

Headnote:

Exemption from the requirements in subsections 22(1) and 22(2) of the General Securities Rules to maintain a business office and business office manager in Nova Scotia and from the requirements of subsections 30(5) and 30(6) of the General Securities Rules to maintain books and records in Nova Scotia – A foreign adviser seeks relief from the requirements to maintain a business office, business office manager and books and records in Nova Scotia – The foreign adviser will not have a business office in any jurisdiction in Canada- The foreign adviser will remain registered as an investment adviser in the USA, its principal jurisdiction, and is registered in Ontario as a non-Canadian adviser in the categories of investment counsel and portfolio manager which permits it to advise all types of clients regarding all types of securities.

Applicable Legislative Provisions:

General Securities Rules, previously the Securities Regulations, subsections 20(2), 22(1), 22(2), 30(5) and 30(6)

In the Matter of
the *Securities Act*, R.S.N.S. 1989, c. 418,
as amended (the “**Act**”)

- and -

In the Matter of
Loomis, Sayles & Company, L.P.

RULING

Subsection 20(2) of the Securities Rules

UPON the application of Loomis, Sayles & Company, L.P. (“**Loomis**”) to the Nova Scotia Securities Commission (the “**Commission**”) pursuant to subsection 20(2) of the rules of the Commission deemed by subsection 150A(9) of the Act to have been made pursuant to Section 150 of the Act (the “**Securities Rules**”) for a ruling that Loomis be exempted from the requirements of subsections 22(1) and 22(2) of the Securities Rules to maintain a business office and business office manager in Nova Scotia and from the requirements of subsections 30(5) and 30(6) of the Securities Rules to maintain books and records in Nova Scotia, in connection with the registration of Loomis as an adviser under the Act in the categories of investment counsel and portfolio manager;

AND UPON reading the application and the recommendation of staff of the Commission;

AND UPON Loomis having represented to the Commission that:

1. Loomis is a limited partnership which was formed under the laws of the State of Delaware in the United States of America (the “**USA**”). Loomis is not a reporting issuer. Loomis is currently registered as an investment adviser in good standing with the United States Securities and Exchange Commission (the “**SEC**”);

2. Loomis' head office is located at One Financial Center, Boston, Massachusetts, USA 02111. As a non-resident of Canada, Loomis does not maintain a business office in Canada from which it provides advice or in which it maintains records;
3. The nature of Loomis' business is acting as an investment adviser primarily to institutional and high net worth investors regarding the buying and selling of securities. Loomis wishes to provide similar services to clients in Nova Scotia;
4. Loomis is registered under the *Securities Act* (Ontario) as: (a) a non-Canadian adviser in the categories of investment counsel and portfolio manager; and (b) an international adviser in the categories of investment counsel and portfolio manager;
5. Loomis is also registered under the *Securities Act* (Manitoba) as a securities adviser;
6. Loomis would have difficulty complying with the conditions of registration contained in subsections 22(1), 22(2), 30(5) and 30(6) of the Securities Rules. Loomis expects that the majority of its Nova Scotia resident clients will be serviced by telephone, by mail, through the Internet and/or with periodic visits, as required. The costs of maintaining an office, staff and records in Nova Scotia, some of which would be indirectly borne by Loomis' Nova Scotia clients, would far outweigh the benefits to be provided to these clients and would impede Loomis' ability to compete in an effective and cost efficient manner with other investment advisers in Nova Scotia; and
7. Loomis has made the necessary arrangements which will enable it to comply with the statutory and other obligations to its clients in Nova Scotia. Services will be provided to Nova Scotia residents through Loomis' head office located in Boston, Massachusetts. Supervision of all of Loomis' activities with clients in Nova Scotia will be provided by the Chief Compliance Officer of Loomis;

AND UPON the Commission being satisfied that to do so would not be prejudicial to the public interest;

IT IS RULED pursuant to subsection 20(2) of the Securities Rules that Loomis is exempted from the requirements of subsections 22(1) and 22(2) of the Securities Rules to maintain a business office and business office manager in Nova Scotia and from the requirements of subsections 30(5) and 30(6) of the Securities Rules to maintain books and records in Nova Scotia, in connection with the registration of Loomis as an adviser under the Act in the categories of investment counsel and portfolio manager, provided that:

1. Loomis is registered in the USA as an investment adviser;
2. all funds, securities and other assets of Loomis' clients who are in Nova Scotia are held by the clients or by a custodian which satisfies the requirements for acting as a custodian or sub-custodian of the portfolio securities of a mutual fund in National Instrument 81-102 *Mutual Funds*;
3. all partners, directors, officers and advising representatives of Loomis who seek registration or are required to be registered in Nova Scotia are registered in the USA in relation to Loomis' registration as an investment adviser in the USA or exempt from the requirement to be so registered;
4. Loomis shall promptly notify the Director if there are terms, conditions or restrictions imposed at any time on the registration of Loomis or its partners, directors, officers or

advising representatives who are registered in Nova Scotia by the SEC or if the SEC at any time reprimands any of those registrants;

5. Loomis shall promptly notify the Director if it establishes an office in Nova Scotia or employs a Nova Scotia resident;
6. Loomis shall:
 - (a) file a duly executed submission to jurisdiction and appointment of agent for service of process substantially in the form attached as Appendix A to the Commission's Blanket Order No. 31-504 ("**BO 31-504**"); and
 - (b) advise each Nova Scotia resident client of the name and address of the agent so appointed from time to time;
7. Loomis shall file with the Director such reports relating to its advising activities with respect to its Nova Scotia resident clients as the Director may require from time to time;
8. Loomis shall maintain the books and records which would otherwise be required to be maintained in Nova Scotia pursuant to subsection 30(6) of the Securities Rules at a business office in a jurisdiction satisfactory to the Director; and
9. Loomis shall file with the Director a written undertaking substantially in the form attached as Appendix B to BO 31-504 and complies with the undertaking.

DATED at Halifax, Nova Scotia, this 4th day of March, 2009.

NOVA SCOTIA SECURITIES COMMISSION

"H. Leslie O'Brien"

H. Leslie O'Brien, QC

"R. Daren Baxter"

R. Daren Baxter