

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, MANITOBA, NOVA SCOTIA, ONTARIO, QUEBEC, SASKATCHEWAN AND
NEWFOUNDLAND AND LABRADOR

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
HUB INTERNATIONAL LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Manitoba, Nova Scotia, Ontario, Quebec, Saskatchewan and Newfoundland and Labrador (the "Jurisdictions") has received an application from Hub International Limited ("Hub") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement (the "Insider Reporting Requirements") contained in the Legislation to file insider reports shall not apply to certain individuals who are insiders of Hub on the grounds that they are "nominal vice-presidents" (as that term is defined in CSA Staff Notice 55-306 *Applications for Relief from the Insider Reporting Requirements by Certain Vice-Presidents* (the "Staff Notice"));

AND WHEREAS pursuant to the Mutual Reliance System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission (the "Commission") is the Principal Regulator for this application;

AND WHEREAS Hub has represented to the Decision Makers that:

1. Hub is a corporation incorporated under the *Business Corporations Act* (Ontario). Through its subsidiaries, Hub is a leading North American insurance brokerage that provides a broad array of property and casualty, life and health, employee benefits, investment and risk management products and services. Hub owns or controls 36 operating and 15 non-operating subsidiaries worldwide. Hub has six major subsidiaries (as that term is defined in National Instrument 55-101 *Exemption from Certain Insider Reporting Requirements* ("NI 55-101")) (collectively, the "Major Subsidiaries"), four operating in the U.S. and two in Canada. Hub has approximately 2,500 employees in 156 locations;

2. Hub is a reporting issuer, or the equivalent thereof, in each province and territory of Canada and its common shares are listed on the Toronto Stock Exchange and the New York Stock Exchange under the symbol "HBG";
3. Hub is not on the list of defaulting reporting issuers maintained pursuant to the Legislation;
4. As of May 29, 2003, Hub has 177 persons who are subject to, and are not exempt from, the Insider Reporting Requirements by reason of being a director or senior officer of Hub or one of its Major Subsidiaries (the "Insiders"). A number of directors and senior officers of Hub's other 45 subsidiaries are currently exempt from the Insider Reporting Requirements by reason of exemptions contained in NI 55-101. Hub has made this application to seek the requested relief with respect to 121 of the Insiders;
5. Hub has developed Policy Statement - No. 1 entitled, "Insider Trading and Code of Ethics" (the "Policy"), that includes a blackout policy and policies and procedures governing insider trading that apply to all of the Insiders;
6. The objective of the Policy is to ensure that Hub's directors, officers and designated employees who are "insiders" under the Legislation are aware of their responsibilities under the Legislation and to assist them in complying with the Legislation;
7. The Policy also applies to other employees of Hub who have knowledge of material undisclosed information;
8. Under the Policy, Insiders and other employees with knowledge of material undisclosed information may not trade in securities of Hub. In addition, Insiders may not trade in securities of Hub during "blackout" periods around the preparation of financial results or any other "blackout" period as determined by management of Hub;
9. Management of Hub considered the job requirements and principal functions of the Insiders to determine which of them met the definition of "nominal vice-president" contained in the Staff Notice and has compiled a list of those Insiders who meet the criteria set out in the Staff Notice (the "Exempted Vice-Presidents");
10. Each of the Exempted Vice-Presidents:
 - (a) is a vice-president;
 - (b) is not in charge of a principal business unit, division or function of Hub or a Major Subsidiary of Hub;

(c) does not in the ordinary course receive or have access to information regarding material facts or material changes concerning Hub before the material facts or material changes are generally disclosed; and

(d) is not an insider of Hub in any capacity other than as a vice-president;

11. On an ongoing basis, Hub intends to monitor the eligibility for the exemption available under the Staff Notice of each of the Exempted Vice-Presidents, and that of other employees of Hub and its Major Subsidiaries whose title is vice president who may satisfy the criteria of "nominal vice-president" from time to time, by monitoring such persons' respective job requirements and principal functions and assessing the extent to which in the ordinary course they receive notice of material facts or material changes with respect to Hub prior to such material facts or material changes being generally disclosed.

12. If Hub determines that any of the Exempted Vice Presidents no longer satisfy the criteria of "nominal vice-president", Hub will inform such individuals of their ongoing obligations under the Insider Reporting Requirements.

13. Hub has filed with the Decision Makers in connection with this application a copy of the Policy and a list of Exempted Vice Presidents;

AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Insider Reporting Requirements shall not apply to the Exempted Vice Presidents or any other employee of Hub who hereafter is given the title of vice-president provided that:

(a) they satisfy the definition of "nominal vice-president";

(b) Hub prepares and maintains a list of all individuals who propose to rely on the exemption granted, submits the list on an annual basis to the board of directors for approval and files the list with the Decision Makers;

(c) Hub files with the Decision Makers a copy of its internal policies and procedures relating to monitoring and restricting the trading activities of its insiders and other persons whose trading activities are restricted by Hub; and,

(d) the relief granted will cease to be effective on the date when NI 55-101 is amended.

July 2, 2003.

"Paul M. Moore"

"Harold P. Hands"

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief granted to certain vice-presidents of a reporting issuer from the insider reporting requirements subject to certain conditions as outlined in CSA Staff Notice 55-306 - Applications for Relief from the Insider Reporting Requirements by Certain Vice Presidents.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(1), 107, 108, 121(2)(a)(ii).

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., Part VIII.

Rules Cited

National Instrument 55-101 - Exemption From Certain Insider Reporting Requirements.