

**IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA,
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
NEW BRUNSWICK, PRINCE EDWARD ISLAND, NOVA SCOTIA, NEWFOUNDLAND
AND LABRADOR, NORTHWEST TERRITORIES, YUKON, NUNAVUT AND
QUEBEC (the "Jurisdictions")**

AND

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

AND

**IN THE MATTER OF INVESTORS GROUP FINANCIAL SERVICES INC. ("IGFS")
AND LES SERVICES INVESTORS LIMITÉE ("LSIL") (IGFS, together with LSIL,
collectively referred to as the "Filers")**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application on behalf of the Filers, which propose to amalgamate (the "Amalgamation") and continue as "Investors Group Financial Services Inc./Services Financiers Groupe Investors Inc." ("IGFS Amalco") on or about January 1, 2006, for decision exempting the Filers and IGFS Amalco from certain requirements of Multi-lateral Instrument 33-109 – *Registration Information* and Quebec Regulation 33-109Q – *Respecting Registration Information* (collectively the "Legislation") to permit the bulk transfer to IGFS Amalco of the registered and non-registered individuals that are associated on the National Registration Database ("NRD") with the branch office locations assigned to the Filers (the "Requested Relief").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- a) the Manitoba Securities Commission is the principal regulator for this application; and
- b) the MRRS decision document evidences the decision of each Decision Maker.

Interpretation

Defined terms contain in National Instrument 14-101 *Definitions* have the same meaning in this decision document unless otherwise defined in the decision document.

Representations

1. IGFS is a member of the Mutual Fund Dealers Association of Canada (the "MFDA") and is currently registered as a mutual fund dealer or equivalent in all provinces and territories of Canada with the exception of Quebec. It is also registered as a limited market dealer in Ontario.
2. LSIL is a financial services firm registered in Quebec with the Autorité des marchés financiers ("AMF"), including registration in the category equivalent to mutual fund dealer.
3. Both IGFS and LSIL are subject to the Canada Business Corporations Act ("CBCA") and are wholly owned subsidiaries of Investors Group Inc. and, as such, are affiliates of each other. The products and services offered by LSIL in Quebec are essentially the same products and services offered by IGFS in the rest of Canada, with the exception of insurance products which are currently offered through LSIL, but which will be transferred to a different affiliate (I.G. Insurance Services Inc.) as a result of the Amalgamation.
4. IGFS and LSIL, to the best of their knowledge, are in substantial compliance with the requirements of the Legislation.
5. The division in responsibilities between IGFS and LSIL is historical in nature and, for a number of reasons, it is deemed expedient for IGFS and LSIL to amalgamate their businesses and to carry on business as an amalgamated company under the name of "Investors Group Financial Services Inc. /Services Financiers Groupe Investors Inc." IGFS Amalco will remain a wholly owned subsidiary of Investors Group Inc.
6. Certain aspects of IGFS's and LSIL's operations are already functionally integrated and their respective policies and procedures are largely harmonized. To the extent necessary, the policies and procedures currently in place for IGFS will formally be extended to its operations in Quebec once the Amalgamation takes effect, subject to any modifications required to comply with the requirements of the AMF.
7. The Amalgamation is proposed to take effect on or about January 1, 2006.
8. As a result of the Amalgamation all business locations, registered and non-registered individuals of IGFS and LSIL will be transferred to IGFS Amalco.
9. The Amalgamation is an internal restructuring transaction and does not involve any third parties. IGFS Amalco will carry on all mutual fund dealer business of IGFS and LSIL in substantially the similar manner with the same directors as IGFS and the same mutual fund salespersons as IGFS and LSIL.
10. Given the number of business locations and the number of registered and non-registered individuals of IGFS and LSIL, it would be exceedingly difficult and onerous to transfer each business location and individual to IGFS Amalco from the Filers in accordance with the requirements set out in the Legislation.
11. As a result of NRD system constraints, and the significant number of individuals to be transferred from the Filers to IGFS Amalco, it would be difficult, costly, and time consuming to

transfer as a separate and distinct transfer of branch and sub-branch office locations and each registered and non-registered individuals while ensuring that all such transfers occur at the same time in order to preclude any disruption of individual registrations or of IGFS Amalco's business activities.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers pursuant to the Legislation is that the Requested Relief is granted, and the following requirements of the Legislation shall not apply to the Filers or IGFS Amalco in respect of the registered and non-registered individuals and business locations that will be bulk transferred to IGFS Amalco.

- (a) The requirement to submit a notice regarding the termination of each employment, partner, or agency relationship under Section 4.3 of the Legislation;
- (b) The requirement to submit a notice regarding each individual who ceases to be a non-registered individual under Section 5.2 of the Legislation;
- (c) The requirement to submit a registration application for each individual applying to become a registered individual under Section 2.2 of the Legislation;
- (d) The requirement to submit a Form 33-109F4 for each non-registered individual under Section 3.3 of the Legislation;
- (e) The requirement under Section 3.2 of the Legislation to notify the regulator of a change to the business location information in Form 33-109F3.

DATED the 30th day of December, 2005

"Douglas R. Brown"

Douglas R. Brown

Director – Legal and Enforcement

Manitoba Securities Commission