sections 6 and 37 of the Act provided that:

(1) this order will terminate 90 days after the publication in final form of any legislation or rule of the Manitoba Securities Commission regarding trades in securities of a pooled fund;

(2) at the time of the acquisition of Additional Units, Scudder is registered under the Act as an adviser in the categories of investment counsel and portfolio manager and such registration is in good standing at the time;

(3) at the time of acquisition of Additional Units, the Unit-holder then owns units of that Fund having either an aggregate acquisition cost or net asset value of not less than \$97,000.

2. THAT the fee for this order is \$650.00.

BY ORDER OF THE COMMISSION

Director - Legal