

THE SECURITIES ACT) **Order No. 5687**
)
Section 5.1 of MSC Rule 31-506) **April 29, 2008**

Webb Asset Management Canada, Inc.

WHEREAS:

(A) Webb Asset Management Canada, Inc. ("Webb") has applied to The Manitoba Securities Commission for an order pursuant to Section 5.1 of Manitoba Securities Commission Rule 31-506 – MFDA Members – Mutual Fund Dealers (the "MFDA Membership Rule") exempting Webb from the requirement to become a member of The Mutual Fund Dealers Association of Canada (the "MFDA"), provided that it complies with certain terms and conditions.

(B) It has been represented to the Director that:

1. Webb is registered as a portfolio manager;
2. Webb's primary business is acting as the trustee, manager and portfolio manager of certain mutual funds (the "Mutual Funds"), including the Webb Enhanced Growth Fund and the Webb Enhanced Income Fund, and may include the provision of portfolio management and investment advisory services for institutional and private high net worth clients and their families;
3. Webb wishes to engage in Manitoba in certain activities in respect of the Mutual Funds which could be considered to be trades or acts in furtherance of trades, but these activities will be limited and incidental to Webb's primary business;

(C) In view of the foregoing, I am of the opinion that it would not be prejudicial to the public interest to issue this Order.

I HEREBY ORDER, pursuant to a delegation to me by the Commission under subsection 4(1) of the Act of the powers in that behalf.

1. THAT, pursuant to Section 5.1 of the MFDA Rule, Webb is hereby exempt from the requirement to become a member of The Mutual Fund Dealers Association of Canada (the "MFDA"), provided that it complies with the terms and conditions set out in the attached Schedule "A".

DIRECTOR – LEGAL

SCHEDULE A
To Commission Order No. 5687

TERMS AND CONDITIONS
FOR
Webb Asset Management Canada, Inc.

Definitions

1. For the purposes hereof, unless the context otherwise requires:

- (a) "Act" means The Securities Act (Manitoba), as amended;
- (b) "Adviser" means a securities adviser as defined in subsection 1(1) of the Act;
- (c) "Commission" means The Manitoba Securities Commission;
- (d) "Effective Date" (date order is issued);
- (e) "In Furtherance Trade" means, for the Registrant, a trade by the Registrant that consists of any act, advertisement, or solicitation, directly or indirectly in furtherance of another trade in securities of a mutual fund, where the other trade consists of:
 - (i) a purchase or sale of securities of a mutual fund that is managed by the Registrant or an affiliated entity of the Registrant; or
 - (ii) a purchase or sale of securities of a mutual fund where the Registrant acts as the principal distributor of the mutual fund; and

where, in each case, the purchase or sale is made by or through an other registered dealer if the Registrant is not otherwise permitted to make the purchase or sale pursuant to these terms and conditions;

(f) "Managed Account" means, for the Registrant, an investment portfolio account of a client under which the Registrant, pursuant to a written agreement made between the Registrant and the client, makes investment decisions for the account and has full discretionary authority to trade in securities for the account without obtaining the client's specific consent to the trade;

(g) "Managed Account Trade" means, for the Registrant, a trade to, or on behalf of a Managed Account of the Registrant, where the trade consists of a purchase or redemption, through the Registrant, of securities of a mutual fund, that is made on or behalf of the Managed Account;

where, in each case,

- (i) the Registrant is the portfolio adviser to the mutual fund;
- (ii) the mutual fund is managed by the Registrant or an affiliate of the Registrant; and

(iii) either of:

(A) the mutual fund is prospectus-qualified in Manitoba; or

(B) the trade is not subject to sections 6 and 37 of the Act;

(h) "Mutual Fund Instrument" means National Instrument 81-102 Mutual Funds, as amended;

(I) "Registrant" means Webb Asset Management Canada Inc.;

(J) "securities", for a mutual fund, means shares or units of the mutual fund;

2. For the purposes hereof, a person is considered to be an "affiliated entity" of another person if the person would be an affiliated entity of that other person for the purposes of the Employee Rule.

3. Any terms that are not specifically defined above shall, unless the context otherwise requires, have the meaning:

(a) specifically ascribed to such term in the Mutual Fund Instrument; or

(b) if no meaning is specifically ascribed to such term in the Mutual Fund Instrument, the same meaning the term would have for the purposes of the Act.

Permitted Activities

4. The Registrant shall only trade in securities of a mutual fund where the trade consists of:

(a) an In Furtherance Trade;

(b) a Managed Account Trade, provided that, at the time of the trade, the Registrant is registered under the Act as an adviser in the category of "specific securities dealer" with terms and conditions which permit the Registrant to carry on activities as an investment counsel and portfolio manager.

provided that paragraph (b) will cease to be in effect one year after the coming into force, subsequent to the date of this Order, of any Pooled Fund Rule.

