

The Ontario Securities Commission

# OSC Bulletin

September 3, 2004

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The Ontario Securities Commission Administers the Securities Act of Ontario (R.S.O. 1990, c.S.5) and the Commodity Futures Act of Ontario (R.S.O. 1990, c.C.20)

**The Ontario Securities Commission**

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## Chapter 1

# Notices / News Releases

### 1.1 Notices

#### 1.1.1 Current Proceedings Before The Ontario Securities Commission

SEPTEMBER 3, 2004

#### CURRENT PROCEEDINGS

#### BEFORE

#### ONTARIO SECURITIES COMMISSION

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Unless otherwise indicated in the date column, all hearings will take place at the following location:

The Harry S. Bray Hearing Room  
Ontario Securities Commission  
Cadillac Fairview Tower  
Suite 1700, Box 55  
20 Queen Street West  
Toronto, Ontario  
M5H 3S8

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Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar	—	ST
Wendell S. Wigle, Q. C.	—	WSW

### SCHEDULED OSC HEARINGS

September 20-22, 2004 **Brian Peter Verbeek** and Lloyd Hutchison Ebenezer Bruce

10:00 a.m. s. 127

K. Manarin in attendance for Staff

Panel: TBD

September 29, 2004 **Cornwall et al**

s. 127

K. Manarin in attendance for Staff

September 30, 2004 and October 1, 2004 Panel: HLM/RWD/ST

2:00 p.m.

October 4, 5, 13-15, 2004

10:00 a.m.

October 18 to 22, 2004 **ATI Technologies Inc., Kwok Yuen Ho, Betty Ho, JoAnne Chang, David Stone, Mary de La Torre, Alan Rae and Sally Daub**

November 2, 3, 5, 8, 10-12, 15, 17, 19, 2004 s. 127

10:00 a.m. M. Britton in attendance for Staff

Panel: SWJ/HLM/MTM

October 31, 2004 (on or about) **Mark E. Valentine**

s. 127

10:00 a.m. A. Clark in attendance for Staff

Panel: TBD

November 24-25, 2004 **Brian Peter Verbeek and Lloyd Hutchison Ebenezer Bruce**

10:00 a.m. s. 127

K. Manarin in attendance for Staff

Panel: TBD

January 24 to **Philip Services Corp. et al**  
March 4, 2005,  
except Tuesdays s. 127  
and April 11 to  
May 13, 2005, K. Manarin in attendance for Staff  
except Tuesdays  
Panel: PMM/RWD/ST  
10:00 a.m.

May 30, June 1, 2, **Buckingham Securities**  
3, 6, 7, 8, 9 and **Corporation, David Bromberg\*,**  
10, 2005 **Norman Frydrych, Lloyd Bruce and**  
**Miller Bernstein & Partners LLP**  
10:00 a.m. **(formerly known as Miller Bernstein**  
**& Partners)**

s. 127

J. Superina in attendance for Staff

Panel: TBD

\* David Bromberg settled April  
20, 2004

**ADJOURNED SINE DIE**

**Global Privacy Management Trust and Robert  
Cranston**

**Robert Walter Harris**

**Andrew Keith Lech**

**S. B. McLaughlin**

**Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb,  
Gordon Eckstein, Robert Topol**

1.2 Notices of Hearing

1.2.1 Robert Cassels et al. - s. 127

**IN THE MATTER OF  
THE SECURITIES ACT,  
R.S.O. 1990, c. S.5, as amended**

**AND**

**ROBERT CASSELS  
MURRAY HOULT POLLITT  
POLLITT & CO. INC.**

**NOTICE OF HEARING  
(Section 127)**

**TAKE NOTICE** that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127 of the Securities Act (the "Act") at the Commission's offices on the 17<sup>th</sup> floor, 20 Queen Street West, Toronto, Ontario, commencing on Tuesday, the 28<sup>th</sup> day of September, 2004 at 2:30 p.m., or as soon thereafter as the hearing can be held, to consider:

(a) whether in the opinion of the Commission, it is in the public interest to make an order or orders against Robert Cassels, pursuant to sections 127(1) and 127.1 of the Act, specifically that:

- i) his registration be suspended or restricted for a specified period;
- ii) his ability to trade in securities, or the ability to rely on certain exemptions, be prohibited for a specified period;
- iii) his ability to act as an officer or director of an issuer be prohibited;
- iv) he be reprimanded; and
- v) he be ordered to pay costs related to the investigation and hearing.

(b) whether in the opinion of the Commission, it is in the public interest to make an order or orders against Murray Houlit Pollitt pursuant to sections 127(1) and 127.1 of the Act, specifically that:

- i) his registration be suspended or restricted for a specified period;
- ii) his ability to trade in securities, or the ability to rely on certain exemptions, be prohibited for a specified period;

iii) his ability to act as an officer or director of an issuer be prohibited;

iv) he be reprimanded; and

v) he be ordered to pay costs related to the investigation and hearing.

(c) whether in the opinion of the Commission, it is in the public interest to make an order against Pollitt & Co. Inc. ("Pollitt & Co.") pursuant to sections 127(1) and 127.1 of the Act, specifically that:

i) a review of the practices and procedures of Pollitt & Co. be undertaken and such changes be implemented as may be ordered by the Commission;

ii) terms and conditions be imposed on the registration of Pollitt & Co.;

iii) Pollitt & Co. be reprimanded; and

iv) Pollitt & Co. be order to pay costs related to the investigation and hearing.

**BY REASON** of the allegations as set out in the attached Statement of Allegations made by Staff of the Commission dated August 30, 2004;

**AND TAKE FURTHER NOTICE THAT** any party to the proceedings may be represented by counsel at the hearing;

**AND TAKE FURTHER NOTICE THAT**, upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

August 30, 2004.

"Rose Gomme"

**IN THE MATTER OF  
THE SECURITIES ACT  
R.S.O. 1990, c.S.5, as amended**

**AND**

**ROBERT CASSELS  
MURRAY HOULT POLLITT  
POLLITT & CO. INC.**

**STATEMENT OF ALLEGATIONS OF STAFF  
OF THE ONTARIO SECURITIES COMMISSION**

Further to a Notice of Hearing dated August 30, 2004, Staff of the Ontario Securities Commission (the "Commission") makes the following allegations:

**A. The Respondents**

1. Robert Cassels ("Cassels") is registered in Ontario as an investment counsel and portfolio manager with the firm Cassels Investment Management Inc. ("CIM"). Cassels is an officer and director and holds an approximate 70% ownership interest in CIM. Cassels serves as CIM's Chief Compliance Officer and Ultimate Responsible Person.
  2. Murray Houlton Pollitt ("Pollitt") is registered in Ontario as an officer and director of Pollitt & Co. Inc. ("Pollitt & Co."), a registered securities dealer and member of the Toronto Stock Exchange ("TSX"). Pollitt holds an approximate 80% ownership interest in Pollitt & Co. and serves in the capacity as Chief Compliance Officer, Vice-President and Secretary of the firm.
  3. Pollitt & Co. is registered in Ontario as a securities dealer. The firm has offices in Toronto and Montreal and is a member of the TSX and the Bourse De Montreal.
- B. Pollitt & Co. are Invited to Participate in a "Bought Deal" Syndicate**
4. In October, 2002, officials at Scotia Capital Inc. ("Scotia") commenced discussions with the CEO of United Grain Growers Limited (doing business as Agricore United ("Agricore"), a TSX listed company trading under the symbol "AU") respecting a potential \$100 million convertible debenture "bought deal" financing. These discussions lead to the formation of an underwriting syndicate to be lead by Scotia and co-lead by National Bank Financial Inc. ("NBF"). At the request of the Agricore CEO, Scotia invited Pollitt & Co. to participate as a junior member of the syndicate.
  5. On November 11, 2002, at approximately 2:45 p.m. (all subsequent times referred to herein occurred on November 11, 2002) a brief conference call was convened by Scotia and NBF in order to formerly invite certain other securities

dealers, including Pollitt & Co., to participate in the syndicate. During this call the terms of the anticipated financing were discussed. In the 15 minutes following this brief call, each of the dealers that were invited to participate, including Pollitt & Co., confirmed to Scotia their participation in the deal. At approximately 3:15 p.m., Scotia presented Agricore with a fully syndicated bought deal.

6. The bought deal presented to Agricore consisted of a public offering of \$100 million five year convertible unsecured subordinate debentures with a 9% coupon. The debentures were convertible at the option of the holder at any time prior to maturity or redemption into limited voting common shares of Agricore at a conversion price of \$7.50 per share. The conversion price represented a premium of approximately 25% over the opening trading price of Agricore common shares.
7. Pursuant to the terms of a pre-emptive rights agreement previously entered into between Agricore and its principal shareholder, the principal shareholder had agreed to purchase \$45 million of the offering. The remaining \$55 million of convertible debentures being offered for sale to the public (not including the dealers' option to acquire an additional \$5 million) was allocated among the members of the syndicate. As a junior member of the syndicate Pollitt & Co. was allocated 3.0% of the offering.
8. At approximately 3:26 p.m. Agricore notified Scotia that it was accepting the terms of the bought deal. It was intended that a press release, announcing the agreement in respect of the bought deal, would be issued at the close of the markets (4:00 p.m.) that day.
9. At approximately 3:38 p.m., at the issuer's request, trading in shares of Agricore was halted by the TSX. At approximately 3:40 p.m. Agricore issued a press release announcing that it had "entered into a bought deal agreement to issue and sell to a syndicate of underwriters co-lead by Scotia Capital Inc. and National Bank Financial Inc. \$100 million aggregate principal amount of 9.0% convertible unsecured subordinated debentures due November 30, 2007". The release noted that: the underwriters had an option to acquire up to an additional \$5 million aggregate principal amount of debentures; the debentures were convertible into common shares at a conversion price of \$7.50 per share; and pursuant to the exercise of certain pre-emptive rights Agricore's principal shareholder was purchasing \$45 million aggregate principal amount of the debentures.
10. The market price of Agricore at the time trading was halted on November 11, 2002 was \$6.00.



When Agricore resumed trading on November 12, 2002 it opened at \$5.90 and closed at \$5.31. By the close of markets on Friday, November 15, 2002 Agricore was trading at \$5.14.

**C. Pollitt & Co. Market the Offering in Advance of the Press Release**

11. A number of clients of Pollitt & Co. had been purchasers of Agricore shares prior to November 11, 2002. Upon learning of the terms of the proposed bought deal, Pollitt was concerned that the terms of the transaction were highly dilutive to existing shareholders of Agricore, including clients of Pollitt & Co. As a result, Pollitt decided to provide certain clients with a "heads up" about the bought deal prior to the transaction being generally disclosed by means of a press release. Pollitt personally contacted, or had contacted at his request, at least five different institutional clients of Pollitt & Co. who were known to have held shares in Agricore. Each of these communications were made subsequent to Pollitt & Co. being invited to participate in the bought deal syndicate at approximately 2:45 p.m. and prior to the issuance of any press release announcing the bought deal at approximately 3:38 p.m.

12. At approximately 3:03 p.m. Scotia received a call from one of the Pollitt & Co. institutional clients who had previously been advised by Pollitt & Co. of the anticipated bought deal. The institutional client expressed an interest in purchasing securities pursuant to the bought deal. Concerned that a would-be investor had knowledge of the bought deal prior to the deal being announced in a press release, Scotia contacted the members of the syndicate to determine whether they had been marketing the bought deal in advance of the press release. At approximately 3:16 p.m. Scotia spoke with Pollitt who confirmed that Pollitt & Co. had been the source of the information provided to the institutional client in advance of the press release. Scotia immediately instructed Pollitt to stop all such communications.

13. At approximately 3:36 p.m., Scotia advised Pollitt & Co. that it was being excluded from the syndicate as a result of engaging in pre-marketing communications in respect of the bought deal prior to the issuance of a press release. In addition to Pollitt & Co.'s pre-marketing communications giving rise to potential violations of securities law, Pollitt & Co. could not sign the certificate required of all IDA members that participate in a bought deal syndicate certifying that the member has complied with IDA By-law 29.13 (which prohibits pre-marketing communications prior to the issuance of a press-release).

**D. Pollitt Contacts Robert Cassels to Advise of Bought Deal**

14. One of the clients of Pollitt & Co. advised by Pollitt of the bought deal in advance of a press release was CIM. At approximately 3:08 p.m. Cassels at CIM received a voice mail message from Pollitt advising of the bought deal and indicating that if Cassels was interested in participating in the deal he should contact Pollitt. At approximately 3:14 p.m. Cassels spoke to Pollitt and was advised of the terms of the bought deal. At the time of these communications, CIM held 69,750 shares of Agricore on behalf of various clients.

**E. Robert Cassels' Instructs His Broker to Sell Agricore**

15. Following Cassels' discussion with Pollitt, at approximately 3:26 p.m. Cassels called his registered representative (the "RR") at TD Waterhouse. During the course of this telephone discussion between Cassels and the RR, the following was stated:

Cassels: ...I'm in a bit of a quandary and I need your guidance with respect to this...this is absolutely confidential because I don't know if I am suppose to know it or not...on Agricore United, that's AU on Toronto, um, I've got 69,750 shares I want to sell them but the reason I want to sell them is that the broker called me and told me there was a convertible issue coming.

RR: Okay

Cassels: I haven't seen that on the wires yet and so I don't know if I'm suppose to know that and so I don't know if I'm trading on inside information.

RR: Well, was it speculation, I mean did he speculate?

Cassels: No, no, he knows.

RR: He knows for sure?

Cassels: He knows for sure and he...

RR: How does he know? And I don't want to know by the way,

Cassels: You and I are in the same position except I own shares and he called me directly to ask if I wanted to buy it

RR: Agricore, well there's news on it here, I mean I...

Cassels: What's the news?

RR: Um, it's not today's news so...

Cassels: Okay, no that's old

RR: How could he know for sure?

Cassels: He's in the underwriting group.

RR: Well, let me see if that is public. I'll just ask around.

Cassels: Uh, no don't ask anyone...it will come out as a new release, will it come out on Dow Jones the fastest or on Reuters?

RR: Dow, Bloomberg...if you don't want to sell ahead of it then that's fine.

Cassels: Well, I don't think I'm suppose to, do you?

RR: It depends. I mean if the issue has been talked about, you know they, there were some restructuring things they were doing

Cassels: Yup.

RR: There was some, it looks like they acquired Saskatchewan Wheatpool and it looks like they have been doing something

Cassels: Yeah, they have

RR: There could be a public story on it already

Cassels: Yeah

RR: And their intention to put out some kind of income trust could be public knowledge, I don't know, I have no knowledge of it.

Cassels: No this is not an income trust this is just a convertible which is usually hard on stock prices, right?

RR: Yeah.

Cassels: Okay so anyway, I've got 69,750 to sell

RR: Okay

Cassels: Um,

RR: Okay where do you let it go

Cassels: I'm pretty aggressive in front of a convertible uh, it's currently bid about 6 bucks. I'd start right here and uh..

RR: Well I have no knowledge of this stuff, so you're talking to somebody whose ignorant...so you know...

Cassels: Yeah, normally if someone tells you...

RR: I don't know if they are speaking from knowledge or from recommendation or if they're just guessing.

Cassels: Yeah.

RR: So you want me to sell it?

Cassels: Yup...

RR: Alright its 6 dollars bid right now and it doesn't look like it's going to go up from here.

Cassels: No it's not going up.

RR: All right well, let me come back, hopefully I can get this thing done if I can find some interest.

Cassels: Yeah...and I'm pretty aggressive on selling it so...

RR: And do you have a lower limit or just...

Cassels: I don't know what the lower limit is...um

RR: Alright. Okay, let me come back.

Cassels: And maybe we just have to go on the market but maybe you could get a bid for it, I don't know.

RR: Sure, I'll find out.

Cassels: Okay thanks...Oh will you call me on my cell...

RR: Perfect.

16. Further to Cassels' instructions, at approximately 3:30 p.m. a sell ticket was issued by the RR to sell 69,750 shares of Agricore on behalf of CIM. At approximately 3:32 p.m. 3,700 shares offered for sale by CIM were sold on the market at \$6.00. Subsequent to this trade taking place, at approximately 3:34 p.m. the RR spoke with his superior in respect of the propriety of the order placed by Cassels. Immediately following this conversation, at 3:38 p.m. the RR called Cassels and left a message advising that he did not think he could go ahead and sell the stock without further clarification in respect of the information known to Cassels. While this message was being left, at 3:38 p.m. trading in shares of Agricore was halted. The sale of the 3,700 shares which were sold prior to the halt was subsequently reversed.

**F. Conduct Contrary to the Public Interest**

17. It is the position of Staff that the conduct of each of the Respondents was contrary to the public interest in the following respects:

- a) Cassels acted contrary to the public interest by selling shares of Agricore with

knowledge of a material fact which had not been generally disclosed, contrary to s.76(1) of the Act;

- b) Pollitt acted contrary to the public interest by engaging in communications with clients of Pollitt & Co. in respect of a bought deal financing of Agricore securities after Pollitt & Co. was invited to participate in the syndicate but before a press release announcing the bought deal was issued, contrary to ss. 53(1) and 76(2) of the Act, clause 14.1 of National Instrument 44-101, and inconsistent with the Canadian Securities Administrators' Notice "Pre-Marketing Activities in the Context of Bought Deals"; and
- c) Pollitt & Co. acted contrary to the public interest by failing to develop, implement, maintain and enforce procedures to ensure that when participating as a member of a bought deal syndicate, no inappropriate pre-marketing activities were engaged in by directors, officers, employees or agents of the dealer, including communications which were contrary to ss.53(1) and 76(2) of the Act, clause 14.1 of National Instrument 44-101, IDA By-Law 29.13, and inconsistent with the Canadian Securities Administrators' Notice "Pre-Marketing Activities in the Context of Bought Deals".

18. Staff reserves the right to make such further allegations as Staff may advise and the Commission may permit.

August 30, 2004.

1.3 News Releases

1.3.1 In the Matter of Robert Cassels, Murray Hoult  
Pollitt and Pollitt & Co. Inc.

FOR IMMEDIATE RELEASE  
August 30, 2004

IN THE MATTER OF  
ROBERT CASSELS, MURRAY HOULT POLLITT  
AND POLLITT & CO. INC.

**TORONTO** – The Ontario Securities Commission issued a Notice of Hearing and Statement of Allegations today pursuant to s.127 of the Ontario *Securities Act* in respect of the conduct of Robert Cassels, Murray Hoult Pollitt and Pollitt & Co. Inc. The hearing is scheduled to commence on September 28, 2004 at 2:30 p.m. at 20 Queen St. W., 17<sup>th</sup> floor, Toronto, Ontario.

The conduct at issue in this matter concerns the responsibilities of investment dealers and its senior officers in the context of marketing a “bought deal” financing prior to the issuance of any press release generally disclosing the deal. The hearing will also consider the responsibilities of a portfolio manager who receives information respecting the bought deal in advance of the deal being generally disclosed.

No allegation of misconduct is being made in respect of the issuer whose securities were the subject of the bought deal.

Copies of the Notice of Hearing and Statement of Allegations are available on the OSC’s web site ([www.osc.gov.on.ca](http://www.osc.gov.on.ca)).

**For Media Inquiries:** Eric Pelletier  
Manager, Media Relations  
416-595-8913

**For Investor Inquiries:** OSC Contact Centre  
416-593-8314  
1-877-785-1555 (Toll Free)

1.3.2 Ken Gibson Appointed Director, Corporate  
Services at OSC

FOR IMMEDIATE RELEASE  
September 1, 2004

KEN GIBSON APPOINTED DIRECTOR, CORPORATE  
SERVICES AT ONTARIO SECURITIES COMMISSION

**TORONTO** – Ken Gibson has joined the Ontario Securities Commission as Director, Corporate Services. Mr. Gibson, a Chartered Accountant, Certified Management Consultant and Chartered Business Valuator joined the OSC August 16.

“We are quite fortunate to have attracted as experienced and qualified a candidate as Ken to our senior management team,” said Charlie Macfarlane, OSC Executive Director. “Ken is a strong leader who will bring out the best in the people around him, and I think he’ll keep a sharp eye on controlling our costs while improving the services we provide.”

The Director, Corporate services duties include oversight of the Commission’s financial control and reporting of an annual budget of \$55 million, business planning and implementation of corporate policies as well as the oversight of information technology, facilities and records maintenance activities. The Corporate Services Branch has approximately 50 staff, serving the OSC’s nearly 400 employees.

Prior to joining the OSC, Mr. Gibson was the Chief Administrative Officer and Vice President, Finance at the United Way of Greater Toronto since 1999. Previously, he was Partner, Business Valuation and Forensic Services at Mintz & Partners, Chartered Accountants. Mr. Gibson graduated with a Bachelor of Commerce from the University of Toronto in 1977 and became a Chartered Accountant in 1979. Mr. Gibson has lectured on numerous occasions on topics including the selection and management of investment fund managers.

**For Media Inquiries:** Eric Pelletier  
Manager, Media Relations  
416-595-8913

**For Investor Inquiries:** OSC Contact Centre  
416-593-8314  
1-877-785-1555 (Toll Free)

## Chapter 2

# Decisions, Orders and Rulings

## 2.1 Decisions

### 2.1.1 The Brick Group Income Fund - MRRS Decision

#### Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from the requirement to file the first interim period financial statements immediately following the period for which financial statements were included in the final prospectus on the basis that such period is less than three months in length and financial information relating to the interim period will be included in a business acquisition report to be filed by the issuer.

#### Applicable National Instrument

National Instrument 51-102, Continuous Disclosure Obligations, s. 4.6, 4.7, 13.1.

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
THE PROVINCES OF  
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,  
MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK,  
NOVA SCOTIA, AND NEWFOUNDLAND AND  
LABRADOR**

**AND**

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

**AND**

**IN THE MATTER OF  
THE BRICK GROUP INCOME FUND**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions") has received an application (the "Application") from The Brick Group Income Fund (the "Fund") for a decision under the securities legislation of each of the Jurisdictions and, in Québec, by a revision of the general order that will provide the same result as an exemption order (the "Legislation") that the requirement to file and deliver interim financial statements (the "Interim Statements") for the period beginning on May 25, 2004 (being the date on which the Fund was established) and ending on June 30, 2004

(which period is referred to herein as the "Interim Period"), being the interim period immediately following the periods for which financial statements were included in the Fund's prospectus dated July 9, 2004, (the "Interim Statement Requirement") shall not apply to the Fund.

**AND WHEREAS** under the Mutual Review System for Exemptive Relief Applications (the "System"), the Alberta Securities Commission is the principal regulator for the Application;

**AND WHEREAS**, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions;

**AND WHEREAS** the Fund has represented to the Decision Makers as follows:

- (a) The Fund is an open-ended, limited purpose trust established under the laws of Alberta pursuant to a declaration of trust dated May 25, 2004, as amended and restated as of July 20, 2004. The Fund was established to hold a beneficial interest in The Brick Trust (the "Trust").
- (b) The Fund is a reporting issuer or its equivalent in each of the provinces and territories of Canada. The Fund is not in default of its reporting issuer obligations under the securities legislation of each of the Jurisdictions.
- (c) The Fund has a financial year-end of December 31.
- (d) On May 28, 2004 the Fund filed a preliminary prospectus in each of the Jurisdictions. On June 11, 2004 the Fund filed an amended and restated preliminary prospectus in each of the Jurisdictions. On July 9, 2004 the Fund filed a (final) prospectus (the "Prospectus") in each of the Jurisdictions in connection with an initial public offering (the "Offering") of class A units of the Fund (the "Units") and, upon receipt of the MRRS decision document dated July 9, 2004 with respect to the Prospectus, the Fund became a reporting issuer or the equivalent in each of the Jurisdictions.
- (e) The Prospectus contained an audited balance sheet of the Fund as at May 25, 2004 as well as a pro forma balance

sheet and pro forma consolidated income statement of the Fund as at and for the year ended February 29, 2004.

- (f) The authorized capital of the Fund consists of an unlimited number of Units and an unlimited number of class B units (the "Class B Units"). As of the date hereof, 42,924,016 Units and 11,247,117 Class B Units are issued and outstanding.
- (g) The Units are listed and posted for trading through the facilities of the Toronto Stock Exchange (the "TSX") under the symbol "BRK.UN".
- (h) On closing of the Offering, the Fund used the proceeds of the Offering to indirectly acquire all of the issued and outstanding shares of the Brick GP and all of the limited partnership units of the Brick LP (the "Acquisition"). The Brick LP is one of Canada's largest volume retailers of household furniture, mattresses, appliances and home electronics.
- (i) The Acquisition was completed by the Fund on July 20, 2004.
- (j) The Fund will file a business acquisition report by October 4, 2004 in respect of the Acquisition, which will include: (i) the consolidated financial statements of The Brick Warehouse Corporation for the year-ended February 29, 2004, as previously filed in the Prospectus, (ii) combined financial statements of the business operations owned by the Brick LP and its subsidiaries as of July 20, 2004 (the "Brick Business"), as at and for the four month period ended June 30, 2004; and (iii) pro forma financial statements for the Brick Business as at and for the four month period ended June 30, 2004.

described in the Prospectus and will be reflected in the business acquisition report to be filed and in the interim consolidated financial statements of the Fund as at and for the period ended September 30, 2004.

August 16, 2004.

"Agnes Lau"

**AND WHEREAS** under the System, this 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 provides the Decision Maker with the jurisdiction to make the Decision has been met;

**THE DECISION** of the Decision Makers under the Legislation is that the Interim Statement Requirement shall not apply to the Fund, provided that the Fund issues a press release informing the unitholders that on the basis of this Decision, interim financial statements of the Fund will not be issued for the period ended June 30, 2004, and confirming that the Acquisition was completed on the terms

**2.1.2 UBS Global Asset Management (Canada) Co.  
- MRRS Decision**

**Headnote**

Exemption from the requirement to deliver comparative annual financial statements to registered securityholders of certain mutual funds and certain pooled funds.

**Statutes Cited**

Securities Act (Ontario), R.S.O. 1990 c. S.5, as am., ss. 79 and 80(b)(iii).

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, ONTARIO AND NOVA SCOTIA**

**AND**

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

**AND**

**IN THE MATTER OF  
UBS GLOBAL ALLOCATION TRUST  
AND**

**UBS (CANADA) AMERICAN EQUITY FUND  
UBS (CANADA) BALANCED (CAPPED) FUND  
UBS (CANADA) BALANCED FUND  
UBS (CANADA) BOND FUND  
UBS (CANADA) CANADA PLUS EQUITY FUND  
UBS (CANADA) CANADIAN EQUITY (CAPPED) FUND  
UBS (CANADA) CANADIAN EQUITY FUND  
UBS (CANADA) CASH IN ACTION FUND  
UBS (CANADA) CASH MANAGEMENT FUND  
UBS (CANADA) DIVERSIFIED FUND  
UBS (CANADA) EMERGING MARKETS EQUITY FUND  
UBS (CANADA) EMERGING TECHNOLOGIES FUND  
UBS (CANADA) GLOBAL BOND FUND - (CAD)  
UBS (CANADA) GLOBAL EQUITY FUND  
UBS (CANADA) GLOBAL LARGE CAP EQUITY FUND  
UBS (CANADA) GOVERNMENT OF CANADA MONEY  
MARKET FUND  
UBS (CANADA) INTERNATIONAL EQUITY FUND  
UBS (CANADA) INTERNATIONAL LARGE CAP EQUITY  
FUND  
UBS (CANADA) LONG TERM BOND FUND  
UBS (CANADA) MONEY MARKET FUND  
UBS (CANADA) SHORT TERM BOND FUND  
UBS (CANADA) SMALL CAPITALIZATION FUND  
UBS (CANADA) U.S. \$ CASH MANAGEMENT SERIES A  
UBS (CANADA) U.S. EQUITY FUND  
UBS (CANADA) U.S. LARGE/MID CAP EQUITY FUND,  
(collectively, the "Existing Pooled Funds")**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Ontario and Nova Scotia (the "Jurisdictions") has

received an application (the "Application") from UBS Global Asset Management (Canada) Co. (the "Manager"), the manager of the Funds (as defined herein), for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement to deliver comparative annual financial statements to the securityholders of (i) UBS Global Allocation Trust ("UBS GAT") and any mutual funds or non-redeemable investment funds that are reporting issuers hereinafter established and/or managed by the Manager or a successor of the Manager (the "Public Funds"), and the requirement to deliver interim financial statements and comparative annual financial statements to the securityholders of (ii) the Existing Pooled Funds and pooled funds that are not reporting issuers hereinafter established and/or managed by the Manager or a successor of the Manager (the "Pooled Funds", together with the Public Funds, the "Funds") shall not apply unless securityholders have requested to receive them.

**AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

**AND WHEREAS**, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions;

**AND WHEREAS** the Manager has represented to the Decision Makers that:

- (a) The Manager is a corporation amalgamated and subsisting under the laws of the Province of Nova Scotia. The Manager is, or will be, the manager of the Funds.
- (b) UBS GAT is a trust created under the laws of the Province of Ontario and is a mutual fund corporation under the *Income Tax Act* (Canada) and a non-redeemable investment fund within the meaning of Rule 14-501 of the Ontario Securities Commission (the "Commission").
- (c) UBS GAT is a reporting issuer or the equivalent thereof in each Jurisdiction. The Existing Pooled Funds are organized under the laws of Ontario. None of the Existing Pooled Funds are reporting issuers in the Jurisdictions.
- (d) Pursuant to an Order of the Commission dated February 27, 2004, the Existing Pooled Funds are exempt from the requirements to file interim and comparative financial statements with the Commission, subject to certain conditions.

- (e) Each of the Public Funds is required to deliver to each holder of its securities (“Securityholders”) comparative annual financial statements within 140 days of its financial year-end, in the prescribed form pursuant to the Legislation. The financial year-end date for UBS GAT is December 15.
- (f) In Ontario, each of the Pooled Funds is required to deliver to each holder of its securities (“Securityholders”) (i) interim financial statements within 60 days of the applicable interim period, and (ii) comparative annual financial statements within 140 days of its financial year-end, in the prescribed form pursuant to the Legislation. The financial year end date for the Existing Pooled Funds is December 15 or December 31 depending on the particular Fund.
- (g) The Manager will send to Securityholders who hold securities of the Public Funds in client name (the “Direct Securityholders”) in each year, a notice advising them that they will not receive the annual financial statements of the Funds for the year then ended unless they request same, and provide them with a request form to send back, by fax or prepaid mail, if they wish to receive the comparative annual financial statements. The notice will advise the Direct Securityholders where the annual financial statements can be found on the Manager’s website: [www.ubs.com/e/globalam/canada.html](http://www.ubs.com/e/globalam/canada.html) (or any successor website), as well as on the SEDAR website and downloaded from those sites. The Manager will send such financial statements to any Direct Securityholder who requests them in response to such notice or who subsequently requests them.
- (h) The Manager will send to Securityholders who hold securities of the Pooled Funds in client name (the “Direct Securityholders”) in each year, a notice advising them that they will not receive the interim or annual financial statements of the Funds for the year then ended unless they request same, and provide them with a request form to send back, by fax or prepaid mail, if they wish to receive the interim or comparative annual financial statements. The notice will advise the Direct Securityholders how financial statements can be obtained. The Manager will send such financial statements to any Direct Securityholder who requests them in response to such notice or who subsequently requests them.
- (i) Securityholders who hold their securities in the Public Funds through a nominee will be dealt with pursuant to National Instrument 54-101.
- (j) Securityholders will be able to access interim and annual financial statements of the Pooled Funds, and annual financial statements of the Public Funds on the website of the Manager: [www.ubs.com/e/globalam/canada.html](http://www.ubs.com/e/globalam/canada.html) (or any successor website) or by calling the Manager’s toll-free phone line at 1-866-827-9200 and Securityholders of the Public Funds will also be able to access the annual financial statements of the Public Funds on the SEDAR website.
- (k) There would be substantial cost savings if the Funds are not required to print and mail financial statements to those Direct Securityholders who do not want them.
- (l) The Canadian Securities Administrators have published proposed National Instrument 81-106 (“NI 81-106”) which, among other things, would permit a Fund not to deliver annual financial statements or interim financial statements to those of its Securityholders who do not request them, if the Funds provide each Securityholder with a request form under which the Securityholder may request, at no cost to the Securityholder, to receive, the Funds’ interim and annual financial statements for that financial year.
- (m) NI 81-106 would also require a Fund to have a toll-free telephone number for, or accept collect calls from, persons or companies that want to receive a copy of, among other things, the annual financial statements of the Public Funds.

**AND WHEREAS** under the System, this MRRS Decision Document evidences the Decision of each Decision Maker (collectively, the “Decision”);

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

**AND WHEREAS** the Decision Makers are satisfied that making the Decision will not adversely affect the rule-making process with respect to proposed NI 81-106 and is consistent with National Instrument 54-101;

(a) **THE DECISION** of the Decision Makers pursuant to the Legislation is that until



NI 81-106 comes into force, in all the Jurisdictions, the Public Funds shall not be required to deliver their comparative annual financial statements, and in Ontario, the Pooled Funds shall not be required to deliver their interim financial statements or their comparative annual financial statements, to their Direct Securityholders other than those Direct Securityholders who have requested to receive them provided that:the Manager shall file on SEDAR, under the annual financial statements category, confirmation of mailing of the request forms that have been sent to the Direct Securityholders within 90 days of mailing the request forms;

(f) this decision shall terminate upon NI 81-106 coming into force.

August 23, 2004.

“Susan Wolburgh Jenah”

“H. Lorne Morphy”

- (b) the Manager shall file on SEDAR, under the annual financial statements category, information regarding the number and percentage of requests for annual financial statements made by the return of the request forms, on a province-by-province basis within 30 days after the end of each quarterly period beginning from the date of mailing the request forms and ending 12 months from the date of the mailing;
- (c) the Manager shall record the number and a summary of complaints received from Direct Securityholders about not receiving the annual financial statements and shall file on SEDAR, under the annual financial statements category, this information within 30 days after the end of each quarterly period beginning from the date of mailing the request forms and ending 12 months from the date of the mailing;
- (d) the Manager shall, if possible, measure the number of “hits” on the annual financial statements of the Funds on the Manager’s website or the Funds’ website and shall file on SEDAR, under the annual financial statements category, this information within 30 days after the end of each quarterly period beginning from the date of mailing the request forms and ending 12 months from the date of mailing;
- (e) the Manager shall file on SEDAR, under the annual financial statements category, estimates of the annual cost savings resulting from the granting of this Decision within 90 days of mailing the request forms; and

**2.1.3 Forte Oil Corporation - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications - Issuer has only one security holder - issuer deemed to have ceased being a reporting issuer.

**Applicable Ontario Statutory Provisions**

Securities Act, R.S.O. 1990, c. S.5, as am. s. 83.

August 25, 2004

**Burnet, Duckworth & Palmer LLP**

1400, 350 – 7<sup>th</sup> Avenue S.W.  
Calgary, AB T2P 3N9

Attention: Mr. James L. Kidd

Dear Sir:

**Re: Forte Oil Corporation (the “Applicant”) - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta and Ontario (the “Jurisdictions”)**

The Applicant has applied to the local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions for a decision under the securities legislation (the “Legislation”) of the Jurisdictions to be deemed to have ceased to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that,

1. the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
2. no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
3. the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and
4. the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

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 and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

“Patricia M. Johnston”

**2.1.4 Phoenix Technology Services Inc. - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications - Issuer has only one security holder - issuer deemed to have ceased being a reporting issuer.

**Applicable Ontario Statutory Provisions**

Securities Act, R.S.O. 1990, c. S.5, as am. s. 83.

August 12, 2004

**Burnet, Duckworth & Palmer LLP**

1400, 350 - 7th Avenue S.W.  
Calgary, AB T2P 3N9

Attention: Mr. Teji S. Sandhar

Dear Sir:

**Re: Phoenix Technology Services Inc. (the “Applicant”) - Application to Cease to be a Reporting Issuer under the Securities Legislation of Alberta, Saskatchewan, Ontario and Québec (the “Jurisdictions”)**

The Applicant has applied to the local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions for a decision under the securities legislation (the “Legislation”) of the Jurisdictions to be deemed to have ceased to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that:

1. the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
2. no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
3. the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and
4. the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

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 and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

“Patricia M. Johnston”

**2.1.5 Falcon Trust/Fiducie Falcon - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Issuer of asset-backed securities previously granted an exemption from the requirements to file financial statements and other continuous disclosure documents – Issuer granted an exemption from the requirement under Multilateral Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings to file interim certificates for the 2004 financial year.

**Applicable Instruments**

Multilateral Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings.  
National Instrument 51-102 Continuous Disclosure Obligations.

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

**AND**

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

**AND**

**IN THE MATTER OF  
FALCON TRUST/FIDUCIE FALCON**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (each, a “Decision Maker”) in each of Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia and Newfoundland and Labrador (the “Jurisdictions”) has received an application from Falcon Trust/Fiducie Falcon (the “Issuer”) for a decision pursuant to the securities legislation of the Jurisdictions (the “Legislation”) that the provisions of Multilateral Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings* (“MI 52-109”) concerning the filing of interim certificates (“Interim Certificates”) shall not apply to the Issuer in respect of the Issuer’s financial year beginning on January 1, 2004;

**AND WHEREAS** pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the “System”), the Ontario Securities Commission is the principal regulator for this application;

**AND WHEREAS** pursuant to an MRRS decision document dated November 14, 2002 (the “Exemption Decision”) the Issuer is exempted, on certain terms and conditions, from the requirements of the securities legislation in the Jurisdictions and the Provinces of British Columbia and Québec (the local securities regulatory

authority or regulator in each such jurisdiction collectively, the “Previous Decision Makers”) concerning, *inter alia*, the preparation, filing and delivery of interim and annual financial statements (“Financial Statements”);

**AND WHEREAS**, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;

**AND WHEREAS** the Issuer has represented to the Decision Makers that:

1. The Issuer is a special purpose vehicle created pursuant to a declaration of trust made as of July 10, 2002 under the laws of the Province of Ontario, the beneficiary of which is a charity registered under the *Income Tax Act* (Canada). The only security holders of the Issuer are and will be the holders (the “Certificateholders”) of its asset-backed securities (the “Certificates”).
2. The head office of the Issuer is located in Toronto, Ontario. The issuer trustee (the “Issuer Trustee”) is CIBC Mellon Trust Company, whose registered and principal office is located in Toronto, Ontario. The head office of Scotia Capital Inc., the administrative agent of the Issuer, is also located in Toronto, Ontario.
3. The financial year-end of the Issuer is December 31.
4. The Issuer filed short form prospectuses (together, the “Prospectuses”) dated October 4, 2002 and January 12, 2004 with each of the Canadian provincial securities regulatory authorities for the issuance of approximately \$147,000,000 and \$172,645,950, respectively, aggregate principal amount of Commercial Mortgage Pass-Through Certificates, Series 2002-SMU and Series 2003-SMU, respectively (collectively, the “Issued Certificates”) and received receipts for the Prospectuses from each of the Canadian provincial securities regulatory authorities.
5. The Issuer is a reporting issuer, or the equivalent, in each of the provinces of Canada that provides for a reporting issuer regime, and, to its knowledge, is currently not in default of any applicable requirements under the securities legislation thereunder.
6. As a special purpose vehicle, the Issuer does not carry on any activities except in connection with the issuance of Certificates, the origination of commercial mortgages and the purchase and acquisition of assets in connection with such mortgages (the “Securitized Assets”).
7. The Issuer has no directors and no officers and has no material assets or liabilities other than its rights and obligations arising from originating

- commercial mortgages and acquiring Securitized Assets in respect of the Issued Certificates.
8. Pursuant to Section 13.2(2) of National Instrument 51-102 *Continuous Disclosure Obligations*, the Issuer has filed a notice dated May 28, 2004 with the Previous Decision Makers stating that it intends to rely on the Exemption Decision to the same extent and on the same terms as contained therein.
9. For each offering of Certificates, the discrete pool of Securitized Assets will be deposited with a custodian pursuant to a servicing agreement or other custodial arrangement (each a "Servicing Agreement") that the Issuer will enter into which will govern the rights of Certificateholders and their respective entitlement to the Securitized Assets.
10. Each Servicing Agreement will also provide for the fulfilment of certain administrative functions relating to the Certificates, such as the maintenance of a register of holders of Certificates and the preparation of periodic reports (the "Reports") to Certificateholders containing financial and other information in respect of the applicable pool of Securitized Assets and Certificates, by the master servicer (the "Master Servicer"), the special servicer and the reporting agent for such pool of Securitized Assets.
11. Pursuant to the Servicing Agreement in respect of the Issued Certificates and as contemplated in the Exemption Decision:
- (a) the Master Servicer shall deliver annually a statement of compliance (the "Compliance Certificate") signed by a senior officer of each applicable Master Servicer or other party acting in a similar capacity on behalf of the Issuer for the applicable pool of Securitized Assets, certifying that the Master Servicer or such other party acting in a similar capacity has fulfilled all of its obligations under the related Servicing Agreement during the year or, if there has been a default in the fulfilment of any such obligation, specifying each such default and the status thereof; and
  - (b) the Master Servicer shall obtain annually an accountants' report (the "Accountants' Report") in form and content acceptable to the Previous Decision Makers prepared by a firm of independent public or chartered accountants acceptable to the Previous Decision Makers respecting compliance by the Master Servicer or such other party acting in a similar capacity on behalf of the Issuer with minimum servicing standards identified in
- the Uniform Single Attestation Program (USAP) or such other servicing standard acceptable to the Previous Decision Makers (in all material respects, except for such material exceptions or errors in records that, in the opinion of such firm, are required to be reported).
12. Sections 3.1 and 5.2 of MI 52-109 require the Issuer to file, in respect of the interim periods of its 2004 financial year, the Interim Certificates in Form 52-109FT2 or Form 52-109F2.
13. Form 52-109FT2 requires the certifying officer to certify that:
- (a) he or she has reviewed the interim filings (as defined in MI 52-109) of the Issuer for the applicable interim period;
  - (b) based on his or her knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings; and
  - (c) based on his or her knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer, as of the date and for the periods presented in the interim filings.
14. Since the Issuer has the benefit of the Exemption Decision and does not file annual or interim financial statements, and given that neither the Issuer nor the applicable individuals acting in the capacity of officers of the Issuer participate in any way in the preparation of the Reports, the applicable individuals acting in the capacity of officers of the Issuer are unable to certify in respect of the Reports nor sign the Interim Certificates in the form required by MI 52-109.
15. The quality or reliability of the Issuer's continuous disclosure will not be affected by the issuance of this Decision (as such term is defined below) as the Compliance Certificate and Accountants' Report provide assurance to Certificateholders in respect of the accuracy of the Reports.

**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 Maker with the jurisdiction to make the Decision has been met;

**THE DECISION** of the Decision Makers pursuant to the Legislation is that the Issuer is exempted from the requirements of MI 52-109 concerning the filing of Interim Certificates in respect of the 2004 financial year of the Issuer, provided that the Issuer is not required to prepare, file and deliver Financial Statements under the securities legislation of the Jurisdictions, whether pursuant to exemptive relief or otherwise.

August 25, 2004.

“Iva Vranic”

## 2.1.6 Destorbelle Mines Limited - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer deemed to be no longer a reporting issuer under securities legislation (for MRRS Decisions).

### Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 83.

August 26, 2004

### Gowling Lafleur Henderson LLP

Barristers & Solicitors  
Suite 5800, Scotia Plaza  
40 King Street West  
Toronto, Ontario  
Canada M5H 3Z7

Attention: D’Arcy Doherty

Dear Ms. Doherty:

**Re: Destorbelle Mines Limited (the “Applicant”) - Application to Cease to be a Reporting Issuer under the Securities Legislation of Ontario and Alberta (collectively, the “Jurisdictions”)**

The Applicant has applied to the local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions for a decision under the securities legislation (the “Legislation”) of the Jurisdictions to be deemed to have ceased to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that,

- the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 - *Marketplace Operation*;
- the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and
- the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

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 and orders that the Applicant is deemed to have ceased to be a reporting issuer.

“Charlie MacCready”

## 2.1.7 Clearwave N.V. - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer has 35 beneficial security holders, of which 33 are resident in Canada – Issuer has more than 15 security holders resident in Quebec and will not be deemed to have ceased to be a reporting issuer in Quebec – issuer provided undertaking not to offer or distribute its securities in any jurisdiction in Canada by way of an exemption from the prospectus and registration requirements of the securities legislation of any jurisdiction in Canada until the Filer has ceased to be a reporting issuer in every jurisdiction in Canada – issuer deemed to have ceased to be a reporting issuer.

### Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am. s. 83.

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, SASKATCHEWAN, ONTARIO,  
NOVA SCOTIA, NEW BRUNSWICK AND  
NEWFOUNDLAND AND LABRADOR  
(the Jurisdictions)**

**AND**

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

**AND**

**IN THE MATTER OF  
CLEARWAVE N.V. (the Filer)**

**MRRS DECISION DOCUMENT**

### Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer be deemed to have ceased to be a reporting issuer in each of the Jurisdictions (the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

### Interpretation

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

### Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a company incorporated on September 17, 1999 under the laws of The Netherlands as a public limited liability company (*naamloze vennootschap* or N.V.) and was then called TIW Eastern Europe N.V. The Filer's head office is located in the World Trade Center, Strawinskyalaan 707, 1077XX, Amsterdam, Netherlands.
2. The Filer is a reporting issuer in each of the Jurisdictions. The Filer is not a reporting issuer in any jurisdiction other than the Jurisdictions and Quebec.
3. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-102 *Marketplace Operation*.
4. The Filer is not in default of any requirements under the Legislation.
5. As of June 30, 2004, 45,868,498 Class A Subordinate Voting Shares (the **SVS**) and 38,230,950 Class B Multiple Voting Shares (the **MVS**) of the Filer were issued and outstanding.
6. Telesystem International Wireless Inc. (**TIW**) owns all of the issued and outstanding MVS, and 45,859,289 of the issued and outstanding SVS.
7. Other than the SVS and the MVS, the Filer has no securities, including debt securities, issued and outstanding.
8. The Filer provides wireless telecommunication services in Romania and the Czech Republic through its two principal operating subsidiaries, MobiFon S.A. and Cesky Mobil a.s., over which it exercises control or direction on voting securities for approximately 63.5% and 50.8%, respectively.
9. TIW conducts its activities primarily through the Filer which represents its single largest asset. As a result, TIW's activities consist primarily in the activities of the Filer's operating subsidiaries MobiFon S.A. and Cesky Mobil a.s.
10. Prior to February 4, 2001, the Filer was a wholly-owned subsidiary of TIW.
11. On January 15, 2001, the Filer filed a non-offering prospectus the purpose of which was to have the

Filer become a reporting issuer to prepare for the distribution of transferable rights by TIW to holders of TIW's outstanding shares of record.

12. For each share of TIW outstanding at the close of business on January 23, 2001, a holder thereof was entitled to one right. Two rights entitled the holder thereof to purchase one unit of TIW (a **TIW Unit**) at a price of CDN\$9.05 per unit. Each unit was comprised of (i) one SVS and (ii) an option to purchase one subordinate voting share of TIW by surrendering the unit, at any time until the unit termination date of June 30, 2002.
13. The sole purpose of the Filer becoming a reporting issuer was to enable the SVS to be qualified for distribution in the TIW Units.
14. The January 15, 2001 prospectus was a non-offering prospectus and did not constitute a public offering of any securities.
15. After TIW's distribution of the SVS in the TIW Units, an aggregate of 45,868,498 SVS were held publicly through TIW Units.
16. The indenture governing the TIW Units provided, among others, that if the value of the SVS outstanding on the termination date of the TIW Units (June 30, 2002) was less than US\$ 100 million, all holders of TIW Units would be deemed to have exercised the option to surrender the TIW Units for a share of TIW.
17. On February 4, 2002, pursuant to a restructuring of TIW, the Ontario Court of Justice rendered a decision which, among others, struck down the deemed exchange clause in the indenture governing the TIW Units. Thereafter, TIW repurchased 73.5% of all TIW Units outstanding in an issuer bid as part of its restructuring.
18. On June 30, 2002, the TIW Units terminated and the holders thereof received one SVS for each TIW Unit held.
19. Beginning in October 2003, TIW began repurchasing the SVS in private transactions with certain significant minority holders.
20. Pursuant to such purchases, TIW acquired an additional 11,951,925 SVS from three holders such that, as of March 31, 2004, TIW held, directly or indirectly, 45,681,938 SVS and 38,230,950 (corresponding to all issued and outstanding) MVS representing a direct and indirect equity and voting interest in the Filer of 99.8% and 99.9% respectively.
21. The Filer made an offer to purchase the remaining 186,560 of the outstanding SVS, which expired on July 15, 2004. As a result of this offer, only 9,209 SVS remain in the hands of public holders other

than TIW and its subsidiaries, representing 0.01% of the outstanding voting shares of the Filer.

22. It is TIW's intention to exercise, within the next year, its right of expropriation of the remaining SVS as set out in the laws of the Netherlands.
23. To the Filer's knowledge, as at August 17, 2004 the Filer had 35 beneficial security holders, of which 24 were resident in Quebec, 5 were resident in Ontario, 1 was resident in Alberta, 2 were resident in British Columbia, and 3 were resident outside of Canada.
24. Because the Filer has more than 15 security holders resident in Quebec, the Autorité des marchés financiers (the **Autorite**) will not deem the Filer to have ceased to be a reporting issuer in Quebec. On August 17, 2004 the Autorite granted the Filer permanent relief from the continuous disclosure requirements of Title III of the *Securities Act* (Québec) applicable to the Filer.
25. The Filer will submit an application to the Autorite to be deemed to have ceased to be a reporting issuer in Quebec as soon as there are fewer than 15 security holders in Quebec.
26. The Filer has undertaken not to offer or distribute its securities in any jurisdiction in Canada by way of an exemption from the prospectus and registration requirements of the securities legislation of any jurisdiction in Canada until the Filer has ceased to be a reporting issuer in every jurisdiction in Canada.
27. The Filer has no present intention of seeking public financing by way of an offering of its securities.

#### 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 under the Legislation is that the Requested Relief is granted.

August 27, 2004.

"Paul M. Moore"

"Harold P. Hands"

#### 2.1.8 Mackenzie 2004 Resource Limited Partnership - MRRS Decision

##### Headnote

Issuer exempted from interim financial reporting requirements for first and third quarter of each financial year. Exemption terminates upon the occurrence of a material change in the business affairs of the Issuer unless the Decision Makers is satisfied that the exemption should continue.

##### Applicable Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 6(3), s. 77(1), 79, 80(b)(iii).

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, ALBERTA, ONTARIO,  
NOVA SCOTIA AND NEWFOUNDLAND  
(the Jurisdictions)**

**AND**

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

**AND**

**IN THE MATTER OF  
MACKENZIE 2004 RESOURCE LIMITED PARTNERSHIP  
(the Filer)**

#### MRRS DECISION DOCUMENT

##### Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) for an exemption from the requirements to file with the Decision Makers and send to its securityholders (the Limited Partners) interim financial statements for the first and third quarters of each financial year of the Filer (the Requested Relief);

Under the Mutual Reliance Review System for Exemptive Relief Applications

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



### Interpretation

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this decision.

### Representations

This decision is based on the following facts represented by the Filer:

1. The Filer is a limited partnership formed pursuant to the *Limited Partnerships Act* (Ontario) on March 3, 2004;
2. On April 29, 2004, the Decision Makers issued a receipt for a prospectus of the Filer (the Prospectus) dated April 28, 2004 with respect to the offering of units of the Filer (Units);
3. The Filer was formed for the purpose of investing the proceeds from the issue and sale of the Units primarily in flow-through shares of issuers whose principal business is oil and gas or mining exploration and who represent that they intend to incur Canadian Exploration Expense (as such term is defined in the *Income Tax Act* (Canada));
4. The Units have not been and will not be listed for trading on a stock exchange;
5. It is disclosed in the Prospectus that Mackenzie 2004 GP Inc., as the General Partner of the Filer, will apply for the relief granted herein;
6. Mackenzie 2004 GP Inc., as general partner of the Filer, on or about February 3, 2006, intends to exchange substantially all of the assets of the Filer for shares of an open-end mutual fund corporation managed by Mackenzie Financial Corporation. Following this exchange, the Filer will be dissolved and the Limited Partners of the Filer will receive their *pro rata* share of the assets of the Filer, then consisting of such mutual fund shares;
7. Unless a material change takes place in the business and affairs of the Filer, the Limited Partners will obtain adequate financial information concerning the Filer from the semi-annual financial statements and the annual report containing audited financial statements of the Filer together with the auditors' report thereon distributed to the Limited Partners;
8. Given the limited range of business activities to be conducted by the Filer and the nature of the investment of the Limited Partners in the Filer, the provision by the Filer of interim financial statements in respect of the first and third quarters of each financial year of the Filer will not be of significant benefit to the Limited Partners and may impose a material financial burden on the Filer; and

9. Each of the Limited Partners has, by subscribing for the Units offered by the Filer in accordance with the Prospectus, agreed to the irrevocable power of attorney contained in Article 18 of the Amended and Restated Limited Partnership Agreement scheduled to the Prospectus and has thereby consented to the making of this application for the exemption requested herein;

### DECISION

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

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the decision shall terminate upon the occurrence of a material change in the affairs of the Filer unless the Filer satisfies the Decision Makers that the decision should continue, which satisfaction shall be evidenced in writing.

August 27, 2004.

"Paul M. Moore"

"Harold P. Hands"

## 2.1.9 Nord Pacific Limited and Allied Gold Limited - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications - plan of arrangement involving a Canadian company and an Australian company - applicants subject to securities legislation in Australia and United States - de minimis number of shareholders in Canada.

Relief from the requirement to reconcile the financial statements of the acquiring company to Canadian GAAP and GAAS - relief from the requirement to reconcile the financial statements of the proposed acquired company to Australian GAAP - relief from the requirement to prepare pro forma financial statements of the combined business in accordance with Canadian GAAP or Australian GAAP - financial statements for both issuers will be prepared using (or reconciled to) US GAAP - pro forma financial statements for the combined business will be prepared in accordance with US GAAP.

Relief from requirements of NI 43-101 for acquiring company in connection with the arrangement and in connection with acquiring company first becoming a reporting issuer as a result of the arrangement.

### Applicable Rules

National Instrument 51-102 Continuous Disclosure Obligations, section 13.1 and Form 51-102F5, section 14.2.

Ontario Securities Commission Rule 41-501 General Prospectus Requirements, Part 9.

National Instrument 43-101 Standards of Disclosure for Mineral Projects, s. 9.1(1).

National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, ss. 6.1, 6.2, 7.1 and 9.1.

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, BRITISH COLUMBIA, ONTARIO,  
NEW BRUNSWICK AND THE YUKON TERRITORY**

**AND**

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

**AND**

**IN THE MATTER OF  
NORD PACIFIC LIMITED AND  
ALLIED GOLD LIMITED**

**MRRS DECISION DOCUMENT**

1. **WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Ontario, New Brunswick and Yukon Territory (the "Jurisdictions") has received an application from Nord Pacific Limited ("Nord") and Allied Gold Limited ("Allied") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that:
  1. Allied and Nord be exempt from the following requirements in connection with a Joint Circular (the "Joint Circular") being prepared for the upcoming special meeting of holders of Common Shares of Nord (the "Nord Common Shares") and holders of options and rights to acquire Nord Common Shares (the "Nord Options") and the extraordinary general meeting of the holders of Ordinary Shares of Allied (the "Allied Ordinary Shares") to consider an arrangement between Allied and Nord under which Allied will acquire all of the Nord Common Shares and Nord Options (the "Acquisition"):
    - (a) the requirements that historical financial statements of Allied (the "Allied Statements") prepared in accordance with accounting principles generally accepted in Australia ("Australian GAAP") be reconciled to Canadian GAAP and that the notes to the Allied Statements must
      - (i) explain, and quantify the effect of, material differences between Australian GAAP and Canadian GAAP that relate to recognition, measurement and presentation; and

- (ii) provide disclosure consistent with Canadian GAAP to the extent not already reflected in the Allied Statements;
  - (b) the requirement that the auditors' report on the Allied Statements disclose any material differences in the form and content of such auditors' report as compared to a Canadian auditors' report and confirming that the auditing standards applied are substantially equivalent to Canadian GAAS;
  - (c) the requirement that all management discussion and analysis ("MD&A") relating to the Allied Statements provide a restatement of those parts of the MD&A that would read differently if the MD&A were based on statements prepared in accordance with Canadian GAAP, and the requirements that the MD&A provide a cross-reference to the notes in the financial statements that reconcile the differences between Australian GAAP and Canadian GAAP;
  - (d) the requirement that financial statements of Nord for the most recently completed financial year and interim period be reconciled to Australian GAAP and that the notes to these financial statements must
    - (i) explain the material differences between Australian GAAP and Canadian GAAP that relate to recognition, measurement, and presentation;
    - (ii) quantify the effect of material differences between Australian GAAP and Canadian GAAP that relate to recognition, measurement and presentation, including a tabular reconciliation between net income reported in Canadian GAAP and net income computed in accordance with Australian GAAP; and
    - (iii) provide disclosure consistent with Australian GAAP to the extent not already reflected in the Nord financial statements;
  - (e) the requirement that pro forma financial statements showing the combination of Allied and Nord be prepared in accordance with Canadian GAAP or Australian GAAP;
  - (f) the requirement that historical financial statements of Nord (the "Nord Statements") be included for the three most recently completed financial years and the most recently completed interim period;
- (collectively, the "GAAP Reconciliation Requirements"), and
2. the requirements of National Instrument 43-101 *Standards for Disclosure of Mineral Projects* ("NI 43-101") shall not apply to Allied in connection with the Joint Circular and in connection with Allied first becoming a reporting issuer in the Jurisdictions due to the Acquisition;
2. **AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the British Columbia Securities Commission is the principal regulator for this application;
  3. **AND WHEREAS**, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;
  4. **AND WHEREAS** Nord and Allied have represented to the Decision Makers that:
    1. Nord was continued into the Province of New Brunswick and is a reporting issuer in the Provinces of Alberta, British Columbia and Ontario;
    2. the principal office of Nord is located in Albuquerque, New Mexico;
    3. the Nord Common Shares are registered under section 12(g) of the United States Securities Exchange Act of 1934 (the "US Exchange Act"); Nord is not exempt from the reporting requirements of the US Exchange Act under Rule 12g 3-2;
    4. Nord is a "foreign private issuer" as that term is defined under the applicable securities laws in the United States;
    5. Nord is authorized to issue an unlimited number of Nord Common Shares of which 31,391,610 Nord Common Shares were issued and outstanding as of March 2, 2004 and 37,172,320 Nord Common Shares were issued and outstanding as of May 11, 2004;

6. as of May 5, 2004, one registered holder resident in Canada held 1,354,013 Nord Common Shares, representing 3.6% of the issued and outstanding Nord Common Shares;
7. searches of beneficial holders of Nord Common Shares indicate that, as of March 2, 2004, in addition to the one registered holder of Nord Common Shares, there were 50 beneficial shareholders of Nord resident in Canada, representing approximately 0.4% of the issued and outstanding Nord Common Shares; based on searches of beneficial holders conducted March 2, 2004, searches of registered holders conducted May 5, 2004 and the current number of outstanding Nord Common Shares, of the approximately 1,122 shareholders of Nord, the shareholder representation in Canada is approximately as follows:

Province	Number of Beneficial Holders (percentage of total holders)		Number of Nord Common Shares held (percentage of Nord Common Shares)	
Alberta	14	(1.25%)	26,500	(0.07%)
British Columbia	19	(1.69%)	67,325	(0.18%)
Ontario	16	(1.43%)	44,050	(0.12%)
Yukon	1	(0.09%)	300	(0.00%)
Total excluding registered holder	50	(4.46%)	138,175	(0.37%)
Registered holder (resident in British Columbia)	1	(0.09%)	1,354,013	(3.64%)
Total (including registered holder)	51	(4.55%)	1,492,188	(4.01%)

8. the Nord Common Shares were previously listed and posted for trading on the Toronto Stock Exchange (the "TSX"), but were delisted on July 26, 2002 after a one-year suspension due to Nord failing to meet the minimum listing requirements of the TSX;
9. in the United States, the Nord Common Shares trade only on the over-the-counter "Pink Sheets" market; no securities of Nord are traded on a marketplace in Canada;
10. Allied is a corporation incorporated under the *Corporations Act 2001* (Western Australia);
11. the principal office of Allied is located in Welshpool, Western Australia;
12. the authorized capital of Allied consists of an unlimited number of Allied Ordinary Shares of which 28,500,000 Allied Ordinary Shares were issued and outstanding as of March 2, 2004; immediately after the Acquisition and assuming all the shareholders of Nord exchange their Nord Common Shares for Allied Ordinary Shares, it is expected that there will be 52,170,157 Allied Ordinary Shares issued and outstanding;
13. Allied is the equivalent of a reporting issuer in Western Australia and the Allied Ordinary Shares are listed on the Australian Stock Exchange ("ASX") under the symbol "ALD"; following completion of the Acquisition, Allied will continue to be subject to Australian securities legislation;
14. there is no public market in Canada for the Allied Ordinary Shares and no such public market is expected to develop after completion of the Acquisition;
15. to the best of Allied's knowledge, no holders of Allied Ordinary Shares reside in Canada;
16. the Acquisition is being made in accordance with an agreement dated December 20, 2003, as amended and restated (the "Arrangement Agreement"); in connection with the Acquisition,
  - (a) each issued and outstanding Nord Common Share (other than Nord Common Shares held by Allied) will be exchanged for \$0.20 Australian to be satisfied through the issuance of one Allied Ordinary Share;
  - (b) each Nord Option will be cancelled in consideration of Allied Ordinary Shares by determining the "in the money" value of the Nord Options and paying that amount through the issuance of Allied Ordinary Shares per \$0.20 Australian that the Nord Options are in the money;
  - (c) all of the Nord Options which are not "in the money" will be cancelled pursuant to the Acquisition for no payment;

- (d) one holder of \$280,000 Australian of subordinated indebtedness will exchange such indebtedness for Allied Ordinary Shares at a rate of \$0.20 Australian of such indebtedness for one Allied Ordinary Share;
- 17. if completed, the Acquisition will result in all former shareholders of Nord holding Allied Ordinary Shares;
- 18. Allied has also agreed to provide a credit facility of up to US\$5.4 million (the "Credit Facility") to Nord; Nord is entitled to draw down on the Credit Facility by issuing convertible notes to Allied (the "Convertible Notes"), which are convertible, at the option of Allied, into Nord Common Shares at staged rates varying from US\$0.05 to US\$0.25 per Nord Common Share;
- 19. currently Nord has drawn down US\$1,075,792 under the Credit Facility; as of May 11, 2004, Allied had exercised its option to convert Convertible Notes into an aggregate of 16,433,650 Nord Common Shares;
- 20. on completion of the Acquisition, assuming no securityholders dissent, the beneficial holders of Allied Ordinary Shares resident in Canada will hold approximately 2.86% of the issued and outstanding Allied Ordinary Shares and represent less than 2% of the total number of owners of Allied Ordinary Shares resident in Canada;
- 21. the Acquisition will be subject to the approval of the holders of Nord Common Shares and Nord Options and the holders of Allied Ordinary Shares;
- 22. the Acquisition will be subject to obtaining court approval for a plan of arrangement under the *Business Corporations Act* (New Brunswick);
- 23. following the successful completion of the Acquisition, all of the outstanding securities of Nord will be held by Allied; Allied will as soon as practicable cause Nord to apply to cease to be a reporting issuer in all applicable jurisdictions in Canada;
- 24. the holders of Nord Common Shares and Nord Options and the holders of Allied Ordinary Shares will be provided with the Joint Circular; the Joint Circular will comply with the requirements for the form of Information Circulars under the Legislation, except as permitted by this decision;
- 25. the Joint Circular will contain Canadian prospectus level disclosure about the business of Allied and Nord and fully describe the Acquisition and the financial condition of Allied and Nord;
- 26. the Joint Circular will include:
  - (a) the disclosure contained in the Nord 10-KSB and Nord 10-QSB, including
    - (i) Nord's audited financial statements as at December 31, 2003 and for the years ended December 31, 2003 and December 31, 2002 prepared in accordance with generally accepted accounting principles in the United States (US GAAP), audited in accordance with United States generally accepted auditing standards ("US GAAS") and accompanied by an auditor's report prepared under US GAAS (the "Nord Annual Financial Statements"), which were filed with the SEC, and
    - (ii) Nord's unaudited interim financial statements for the three months ended March 31, 2004 prepared in accordance with US GAAP (the "Nord Interim Financial Statements"),(collectively, the "Nord Financial Statements");
  - (b) Canadian GAAP financial statements of Nord including:
    - (i) Nord's audited annual financial statements, and the auditor's report thereon, as at December 31, 2003 and 2002 and for the years then ended, prepared in accordance with Canadian GAAP, audited in accordance with Canadian GAAS, and accompanied by an auditor's report prepared in accordance with Canadian GAAS,
    - (ii) Nord's unaudited interim financial statements for the three months ended March 31, 2004 prepared in accordance with Canadian GAAP,

(collectively, the “Nord Canadian GAAP Financial Statements”); and the notes to the Nord Canadian GAAP Financial Statements will:

- (A) explain the material differences between Canadian GAAP and US GAAP that relate to recognition, measurement and presentation;
  - (B) quantify the effect of material differences between Canadian GAAP and US GAAP that relate to recognition, measurement and presentation, including a tabular reconciliation between net income reported in the financial statements and net income computed in accordance with US GAAP; and
  - (C) provide disclosure consistent with disclosure requirements of US GAAP to the extent not already reflected in the Nord Canadian GAAP Financial Statements;
- (c) MD&A accompanying the Nord Financial Statements that will be prepared in compliance with applicable securities laws in the Jurisdictions and the United States (the “Nord MD&A”);
- (d) disclosure of the business and operations of Allied, including the Australian initial public offering prospectus of Allied dated October 20, 2003; and
- (e) financial statements of Allied including:
- (i) audited financial statements for the period ended June 30, 2003 prepared in accordance with Australian GAAP, audited in accordance with Australian generally accepted audited standards (“Australian GAAS”) and accompanied by an auditor’s report prepared under Australian GAAS (the “Allied Annual Financial Statements”),
  - (ii) unaudited interim financial statements for the nine months ended March 31, 2004, prepared in accordance with Australian GAAP (the “Allied Interim Financial Statements”)

(collectively, the “Allied Financial Statements”); and the notes to the Allied Financial Statements will:

- (A) explain the material differences between Australian GAAP and US GAAP that relate to recognition, measurement and presentation;
  - (B) quantify the effect of material differences between Australian GAAP and US GAAP that relate to recognition, measurement and presentation, including a tabular reconciliation between net income reported in the financial statements and net income computed in accordance with US GAAP; and
  - (C) provide disclosure consistent with disclosure requirements of US GAAP to the extent not already reflected in the Allied Financial Statements;
- (f) MD&A accompanying the Allied Financial Statements (the “Allied MD&A”) that will be prepared in compliance with applicable securities laws in the United States;
- (g) pro forma financial statements of Allied, prepared in accordance with US GAAP, giving effect to the Acquisition (the “Pro Forma Financial Statements”), which will contain a pro forma balance sheet as at March 31, 2004, and pro forma income statements for the year ended June 30, 2003 and for the nine month interim period ended March 31, 2004, including a pro forma earnings per share for each pro forma income statement; and accompanied by a compilation report prepared by Allied’s Australian auditors utilizing the guidance contained in the Handbook of the Canadian Institute of Chartered Accountants, as amended from time to time;

(collectively, the “Circular Financial Information”);

27. the disclosure in the Joint Circular regarding the reserves and resources of the Simberi Island Joint Venture concerning mineral properties in Papua, New Guinea, being the only material mineral interests of Nord (the “Simberi Properties”), is based on a current technical report prepared in compliance with NI 43-101 (the “Nord Report”) prepared by a “qualified person” that is independent of Nord within the meaning of NI 43-101;
28. the Nord Report will either utilize the mineral resource and reserve categories of the JORC Code as defined in NI 43-101 (the “JORC Code”) which will be reconciled to the mineral resource and reserve categories in NI 43-

101 or will use the mineral resource and reserve categories in NI 43-101 and in either event will be signed by a qualified person in accordance with NI 43-101;

29. Allied is subject to the reporting requirements of securities legislation in Australia and is in compliance with all the applicable reporting requirements of Australia;
30. the Joint Circular will be drafted in accordance with the securities legislation of Australia and of the rules and regulations of the ASX;
31. the disclosure in the Joint Circular regarding the mineral assets of Allied (the "Allied Properties") is based on a report (the "Allied Report") prepared by a "qualified person" that is independent of Allied within the meaning of NI 43-101;
32. the Allied Properties do not have reserves or resources and therefore the Allied Report does not contain references to mineral resource or mineral reserve statements;
33. the Allied Report has been prepared and signed in accordance with the rules of the Australian Securities and Investment Commission ("ASIC") and the ASX;
34. a copy of the Nord Report and the Allied Report will be filed in each jurisdiction in which Nord is a reporting issuer and in New Brunswick;
35. the following cautionary statement ("Cautionary Statement") will be included in the Joint Circular:

"No technical report as defined under National Instrument 43-101 *Standards for Disclosure of Mineral Projects* will be provided for the Allied Properties in connection with the Acquisition or filed with any of the Canadian securities regulatory authorities.

The scientific and technical information relating to the Allied Properties contained in this document and the Allied Report was prepared and signed in accordance with the rules of the Australian Securities and Investment Commission and the Australian Stock Exchange";

36. Allied will automatically become a reporting issuer in the Jurisdictions on completion of the Acquisition and will subsequently apply to each of the Jurisdictions to cease to be a reporting issuer;
5. **AND WHEREAS** under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");
  6. **AND WHEREAS** 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;
  7. **THE DECISION** of the Decision Makers under the Legislation is that:
    1. the GAAP Reconciliation Requirements do not apply to Nord and Allied, provided that the Joint Circular includes the Circular Financial Information; and
    2. Allied is exempt from the requirements of NI 43-101 in connection with the disclosure made in the Joint Circular and in connection with first becoming a reporting issuer in the Jurisdictions due to the Acquisition, provided that:
      - (a) all disclosure of a scientific and technical nature contained in the Joint Circular and sent to Canadian shareholders of Nord and Allied complies with the applicable requirements of the ASIC and the ASX;
      - (b) the Joint Circular contains the Cautionary Statement; and
      - (c) Allied applies to cease to be a reporting issuer in each jurisdiction in which it becomes so as a result of the Acquisition.

August 12, 2004.

"Brenda Leong"

**2.1.10 Assante Asset Management Ltd.  
- MRRS Decision**

**Headnote**

Exemptive Relief Applications – application for mutual fund prospectus lapse date extension.

**Applicable Ontario Provisions**

Securities Act, R.S.O. 1990, c. S.5, s. 62(5).

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,  
MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK,  
NOVA SCOTIA, PRINCE EDWARD ISLAND, AND  
NEWFOUNDLAND AND LABRADOR**

**AND**

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

**AND**

**IN THE MATTER OF  
Artisan Canadian T-Bill Portfolio  
Artisan Most Conservative Portfolio  
Artisan Conservative Portfolio  
Artisan Moderate Portfolio  
Artisan RSP Moderate Portfolio  
Artisan Global Advantage Portfolio  
Artisan RSP Global Advantage Portfolio  
Artisan Growth Portfolio  
Artisan RSP Growth Portfolio  
Artisan High Growth Portfolio  
Artisan RSP High Growth Portfolio  
Artisan Maximum Growth Portfolio  
Artisan RSP Maximum Growth Portfolio  
and  
Artisan New Economy Portfolio  
(collectively, the “Assante Artisan Portfolios”)**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the “**Decision Maker**”) in each of the provinces and territories of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (the “**Jurisdictions**”) has received an application (the “**Application**”) from Assante Asset Management Ltd. (the “**Manager**”), the manager of each Assante Artisan Portfolio, for a decision under the securities legislation of the Jurisdictions (the “**Legislation**”) that the time period prescribed by the Legislation for the renewal of the simplified prospectus and annual information form, each dated June 24, 2003, of the units of the Assante Artisan Portfolios (collectively, and as amended from time to time, the “**Prospectus**”) be extended to those time periods that would be applicable if the lapse date for the

distribution of units of the Assante Artisan Portfolios was July 26, 2004;

**AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the “**System**”), The Manitoba Securities Commission is the principal regulator for this Application;

**AND WHEREAS**, unless otherwise defined, the terms herein have the meaning set out in the National Instrument 14-101 Definitions.

**AND WHEREAS** it has been represented by the Manager to the Decision Makers that:

1. Each Assante Artisan Portfolio is a reporting issuer as defined in the Legislation and is not in default of any of the requirements of the Legislation.
2. A pro forma version of the renewal prospectus for the Assante Artisan Portfolios (the “**Renewal Prospectus**”) was filed on behalf of the Assante Artisan Portfolios in accordance with the time periods relating to the filing of a renewal prospectus in the Legislation.
3. The earliest lapse date (the “**Earliest Lapse Date**”) of the Prospectus under the Legislation is June 24, 2004. Based on the Earliest Lapse Date, final versions of the Renewal Prospectus must be filed by July 4, 2004 in all the Jurisdictions (other than New Brunswick) and an MRRS Decision Document evidencing the issuance of final receipts by the Decision Makers in the Jurisdictions (other than New Brunswick) must be issued by July 14, 2004. In New Brunswick, the final Renewal Prospectus must be filed, and a receipt must be issued for it, by June 26, 2004.
4. On November 14, 2003, CI Fund Management Inc. indirectly acquired control of the Manager.
5. As a result of this acquisition and on or about July 24, 2004, the Manager will implement a series of administrative changes to the Assante Artisan Portfolios. These changes are intended to conform the administration of the Assante Artisan Portfolios to the same systems and policies as are currently in effect with respect to other mutual funds managed by CI Mutual Funds Inc. In addition, subsequent to filing the pro forma version of the Renewal Prospectus, the Manager decided to make additional changes to the Renewal Prospectus.
6. In the absence of the decision herein:
  - (a) the Assante Artisan Portfolios would be required to file the final version of the Renewal Prospectus in New Brunswick by June 26, 2004; and



- (b) based on the Earliest Lapse Date, the Assante Artisan Portfolios would be required to file the final version of the Renewal Prospectus in the other Jurisdictions by July 4, 2004.
- 7. If the Assante Artisan Portfolios are required to file the final version of the Renewal Prospectus by the dates described in paragraph 6 above, the Renewal Prospectus would need to disclose both:
  - (i) the current administrative procedures of the Assante Artisan Portfolios from the date of the Renewal Prospectus until July 24, 2004, and
  - (b) the new administrative procedures which will apply for the balance of the term of the Renewal Prospectus.
- 8. There have been no material changes in the affairs of any Assante Artisan Portfolio since the filing of the Prospectus other than those for which amendments have been filed. Accordingly, the Prospectus represents current information regarding each Assante Artisan Portfolio. The requested extension will not affect the accuracy of information in the Prospectus and therefore will not be prejudicial to the public interest.

**AND WHEREAS**, under 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 Maker with the jurisdiction to make the Decision has been met;

**THE DECISION** of the Decision Makers under the Legislation is that the time limits provided by the Legislation as they apply to a distribution of securities under a prospectus are hereby extended to the time limits that would be applicable if the lapse date for the distribution of securities under the simplified prospectus and annual information form of the Assante Artisan Portfolios was July 26, 2004 and that the offering of securities of the Assante Artisan Portfolios may continue provided that a (final) simplified prospectus and annual information form for the Assante Artisan Portfolios is filed no later than August 5, 2004 and a receipt is obtained no later than August 15, 2004.

July 2, 2004.

"Bob Bouchard"

**2.1.11 Windsor Trust 2002-A - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Issuer of asset-backed securities previously granted an exemption from the requirements to file annual and interim financial statements, subject to certain conditions – issuer granted an exemption from the requirement under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings to file interim certificates for the 2004 financial year.

**Applicable Instruments**

Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.

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

**AND**

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

**AND**

**IN THE MATTER OF  
WINDSOR TRUST 2002-A**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, and Newfoundland and Labrador (collectively, the "Jurisdictions") has received an application from Windsor Trust 2002-A ("Windsor A") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirements contained in the Legislation to file interim certificates ("Interim Certificates") with the Decision Makers under Multilateral Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* ("MI 52-109") shall not apply to it in respect of its 2004 financial year;

**AND WHEREAS**, pursuant to the MRRS decision document dated August 29, 2003 (the "Previous Decision"), Windsor A is exempted, on certain terms and conditions, from the requirements (the "Financial Statements Requirement") of the securities legislation of the jurisdictions of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the "Previous Decision Jurisdictions") concerning the preparation, filing and delivery of, among other things, unaudited interim financial statements and audited financial statements;

**AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

**AND WHEREAS**, unless otherwise defined, the terms herein have the meanings set out in National Instrument 14-101- *Definitions*;

**AND WHEREAS** Windsor A has represented to the Decision Makers that:

1. Windsor A was established by The Canada Trust Company ("Canada Trust"), pursuant to the declaration of trust made as of May 16, 2002, and is governed by the laws of the Province of Ontario.
2. Canada Trust is the issuer trustee of Windsor A (in such capacity, the "Issuer Trustee"). The office of the Issuer Trustee at which it carries out its administrative functions as Issuer Trustee is Corporate Trust Services, 79 Wellington Street West, 8<sup>th</sup> Floor, Toronto-Dominion Centre, Toronto, Ontario M5K 1A2.
3. Windsor A is a "reporting issuer" or has equivalent status under the Legislation of the Jurisdictions and is not in default of any of the requirements of the Legislation in any Jurisdiction, except that Windsor A has not filed Interim Certificates for the three month period ended March 31, 2004.
4. Windsor A is a special purpose entity whose business is specifically restricted to: (a) acquiring from DaimlerChrysler Services Canada Inc. ("DCSCI") a pool of receivables consisting of loans to various obligors used to finance the purchase of automobiles and light-duty trucks ("Vehicles") originated in Canada by various automobile dealers of DaimlerChrysler Canada Inc. and other automobile manufacturers, and acquired by DCSCI, that meet certain eligibility requirements ("Receivables"), the interest of DCSCI in the Vehicles, the financing of the purchase of which gave rise to such Receivables, and all guarantees or other security interests or liens and property subject thereto from time to time, if any, purporting to secure payment of the Receivables (the "Related Security"), all collections with respect thereto (the "Collections") and all proceeds of the foregoing, (b) funding such acquisition, and (c) engaging in related activities. Windsor A does not presently, and will not, carry on any business other than the activities described above.
5. The financial year-end of Windsor A is December 31.
6. Windsor A purchased a pool of Receivables meeting certain eligibility criteria, together with the Related Security and Collections with respect thereto and all proceeds of the foregoing (collectively, the "Windsor A Purchased Assets") from DCSCI pursuant to the receivables purchase agreement made as of June 26, 2002, between DCSCI, as seller, and Windsor A (the "Windsor A RPA"). The purchase by Windsor A of the Windsor A Purchased Assets was funded through the issuance of \$200,000,000 principal amount of 4.124% Auto Loan Receivables-Backed Class A-1 Pay-Through Notes (the "Windsor A Pay-Through Notes") and \$104,583,456 principal amount of 4.124% Auto Loan Receivables-Backed Class A-2 Pass-Through Notes (the "Windsor A Pass-Through Notes"), pursuant to a trust indenture dated June 26, 2002 between Windsor A and The Trust Company of Bank of Montreal, as indenture trustee. The Windsor A Pay-Through Notes were offered pursuant to a long-form prospectus dated June 19, 2002 filed with and receipted by the local securities regulatory authority or regulator in each of the provinces of Canada on June 19, 2002. The Windsor A Pass-Through Notes were issued pursuant to an exemption from the registration requirement and the prospectus requirement of the *Securities Act* (Ontario). The Windsor A Pay-Through Notes and the Windsor A Pass-Through Notes are herein collectively referred to as the "Windsor A Notes".
7. Windsor A currently has, and will continue to have, no material assets or liabilities other than its rights and obligations arising from the acquisition of the Windsor A Purchased Assets acquired with the proceeds of the Windsor A Notes.
8. Windsor A currently has no securities issued and outstanding other than the Windsor A Notes. The only holders of securities of Windsor A are, and will be, the holders of the Windsor A Notes.
9. The Windsor A RPA provides for, among other things, the administration, servicing and collection of the Windsor A Purchased Assets acquired pursuant thereto by DCSCI, as servicer (in such capacity, the "Servicer") and agent for Windsor A.
10. The Servicer is required pursuant to the Windsor A RPA to deliver or cause to be delivered to:
  - (a) Windsor A which is a party thereto and such other persons as Windsor A may designate, in respect of the preceding fiscal year, a certificate of an officer of the Servicer (the "Annual Servicer's Compliance Certificate"), certifying that the Servicer complied in such year with its obligations under the Windsor A RPA except to the extent non-compliance therewith did not have an adverse effect; and
  - (b) Windsor A, the rating agencies and the Servicer on or before April 30 of each year, a report of a firm of independent chartered accountants (the "Annual

Accountants' Servicing Report") to the effect that such firm has performed tests relating to retail receivables (including financing arrangements with obligors to finance their Vehicles) serviced for others, which procedures will be based upon the requirements of the Uniform Single Attestation Program for Mortgage Bankers, to the extent the procedures in such program are applicable to the servicing obligations set forth in the Windsor A RPA and, except as described in the report, disclosed no exceptions or errors in the records relating to such retail receivables that, in the firm's opinion, such program requires such firm to report.

11. Pursuant to the Previous Decision, Windsor A, or a representative or agent of Windsor A, must post on <http://investor.chryslerfinancial.com> and mail to holders of the Windsor A Notes who so request:

- (a) on or before the second business day prior to the 15th day of each month, and file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the monthly report (the "Monthly Servicer Report") containing various items of information relating to the Windsor A Purchased Assets acquired with the proceeds of the Windsor A Notes and distributions from and deposits to the collection account and the pay-through protection account required by the Windsor A RPA to be made available to holders of the Windsor A Notes on a monthly basis;
- (b) within 60 days of the end of each fiscal quarter of Windsor A, and file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, interim management's discussion and analysis with respect to the pool of Windsor A Purchased Assets acquired with the proceeds of the Windsor A Notes; and
- (c) within 140 days of the end of each fiscal year of Windsor A, and file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the following:
  - (i) annual management's discussion and analysis with respect to the pool of Windsor A Purchased Assets acquired with the proceeds of the Windsor A Notes;

- (ii) the Annual Servicer's Compliance Certificate; and

- (iii) the Annual Accountants' Servicing Report.

12. Windsor A is subject to section 3.1 of MI 52-109, which requires every reporting issuer to file for each interim period Interim Certificates, signed by the persons specified in section 3.1 of MI 52-109 (the "Certifying Officers").

13. The Interim Certificates require the Certifying Officers of Windsor A to certify as follows:

- (a) he or she has reviewed the interim filings (as hereinafter defined) of Windsor A for the applicable interim period;
- (b) based on his or her knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings; and
- (c) based on his or her knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of Windsor A, as of the date and for the periods presented in the interim filings.

14. The term "interim filings" is defined in MI 52-109 to include the issuer's interim financial statements and interim MD&A filed under provincial and territorial securities legislation for the most recently completed interim period.

15. Pursuant to the Previous Decision, Windsor A is exempt from the Financial Statements Requirement of the securities legislation of the Previous Decision Jurisdictions (which include the Jurisdictions).

16. The Annual Servicer's Compliance Certificate and the Annual Accountants' Servicing Report of Windsor A provide assurance to the holders of the Windsor A Notes as to the accuracy of the Monthly Servicer Reports.

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

**AND WHEREAS** each Decision Maker 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 under the Legislation is that the requirement contained in the Legislation to file Interim Certificates with the Decision Makers under section 3.1 of MI 52-109 shall not apply to Windsor A in respect of the interim periods during its 2004 financial year, provided that it is not required to prepare, file and deliver financial statements for such interim periods under the Legislation of the Jurisdictions, whether pursuant to exemptive relief, or otherwise.

August 30, 2004.

“Erez Blumberger”

## 2.1.12 Windsor Trust 2002-B - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Issuer of asset-backed securities previously granted an exemption from the requirements to file annual and interim financial statements, subject to certain conditions – issuer granted an exemption from the requirement under Multilateral Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings to file interim certificates for the 2004 financial year.

### Applicable Instruments

Multilateral Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings.

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

**AND**

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

**AND**

**IN THE MATTER OF  
WINDSOR TRUST 2002-B**

**MRRS DECISION DOCUMENT**

**WHEREAS** the local securities regulatory authority or regulator (the “Decision Maker”) in each of Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, and Newfoundland and Labrador (collectively, the “Jurisdictions”) has received an application from Windsor Trust 2002-B (“Windsor B”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that the requirements contained in the Legislation to file interim certificates (“Interim Certificates”) with the Decision Makers under Multilateral Instrument 52-109 - *Certification of Disclosure in Issuers’ Annual and Interim Filings* (“MI 52-109”) shall not apply to it in respect of its 2004 financial year;

**AND WHEREAS**, pursuant to the MRRS decision document dated August 29, 2003 (the “Previous Decision”), Windsor B is exempted, on certain terms and conditions, from the requirements (the “Financial Statements Requirement”) of the Legislation of the jurisdictions of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland and Labrador (the “Previous Decision Jurisdictions”) concerning the preparation, filing and delivery of, among other things, unaudited interim financial statements and audited financial statements;

**AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

**AND WHEREAS**, unless otherwise defined, the terms herein have the meanings set out in National Instrument 14-101- *Definitions*;

**AND WHEREAS** Windsor B has represented to the Decision Makers that:

1. Windsor B was established by The Canada Trust Company ("Canada Trust"), pursuant to the declaration of trust made as of October 10, 2002, and is governed by the laws of the Province of Ontario.
2. Canada Trust is the issuer trustee of Windsor B (in such capacity, the "Issuer Trustee"). The office of the Issuer Trustee at which it carries out its administrative functions as Issuer Trustee is Corporate Trust Services, 79 Wellington Street West, 8<sup>th</sup> Floor, Toronto-Dominion Centre, Toronto, Ontario M5K 1A2.
3. Windsor B is a "reporting issuer" or has equivalent status under the Legislation of the Jurisdictions and is not in default of any requirements of the Legislation in any Jurisdiction, except that Windsor B has not filed Interim Certificates for the three month period ended March 31, 2004.
4. Windsor B is a special purpose entity whose business is specifically restricted to: (a) acquiring from DaimlerChrysler Services Canada Inc. ("DCSCI") a pool of receivables consisting of loans to various obligors used to finance the purchase of automobiles and light-duty trucks ("Vehicles") originated in Canada by various automobile dealers of DaimlerChrysler Canada Inc. and other automobile manufacturers, and acquired by DCSCI, that meet certain eligibility requirements ("Receivables"), the interest of DCSCI in the Vehicles, the financing of the purchase of which gave rise to such Receivables, and all guarantees or other security interests or liens and property subject thereto from time to time, if any, purporting to secure payment of the Receivables (the "Related Security"), all collections with respect thereto (the "Collections") and all proceeds of the foregoing, (b) funding such acquisition, and (c) engaging in related activities. Windsor B does not presently, and will not, carry on any business other than the activities described above.
5. The financial year-end of Windsor B is December 31.
6. Windsor B purchased a pool of Receivables meeting certain eligibility criteria, together with the Related Security and the Collections with respect thereto and all proceeds of the foregoing (collectively, the "Windsor B Purchased Assets") from DCSCI pursuant to the receivables purchase agreement made as of November 13, 2002, between DCSCI, as seller, and Windsor B (the "Windsor B RPA"). The purchase by Windsor B of the Windsor B Purchased Assets was funded through the issuance of \$225,000,000 principal amount of 3.584% Auto Loan Receivables-Backed Class A-1 Pay-Through Notes (the "Windsor B Pay-Through Notes") and \$191,676,826 principal amount of 3.584% Auto Loan Receivables-Backed Class A-2 Pass-Through Notes (the "Windsor B Pass-Through Notes"), pursuant to a trust indenture dated November 13, 2002 between Windsor B and The Trust Company of Bank of Montreal, as indenture trustee. The Windsor B Pay-Through Notes were offered pursuant to a long-form prospectus dated November 7, 2002 filed with and received by the local securities regulatory authority or regulator in each of the provinces of Canada on November 7, 2002. The Windsor B Pass-Through Notes were issued pursuant to an exemption from the registration requirement and the prospectus requirement of the *Securities Act* (Ontario). The Windsor B Pay-Through Notes and the Windsor B Pass-Through Notes are herein collectively referred to as the "Windsor B Notes".
7. Windsor B currently has, and will continue to have, no material assets or liabilities other than its rights and obligations arising from the acquisition of the Windsor B Purchased Assets acquired with the proceeds of the Windsor B Notes.
8. Windsor B currently has no securities issued and outstanding other than the Windsor B Notes. The only holders of securities of Windsor B are, and will be, the holders of the Windsor B Notes.
9. The Windsor B RPA provides for, among other things, the administration, servicing and collection of the Windsor B Purchased Assets acquired pursuant thereto by DCSCI, as servicer (in such capacity, the "Servicer") and agent for Windsor B .
10. The Servicer is required pursuant to the Windsor B RPA to deliver or cause to be delivered to:
  - (a) Windsor B and such other persons as Windsor B may designate, in respect of the preceding fiscal year, a certificate of an officer of the Servicer (the "Annual Servicer's Compliance Certificate"), certifying that the Servicer complied in such year with its obligations under the Windsor B RPA except to the extent non-compliance therewith did not have an adverse effect; and
  - (b) Windsor B, the rating agencies and the Servicer on or before April 30 of each year, a report of a firm of independent

- chartered accountants (the “Annual Accountants’ Servicing Report”) to the effect that such firm has performed tests relating to retail receivables (including financing arrangements with obligors to finance their Vehicles) serviced for others, which procedures will be based upon the requirements of the Uniform Single Attestation Program for Mortgage Bankers, to the extent the procedures in such program are applicable to the servicing obligations set forth in the Windsor B RPA and, except as described in the report, disclosed no exceptions or errors in the records relating to such retail receivables that, in the firm’s opinion, such program requires such firm to report.
11. Pursuant to the Previous Decision, Windsor B, or a representative or agent of Windsor B, must post on <http://investor.chryslerfinancial.com> and mail to holders of the Windsor B Notes who so request:
- (a) on or before the second business day prior to the 15th day of each month, and file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the monthly report (the “Monthly Servicer Report”) containing various items of information relating to the Windsor B Purchased Assets acquired with the proceeds of the Windsor B Notes and distributions from and deposits to the collection account and the pay-through protection account required by the Windsor B RPA to be made available to holders of the Windsor B Notes on a monthly basis;
  - (b) within 60 days of the end of each fiscal quarter of Windsor B, and file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, interim management’s discussion and analysis with respect to the pool of Windsor B Purchased Assets acquired with the proceeds of the Windsor B Notes; and
  - (c) within 140 days of the end of each fiscal year of Windsor B, and file on SEDAR contemporaneously therewith, or cause to be filed on SEDAR contemporaneously therewith, the following:
    - (i) annual management’s discussion and analysis with respect to the pool of Windsor B Purchased Assets acquired with the proceeds of the Windsor B Notes;
    - (ii) the Annual Servicer’s Compliance Certificate; and
    - (iii) the Annual Accountants’ Servicing Report.
12. Windsor B is subject to section 3.1 of MI 52-109, which requires every reporting issuer to file for each interim period Interim Certificates, signed by the persons specified in section 3.1 of MI 52-109 (the “Certifying Officers”).
13. The Interim Certificates require the Certifying Officers of Windsor B to certify as follows:
- (a) he or she has reviewed the interim filings (as hereinafter defined) of Windsor B for the applicable interim period;
  - (b) based on his or her knowledge, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, with respect to the period covered by the interim filings; and
  - (c) based on his or her knowledge, the interim financial statements together with the other financial information included in the interim filings fairly present in all material respects the financial condition, results of operations and cash flows of Windsor B, as of the date and for the periods presented in the interim filings.
14. The term “interim filings” is defined in MI 52-109 to include the issuer’s interim financial statements and interim MD&A filed under provincial and territorial securities legislation for the most recently completed interim period.
15. Pursuant to the Previous Decision, Windsor B is exempt from the Financial Statements Requirement of the securities legislation of the Previous Decision Jurisdictions (which include the Jurisdictions).
16. The Annual Servicer’s Compliance Certificate and the Annual Accountants’ Servicing Report of Windsor B provide assurance to the holders of the Windsor B Notes as to the accuracy of the Monthly Servicer Reports.
- AND WHEREAS** under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the “Decision”);

**AND WHEREAS** each Decision Maker 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 under the Legislation is that the requirement contained in the Legislation to file Interim Certificates with the Decision Makers under section 3.1 of MI 52-109 shall not apply to Windsor B in respect of the interim periods during its 2004 financial year provided that it is not required to prepare, file and deliver for such interim periods under the Legislation of the Jurisdictions, whether pursuant to exemptive relief, or otherwise.

August 30, 2004.

"Erez Blumberger"

## 2.1.13 Peregrine Energy Ltd. - MRRS Decision

### Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from the requirement to file historical financial information in a Business Acquisition Report.

### Applicable Ontario Statutory Provisions

National Instrument 51-102, Continuous Disclosure Obligations, subsection 13.1.

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, ONTARIO AND QUÉBEC**

**AND**

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

**AND**

**IN THE MATTER OF  
PEREGRINE ENERGY LTD.  
(formerly TESORO ENERGY CORP.)**

**MRRS DECISION DOCUMENT**

1. **WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Ontario and Québec (the "Jurisdictions") has received an application from Peregrine Energy Ltd. ("Peregrine") for a decision, under the securities legislation of the Jurisdictions (the "Legislation"), or in Québec by a revision of the general order that will provide the same result as an exemption order, that Peregrine be exempt from the requirement in the Legislation to include the historical financial statements for the period ending December 31, 2002 in a Business Acquisition Report ("BAR") relating to Tesoro Energy Corp.'s purchase (the "Purchase") of certain oil and gas assets (the "Assets") from Fairborne Energy Ltd. ("Fairborne").
2. **AND WHEREAS** under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Alberta Securities Commission is the principal regulator for this application;
3. **AND WHEREAS**, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;
4. **AND WHEREAS** Peregrine has represented to the Decision Makers that:
  - 4.1 Peregrine has been formed by amalgamation under the laws of the

- Province of Alberta and Peregrine's head office is located in Calgary, Alberta;
- 4.2 Peregrine is a reporting issuer in each of British Columbia, Alberta, Ontario and Quebec, is not in default of the securities legislation in any of these jurisdictions and its common shares are listed on the Toronto Stock Exchange;
- 4.3 Peregrine is the successor by amalgamation to Tesoro Energy Corp. ("Tesoro") pursuant to an amalgamation agreement between Tesoro and Peregrine Energy Ltd. entered into on May 31, 2004 and effective July 21, 2004, whereby the resulting entity carries on business as "Peregrine Energy Ltd."
- 4.4 Tesoro purchased the Assets from Fairborne on June 7, 2004;
- 4.5 Pursuant to NI 51-102, Tesoro is required to file the BAR in connection with the purchase of the Assets on or before August 21, 2004;
- 4.6 the acquisition of the Assets constituted a "significant acquisition" by Tesoro within the meaning of section 8.3 of NI 51-102. Accordingly, Peregrine/Tesoro is required to include in the BAR, among other things:
- (a) the operating statements respecting the Assets and the auditors report thereon as at and for the fiscal year ended December 31, 2002, (the "Operating Statements");
- 4.7 The accounting software and computer systems Fairborne used to generate the historical financial records respecting the Assets is no longer accessible as Fairborne has switched to a new computer accounting system, as such, Tesoro's Auditors have been unable to review the background information to the financial statements, and accordingly are unable to give an appropriate Auditors report respecting the Operating Statements pertaining to the Assets for the year ended December 31, 2002. In addition, the financial information which does exist for the time period in question does not relate specifically to the Assets, and would be of little value to the public.
- 4.8 Peregrine will include in the BAR:
- (a) the audited financial statements for the year ended December 31, 2003, and interim financial statements for the period ended June 30, 2004;
- (b) in lieu of audited financial statements for the year ended December 31, 2002, the available summary information for that period pertaining to the properties acquired from Fairborne; and
- (c) the reserve information required by the Legislation;
- (d) through c being, collectively, the "Alternate Disclosure")
5. **AND WHEREAS** under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");
6. **AND WHEREAS** 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;
7. **THE DECISION** of the Decision Makers under the Legislation is that Peregrine is exempt from the Requirement to disclose the financial records required by NI 51-102 in respect of the Assets for the period ended December 31, 2002, provided the Alternate Disclosure is included in the BAR.
- August 23, 2004.
- "Mavis Legg"



**2.1.14 Mosaic Mapping Corporation - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications - Issuer has only one security holder - issuer deemed to have ceased being a reporting issuer.

**Applicable Ontario Statutory Provisions**

Securities Act, R.S.O. 1990, c. S.5, as am. s. 83.

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA AND ONTARIO**

**AND**

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

**AND**

**IN THE MATTER OF  
MOSAIC MAPPING CORPORATION  
MRRS DECISION DOCUMENT**

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Makers") in each of Alberta and Ontario (the "Jurisdictions") has received an application from Mosaic Mapping Corporation ("Mosaic") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Mosaic be deemed to have ceased to be a reporting issuer under the Legislation;
2. AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Alberta Securities Commission is the principal regulator for this application;
3. AND WHEREAS unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 *Definitions*;
4. AND WHEREAS Mosaic has represented to the Decision Makers that:
  - 4.1 Mosaic was incorporated under the *Business Corporations Act* (Alberta) on November 6, 2000 as Londonderrie Trail Inc. Effective September 16, 2002 it changed its name to Mosaic Mapping Corporation.
  - 4.2 Mosaic's head office is located in Calgary, Alberta.
  - 4.3 On May 25, 2004, pursuant to a Plan of Arrangement between Mosaic, the

securityholders of Mosaic and Pulse Data Inc. ("Pulse"), Mosaic became a wholly owned subsidiary of Pulse and the shares of Mosaic were de-listed from the TSX Venture Exchange.

- 4.4 No securities of Mosaic are traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation.
- 4.5 Mosaic is applying for relief to cease to be a reporting issuer in all of the Jurisdictions in which it is currently a reporting issuer.
- 4.6 The British Columbia Securities Commission has accepted Mosaic's "Notice of Voluntary Surrender of Reporting Issuer Status", and Mosaic is not a reporting issuer in any jurisdiction other than those which are contemplated in the current application.
- 4.7 Mosaic is not in default of any other obligation under the Legislation as a reporting issuer other than for failing to file its interim financial statements for the interim period ended March 31, 2004, and in connection therewith, management's discussion and analysis and the certificates under Multilateral Instrument 52-109 relating to the same.
- 4.8 Mosaic does not intend to seek public financing by way of an offering of its securities.
5. AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision").
6. AND WHEREAS 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.
7. THE DECISION of the Decision Makers pursuant to the Legislation is that Mosaic is deemed to have ceased to be a reporting issuer under the Legislation.

August 27, 2004.

"Patricia M. Johnston"

**2.2 Orders**

**2.2.1 Rhonda Corporation - s. 144**

**Headnote**

Cease-trade order revoked where the issuer has remedied its default in respect of disclosure requirements under the Act.

**Statutes Cited**

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127(1)2, 127(5), 127(8), 144.

**IN THE MATTER OF  
THE SECURITIES ACT,  
R.S.O. 1990, CHAPTER S.5, AS AMENDED,  
(the "Act")**

**AND**

**IN THE MATTER OF  
RHONDA CORPORATION**

**ORDER  
(Section 144)**

**WHEREAS** the securities of **Rhonda Corporation** (the "**Corporation**") currently are subject to an order (the "**Temporary Order**") made by the Director on behalf of the Ontario Securities Commission (the "**Commission**"), pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act on the 3rd day of June, 2004, as extended by a further order (the "**Extension Order**") of the Director, made on the 15<sup>th</sup> day of June, 2004, on behalf of the Commission pursuant to subsection 127(8) of the Act, that trading in the securities of the Corporation cease until the Temporary Order, as extended by the Extension Order is revoked by a further Order of Revocation;

**AND WHEREAS** the Temporary Order and the Extension Order were each made on the basis that the Corporation was in default of certain filing requirements;

**AND WHEREAS** the Corporation has represented to the Director that:

1. The Corporation was incorporated under the *Business Corporations Act* (Alberta) on January 26<sup>th</sup>, 1977 and is a reporting issuer in the Provinces of Ontario, Alberta and British Columbia;
2. The Temporary Order was issued June 3<sup>rd</sup>, 2004 by reason of the failure of the Corporation to file with the Commission its audited annual financial statements for the year ended December 31, 2003 and interim statements for the three month period ended March 31, 2004;
3. The Common Shares of the Corporation were halted from trading on the TSX Venture Exchange

on June 2<sup>nd</sup>, 2004 for failure to meet its continuous disclosure requirements;

4. On July 29<sup>th</sup>, 2004, the Corporation filed its audited annual financial statements for the year ended December 31, 2003 and its interim statements for the three month period ended March 31, 2004 with the Commission through SEDAR;
5. The Corporation has now brought its continuous disclosure filings up to date.

**AND WHEREAS** the undersigned is satisfied that the Corporation has remedied its default in respect of the filing requirements and is of the opinion that it would not be prejudicial to the public interest to revoke the Temporary Order as extended by the Extension Order;

**NOW THEREFORE IT IS ORDERED** pursuant to section 144 of the Act, is that the Temporary Order and Extension Order be and they are hereby revoked.

August 27, 2004.

"John Hughes"

**2.2.2 Gold Canyon Resources Inc. - ss. 83.1(1),  
ss. 9.1(1) of NI 43-101 and ss. 6.1 of OSC Rule  
13-502**

**Headnote**

Subsection 83.1(1) – Issuer deemed to be a reporting issuer in Ontario – Issuer has been a reporting issuer in British Columbia since 1987 and in Alberta since 2000 – Issuer listed and posted for trading on TSX Venture – Continuous Disclosure requirements of British Columbia and Alberta substantially the same as those of Ontario – Issuer granted relief from requirement in NI 43-101 to file a technical report that is prepared by an independent qualified person upon becoming a reporting issuer in Ontario – Issuer exempt from paying fee associated with NI 43-101 application.

**Applicable Ontario Statutory Provisions**

Securities Act, R.S.O. 1990, c. S.5., as am., ss. 83.1(1).

**National Instrument Cited**

National Instrument 43-101 Standards of Disclosure for Mineral Projects, ss. 4.1 and 9.1.

**IN THE MATTER OF  
THE SECURITIES ACT,  
R.S.O. 1990, CHAPTER S.5, AS AMENDED (the Act)**

**AND**

**IN THE MATTER OF  
NATIONAL INSTRUMENT 43-101  
STANDARDS OF DISCLOSURE FOR MINERAL  
PROJECTS**

**AND**

**IN THE MATTER OF  
OSC RULE 13-502 FEES**

**AND**

**IN THE MATTER OF  
GOLD CANYON RESOURCES INC.**

**ORDER and DECISION  
(Subsection 83.1(1) of the Act, subsection 9.1(1) of  
NI 43-101 and subsection 6.1 of OSC Rule 13-502)**

**UPON** the application of Gold Canyon Resources Inc. (the “Company” or “Gold Canyon”) to the Ontario Securities Commission (the “Commission”) for an order pursuant to Section 83.1(1) of the *Securities Act* (Ontario) (the “Act”) deeming the Company to be a reporting issuer for the purposes of Ontario securities law;

**AND UPON** the application of the Company to the Commission for a decision under subsection 9.1(1) of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (NI 43-101) that the Company be exempt

from the requirement that the technical report to be filed for each material property upon an issuer first becoming a reporting issuer in a Canadian jurisdiction be prepared by a qualified person that is independent of the issuer;

**AND UPON** the application of the Company to the Director of the Commission for a decision under section 6.1 of Ontario Securities Commission Rule 13-502 *Fees* (Rule 13-502) that the Company is exempt from paying an activity fee for the application for relief from NI 43-101;

**AND UPON** considering the application and the recommendation of staff of the Commission;

**AND UPON** the Company having represented to the Commission and the Director as follows:

1. The Company was incorporated under the laws of the Province of British Columbia, Canada on August 20, 1985 and is registered to carry on business activities in the Province of Ontario, Canada.
2. The Company's head office address is Suite 1260 Stock Exchange Tower, 609 Granville Street, Vancouver, British Columbia and its registered and records office is Suite 1810, 1111 West Georgia Street, Vancouver, British Columbia.
3. The Company is a junior resource exploration stage company engaged in the acquisition and exploration of mineral and precious metals properties which has, historically, been focused on properties that had exploration potential for gold mineralization. The Company, either directly or through joint ventures, had primarily focused on the exploration of the Springpole gold property, near Springpole Lake in the Red Lake Mining Division of Ontario, Canada.
4. The authorized share capital of the Company is 30,000,000 common shares without par value.
5. The Company became a reporting issuer in the Province of British Columbia upon the issuance of a receipt for a prospectus on June 30, 1987. By virtue of the amalgamation of the Vancouver Stock Exchange and the Alberta Stock Exchange, the Company became a reporting issuer in the Province of Alberta on June 30, 2000.
6. The Company's common shares were listed on the Vancouver Stock Exchange (a predecessor of the TSX Venture Exchange) on August 25, 1987 and commenced trading under the trading symbol “GCU”. The Company's common shares are currently listed for trading on the TSX Venture Exchange under the trading symbol “GCU”.
7. The Company is in good standing under the rules, regulations and policies of the TSX Venture Exchange.

8. The Company is not in default of any requirement of the *Securities Act* (British Columbia) or the *Securities Act* (Alberta).
9. The Company has applied to the Commission pursuant to subsection 83.1(1) of the Act for an order that it be deemed a reporting issuer in Ontario.
10. Subsection 4.1(1) of NI 43-101 provides that, upon first becoming a reporting issuer in a Canadian jurisdiction, an issuer shall file with the securities regulatory authority in that Canadian jurisdiction, a current technical report for each property material to the issuer. Subsection 5.2(1) further requires that this report be prepared by a qualified person that is independent of the issuer.
11. The Company has filed a current technical report for each material property on the System for Electronic Document Analysis and Retrieval prepared by qualified persons who are, at the date of such technical reports, not independent of the Company. The Company would not otherwise be required to file an independent technical report under NI 43-101 at this time, except for it applying to become a reporting issuer in Ontario.
12. The continuous disclosure requirements of the *Securities Act* (British Columbia) or the *Securities Act* (Alberta) are substantially the same as the requirements under the Act.
13. The materials filed by the Company as a reporting issuer in the provinces of British Columbia and Alberta since January 1, 1997 are available on the System for Electronic Document Analysis and Retrieval.
14. No penalties or sanctions have been imposed against the Company by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority and the Company has not entered into any settlement agreement with any Canadian securities regulatory authority.
15. Pursuant to an agreed statement of facts and undertaking dated August, 1999 between Michael Levinson, now deceased, a past director and officer of the Company and the British Columbia Securities Commission, relating to a failure to file insider reports in a timely and accurate manner, Michael Levinson undertook to ensure that all future filings required under the *Securities Act* (British Columbia) are complete, accurate and timely, and comply fully with the *Securities Act* (British Columbia) and the *Securities Rules*, B.C. Reg. 194/97 and paid the sum of \$5,000 to the British Columbia Securities Commission, \$1,500 of which represented the costs of the investigation and the remainder a penalty.
16. Pursuant to an agreed statement of facts and undertaking dated August, 1999 between Akiko Levinson, a director and officer of the Company and the British Columbia Securities Commission, relating to a failure to file insider reports in a timely and accurate manner, Akiko Levinson undertook to ensure that all future filings required under the *Securities Act* (British Columbia) are complete, accurate and timely, and comply fully with the *Securities Act* (British Columbia) and the *Securities Rules*, B.C. Reg. 194/97 and paid the sum of \$5,000 to the British Columbia Securities Commission, \$1,500 of which represented the costs of the investigation and the remainder a penalty.
17. Except for Michael Levinson and Akiko Levinson, as disclosed above, neither the Company, any of its directors or officers, nor, to the knowledge of the Company and its directors and officers, any controlling shareholder of the Company, has (i) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority, or (ii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
18. Neither the Company, any of its directors or officers, nor, to the knowledge of the Company and its directors and officers, any controlling shareholder of the Company, has been subject to:
  - (i) any known ongoing or concluded investigations by: (a) a Canadian securities regulatory authority; or (b) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or
  - (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding 10 years.
19. None of the directors or officers of the Company, nor, to the knowledge of the Company and its directors and officers, any controlling shareholder of the Company, is or has been at the time of such event, an officer or director of any other issuer which is or has been subject to:
  - (i) any cease trade or similar orders, or orders that denied access to any exemptions under Ontario securities law,

for a period of more than 30 consecutive days, within the preceding 10 years; or

- (ii) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding 10 years.

20. The Company shall remit all participation fees due and payable by it pursuant to Rule 13-502 by no later than two (2) business days from the date hereof.

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

**IT IS HEREBY ORDERED**, pursuant to section 83.1(1) of the Act, that The Company be deemed to be a reporting issuer for the purposes of Ontario securities law.

August 27, 2004.

“Charlie MacCready”

**AND IT IS DECIDED** pursuant to subsection 9.1(1) of NI 43-101 that the Company is exempt from the requirement in section 5.3(1) of NI 43-101 that a technical report filed pursuant to section 4.1(1) of NI 43-101 upon the Company first becoming a reporting issuer in Ontario be prepared by a qualified person that is independent from the Company.

**AND IT IS FURTHER DECIDED** pursuant to section 6.1 of Rule 13-502 that the Company is exempt from paying the activity fee in connection with the making of the application under subsection 9.1(1) of NI 43-101.

August 27, 2004.

“Charlie MacCready”

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## Chapter 3

# Reasons: Decisions, Orders and Rulings

### 3.1 Reasons for Decision

#### 3.1.1 Nathanael Paul Florence

**IN THE MATTER OF  
THE SECURITIES ACT (ONTARIO)  
R.S.O. 1990 C.S.5, AS AMENDED**

**AND**

**IN THE MATTER OF  
NATHANAEL PAUL FLORENCE**

**WRITTEN SUBMISSIONS TO  
THE DIRECTOR PURSUANT  
TO SUBSECTION 26(3) OF THE ACT**

**DATE:** August 23, 2004

**DIRECTOR:** Marianne Bridge  
Manager, Compliance  
Capital Markets

**SUBMISSIONS:** Les Daiter  
Registration Research Officer, Registrant  
Regulation, For Ontario Securities  
Commission Staff (**Staff**)

Nathanael Paul Florence (the **Applicant**)  
For himself

### DECISION

My decision is to deny Nathanael Paul Florence's application for registration as a mutual fund dealer (**MFD**) and limited market dealer (**LMD**) sponsored by Family Investment Planning Inc. (**Family**).

These are the reasons for my decision.

### OVERVIEW

I was advised that Mr. Florence's registration history is as follows. From April 1996 to October 2001, he was registered as a MFD and LMD sponsored by Regal Capital Partners Ltd. From October 2001 to September 2003, he was registered as a MFD and LMD sponsored by Cartier Financial Services Inc. (**Cartier**). He was terminated for cause from Cartier in September 2003. From November 2003 to June 2004, he was employed by Family.

Staff argues that Mr. Florence is unsuitable for registration and that his proposed registration would be objectionable for three reasons. First, Mr. Florence acted in a registerable capacity with Family from November 2003 until June 2004 while not registered in contravention of subsection 25(1) of

the *Securities Act* (Ontario) (the **Act**)<sup>1</sup>. Second, Mr. Florence failed to disclose three pertinent facts in his November 2003 registration application – namely a Canada Customs and Revenue Agency (**CCRA**) requirement to pay, two outstanding civil actions in which he is named as a defendant, and his termination for cause from Cartier. Third, Mr. Florence admitted during the discovery process for the two outstanding civil actions that he had forged client signatures on various leveraging documents, had clients sign blank forms, and had not obtained know your client (**KYC**) information from clients at initial meetings and subsequently completed the documents with false or misleading information concerning the clients' risk tolerance, investment knowledge, net worth, and income.

I will deal with each of Staff's allegations and Mr. Florence's response to each allegation separately.

### ANALYSIS OF THE STAFF ALLEGATIONS

#### *Acting in a registerable capacity while not registered*

The first Staff allegation relates to Mr. Florence acting in a registerable capacity from November 2003 to June 2004 without being registered.

The Staff materials set out that Staff became concerned about the length of time Mr. Florence's November 2003 registration application had been outstanding and that no contact had been made from either Mr. Florence or his sponsoring firm, Family, since the submission of the application. Staff advised that they contacted the provincial

- 
- 1 25(1) No person or company shall,
- (a) trade in a security or act as an underwriter unless the person or company is registered as a dealer, or is registered as a salesperson or as a partner or as an officer of a registered dealer and is acting on behalf of the dealer; or
  - (b) Repealed: 1999, c. 9, s. 199 (2).
  - (c) act as an adviser unless the person or company is registered as an adviser, or is registered as a representative or as a partner or as an officer of a registered adviser and is acting on behalf of the adviser,

and the registration has been made in accordance with Ontario securities law and the person or company has received written notice of the registration from the Director and, where the registration is subject to terms and conditions, the person or company complies with such terms and conditions.

compliance officer for Family, Katherine Dooley, to determine whether Family still wanted to sponsor Mr. Florence, given the considerable period of time that had elapsed since the date of application. Ms Dooley advised Staff that Mr. Florence was already registered and had been acting in a registerable capacity since the November 2003 registration application. Ms Dooley told Staff she thought Mr. Florence was registered based on telephone conversations with Kevin Brown (at the time, the Acting Registration Research Officer at the Commission). According to Mr. Florence's submissions "Mr. Brown indicated that I was able to trade as long as [Family] undertook proper supervision of my activities". Furthermore, no written correspondence was ever received from the [Commission] to discredit this belief."

I do not find the Applicant's submissions to be credible. As a registrant for over seven years and as a registrant that had previously submitted registration applications relating to employment with two other sponsoring firms, I do not find it plausible that Mr. Florence did not know that written confirmation of registration is required. It is not reasonable to assume that the filing of registration application documents entitles the filer to act in a registerable capacity without written confirmation to that effect. As well, since it is part of Family's responsibility as a registrant to supervise the activities of Mr. Florence, I do not find it credible that either Mr. Florence or Ms Dooley would assume that "proper supervision" of Mr. Florence's activities somehow replaced the need for Mr. Florence to be appropriately registered prior to carrying out registerable activities.

***Failure to disclose pertinent information in the November 2003 registration application***

The second Staff allegation relates to Mr. Florence's failure to disclose three pertinent facts in his November 2003 registration application – namely a CCRA requirement to pay, two outstanding civil actions in which he is named as a defendant, and his termination for cause from Cartier.

With respect to the CCRA requirement to pay, Mr. Florence argues that the requirement to pay has been lifted. This is confirmed by letter dated June 9, 2004 from the CCRA to Cartier. According to Staff, Mr. Florence subsequently provided Staff with another copy of a registration application form dated two days after the filed registration application that he asserts was completed at the time of the original application, but apparently not filed. The second form does make reference to the CCRA requirement to pay, but not to the two outstanding civil actions or his termination for cause from Cartier. In any event, since the requirement to pay is not disclosed in a filed registration application, Mr. Florence's argument does not succeed and I find that he failed to disclose the CCRA requirement to Staff as alleged by Staff.

With respect to the outstanding civil actions, Mr. Florence argues that he discussed the actions verbally with Mark Winter, President of Family and that Family was subsequently given copies of the two statements of claim and his defence documents. Mr. Florence answered "no" to question 16 in his November 2003 registration application

which asks whether there are any successful or pending civil proceedings against the applicant which are based in whole or in part of fraud, theft, deceit, misrepresentation, or similar conduct. Staff was advised of these civil proceedings by Cartier, his former sponsoring dealer. Based on my review of the statements of claim, both civil actions contain plaintiff claims for damages for negligence, breach of fiduciary duty, and breach of contract. As a result, in my view, the appropriate answer to question 16 should have been "yes" and I find that he failed to disclose the outstanding civil actions in his registration application as alleged by Staff.

With respect to his termination for cause from Cartier, Mr. Florence advises that he advised Mr. Winter of it verbally. However, his termination for cause was not disclosed, as required, in his November 2003 registration application. As a result, I find that he failed to disclose his termination for cause in his registration application as alleged by Staff.

***Inappropriate dealings with clients***

The third allegation relates to Mr. Florence's conduct which is the subject of the two outstanding civil actions. Staff alleges that Mr. Florence admitted during the discovery process that he had (a) forged client signatures on various leveraging documents, (b) had clients sign blank forms, and (c) had not obtained KYC information from clients at initial meetings and subsequently completed the documents with false or misleading information concerning the clients' risk tolerance, investment knowledge, net worth, and income.

The two sets of plaintiffs in both cases are retired, uneducated, unsophisticated, elderly couples that cannot read English. When they began dealing with Mr. Florence, one set of plaintiffs had \$12,000 in RRSPs, substantial equity in their home, and a mortgage of approximately \$30,000 which was expected to be paid off in two to three years. After the conduct alleged in the civil action, they had no RRSPs and a mortgage in excess of \$149,000. The other set of plaintiffs originally had \$12,000 in short term investments, substantial equity in their home, and a mortgage of approximately \$9,000, which was expected to be paid off in approximately one year. After the conduct alleged in the civil action, they had outstanding loans in excess of \$93,000.

The statements of claim set out substantially similar allegations as follows:

1. Mr. Florence was aware that the plaintiffs had minimal (if any) investment experience and could not read English and that they relied upon Mr. Florence to fully explain documentation with respect to their investments with them
2. Mr. Florence and Cartier (the **Defendants**) caused the plaintiffs to execute investment forms and purchase forms in blank on the basis that this was standard procedure and that the Defendants would complete the forms. The forms were completed to indicate that the plaintiffs' risk



tolerance and investment knowledge was moderate when they knew or ought to have known that the plaintiffs were retired, living on a small fixed income and had little (if any) investment experience

3. Mr. Florence had the plaintiffs execute disclosure statements and other documents without properly explaining the contents of the documents when he knew that they were unable to read and understand the documents
4. Mr. Florence had the plaintiffs sign blank dealer investment loan application forms on his assurance that he would complete it properly. When the forms were completed by Mr. Florence, they created substantial loans secured by their investments and invested the proceeds of the loans in equities. Subsequently, other "routine" blank forms were signed by the plaintiffs to move investments or liquidate investments to cover loan payments, margin calls, buy different investments and increase leveraged investments loans. At one point, one of the sets of plaintiffs had investment loans of \$233,000. As well, neither set of plaintiffs received any loan statements.

Neither case has been resolved to date to my knowledge. I reviewed the statements of defence and the replies to the statements of defence. There are a number of facts at issue between the parties. Mr. Florence claims that he transacted business with both plaintiffs through a family member, as translator. He claims that all transactions that took place were discussed in a full, true and plain manner and that all transactions were initiated with the plaintiffs' will and consent. He also claims that no changes were made to forms without the authority of the plaintiffs through their family members and that "at no point [did he act] without the knowledge and approval of [the plaintiffs]".

Mr. Florence also advised in his written submissions that he has "learned and applied much from this experience. I blame most of my mistakes on simply 'not knowing better'. I was in my early 20's at the time, and was relatively new to the business world and the securities industry. I acted very much in good faith with these clients and their children. It has cost me dearly, but I have learned a great deal from these experiences. I can assure you that I am an honest, intelligent, competent, individual with a high moral value and a belief that my integrity is the greatest asset I possess". He also asks that the Director consider imposing terms and conditions on his registration rather than refusing his registration application.

In a letter to the Ontario Securities Commission (the **OSC**) from Cartier, Cartier states that Mr. Florence made several admissions during the examination for discovery in these proceedings as follows:

1. Client signatures for one set of plaintiffs were forged on various documents relating to leveraging undertaking in January 2000;

2. Blank forms were signed by the plaintiffs and subsequently completed with instructions by Mr. Florence; and
3. Mr. Florence did not obtain KYC information from one set of plaintiffs at the original meeting with them and subsequent KYC documents were knowingly completed with inaccurate information relating to risk, knowledge, net worth, and income.

Mr. Florence was made aware of this disclosure of his purported admissions and has not denied their substance or having made them.

While the ultimate resolution to the two civil proceedings will be determined in another forum at a later date, it is clear to me from his own admissions that Mr. Florence did not act in the best interests of either set of clients. From the facts that appear to be agreed upon between the parties, both clients were retired, uneducated, unsophisticated, elderly couples that cannot read English and that have minimal assets. It is incomprehensible to me how Mr. Florence determined that it was appropriate for either set of clients to engage in substantial leveraging to invest in the equities market to the point where both sets of clients now have substantial loan obligations.

#### SUITABILITY FOR REGISTRATION

Subsection 25(1) of the Act requires any person or company that trades in securities or advises others in respect of investment in securities to become registered in the relevant category under the Act. Determining whether an applicant should be registered is an important component of the OSC's work.

Subsection 26(1) of the Act provides that unless "it appears to the Director that the Applicant is not suitable for registration [or] renewal of registration.... or that the proposed registration, renewal of registration or amendment of registration is objectionable, the Director shall grant registration, renewal of registration.... to an applicant". The question for the Director in reviewing an application for registration is whether an applicant is suitable for registration or whether registering the applicant would be objectionable.

#### *Fundamental criteria for determining suitability for registration*

The meanings of "suitable" and "objectionable" for these purposes are not set out in Ontario securities laws. However, the OSC has articulated three fundamental criteria for determining suitability for registration:

1. **integrity**, which includes honesty and good faith, particularly in dealing with clients, and compliance with Ontario securities laws;
2. **competence**, which includes prescribed proficiency and knowledge of the requirements of Ontario securities laws; and

3. **financial solvency**, which is considered relevant because it is an indicator of a firm's capacity to fulfil its obligations and can be an indicator of the risk than an individual will engage in self-interested activities at the expense of clients.

I also note that section 102 of the Regulation under the Act expressly provides that no registration or renewal of registration will be granted unless the applicant has complied with the applicable requirements of the Regulation at the time of the granting of registration or renewal of registration.

#### **Relevance of past conduct**

In the past, the Commission has taken the position that in assessing fitness for registration, strong reliance must necessarily be placed on an applicant's past behaviour. This was articulated in the Commission's decision in *Re Charko*<sup>2</sup> as "Suitability includes the totality of.... [a Registrant's]....past and present". The Commission's decision in *Re Mithras Management Ltd.*<sup>3</sup> is also relevant here. It stated that:

... the role of this Commission is to protect the public interest by removing from the capital markets – wholly or partially, permanently or temporarily, as the circumstances may warrant – those whose conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the integrity of those capital markets. We are not here to punish past conduct; that is the role of the courts..... We are here to restrain, as best we can, future conduct that is unlikely to be prejudicial to the public interest in having capital markets that are both fair and efficient. In so doing we must, of necessity, look to past conduct as a guide to what we believe a person's future conduct might reasonably be expected to be...

#### **Denial or terms and conditions**

Depending on the degree to which Staff determines a registrant has not meet the three suitability criteria set out above, Staff will recommend either denial of registration or the imposition of terms and conditions. Terms and conditions, if recommended, will be tailored to the suitability concerns specific to the applicant. Less often, Staff will recommend denial of registration because of the extent and/or persistence of the applicant's failure to satisfy the suitability criteria. In this case, Staff has recommended denial of recommendation. I think the decision in *Re Jaynes*<sup>4</sup> which sets out the following is relevant:

While terms and conditions restricting registration may be appropriate in a wide variety of circumstances, they should not be used to "shore

up" a fundamentally objectionable registration. To do so would be to create the very real risk that a client's interests cannot be effectively served due to the severity and extent of the restrictions imposed.

#### **SUITABILITY OF THIS APPLICANT**

Staff argues that the numerous failures of this applicant to satisfy the suitability criteria might, taken in isolation, warrant conditional registration (i.e. terms and conditions), but that considering the totality of Mr. Florence's conduct, he is unsuitable for registration and it would be objectionable to permit him to be registered. I concur with Staff's conclusion.

#### **Integrity and competence**

I find that Mr. Florence lacks the integrity and competence expected of registrants. He has acted contrary to requirements of Ontario securities laws that he should have known of and understood, including treating clients without honesty and good faith. This is demonstrated by (i) his failure to disclose pertinent facts in his November 2003 registration application, (ii) his acting in a registerable capacity from November 2003 to June 2004 without being registered, and (iii) his admitted actions contrary to the requirements of Ontario securities laws and the best interests of his former clients who are now involved in the civil disputes described above.

#### **Financial solvency**

Staff argues that it continues to have some concerns regarding Mr. Florence notwithstanding the lifting of the CCRA requirement to pay because he is the defendant in two civil law suits which involve claims in excess of \$500,000. As the outcome of these two suits is still to be determined, I have placed no weight on Staff's financial solvency arguments in making this decision.

August 23, 2004.

"Marrienne Bridge"

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<sup>2</sup> (1992) 15 OSCB 3989

<sup>3</sup> (1990) 13 OSCB 1600

<sup>4</sup> (2000) 23 OSCB 1543

## Chapter 4

# Cease Trading Orders

### 4.1.1 Temporary, Extending & Rescinding Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/Revoke
Cabletel Communications Corp.	18 Aug 04	30 Aug 04	30 Aug 04	
Cogient Corp.	20 Aug 04	01 Sep 04	01 Sep 04	

### 4.2.1 Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/Expire	Date of Issuer Temporary Order
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
Hollinger Canadian Newspapers, Limited Partnership	18 May 04	01 Jun 04	01 Jun 04		
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04		
Hollinger International Inc.	18 May 04	01 Jun 04	01 Jun 04		
Nortel Networks Corporation	17 May 04	31 May 04	31 May 04		
Nortel Networks Limited	17 May 04	31 May 04	31 May 04		
Wastecorp. International Investments Inc.	20 Jul 04	30 Jul 04	30 Jul 04		

### 4.3.1 Issuer CTO's Revoked

Company Name	Date of Revocation
Rhonda Corporation	27 Aug 04
Adrianna Ventures Inc. (formerly Agro Pacific Industries Inc.)	31 Aug 04

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## Chapter 7

# Insider Reporting

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This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see [www.carswell.com](http://www.carswell.com)).

This chapter contains a weekly summary of insider transactions of Ontario reporting issuers in the System for Electronic Disclosure by Insiders (SEDI). The weekly summary contains insider transactions reported during the seven days ending Sunday at 11:59 pm.

To obtain Insider Reporting information, please visit the SEDI website ([www.sedi.ca](http://www.sedi.ca)).

## Chapter 8

# Notice of Exempt Financings

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### REPORTS OF TRADES SUBMITTED ON FORM 45-501F1

<u>Transaction Date</u>	<u>Purchaser</u>	<u>Security</u>	<u>Total Purchase Price (\$)</u>	<u>Number of Securities</u>
16-Aug-2004	J. Payne Holdings Inc.	Acuity Pooled Canadian Small Cap Fund - Trust Units	150,000.00	8,521.00
09-Aug-2004	Gary Young Sandra Young`	Acuity Pooled Fixed Income Fund - Trust Units	50,000.00	3,579.00
10-Aug-2004	Barry Olsen	Acuity Pooled Global Equity Fund - Trust Units	191,000.00	12,870.00
11-Aug-2004 to 18-Aug-2004	Ian Goodman Desjardins Enterprises	Acuity Pooled Growth and Income Fund - Trust Units	200,000.00	20,150.00
09-Aug-2004 to 20-Aug-2004	17 Purchasers	Acuity Pooled High Income Fund - Trust Units	2,849,810.37	161,921.00
19-Aug-2004 to 25-Aug-2004	15 Purchasers	Acuity Pooled High Income Fund - Trust Units	2,755,033.48	154,777.00
09-Aug-2004 to 13-Aug-2004	17 Purchasers	Acuity Pooled Income Fund - Trust Units	2,849,810.37	162,846.00
12-Aug-2004 to 20-Aug-2004	12 Purchasers	Acuity Pooled Income Trust Fund - Trust Units	2,350,728.58	154,340.00
17-Aug-2004	49 Purchasers	Augen Limited Partnership 2004-1 - Units	2,400,000.00	24,000.00
19-Aug-2004	11 Purchasers	Bankers Petroleum Ltd. - Units	1,736,800.00	6,680,000.00
17-Aug-2004	Investeco Private Equity Fund LP	Biorem Technologies Inc. - Common Shares	1,000,000.00	500,000.00
11-Aug-2004	8 Purchasers	BorderWare Technologies Inc. - Preferred Shares	3,286,150.03	858,003.00
12-Aug-2004	Frank Yakabuski	CanAustra Resources Inc. - Units	19,960.00	199,600.00
18-Aug-2004	43 Purchasers	Cannasat Pharmaceuticals Inc. - Shares	2,080,000.00	2,080,000.00
18-Aug-2004	43 Purchasers	Cannasat Pharmaceuticals Inc. - Warrants	1,040,000.00	1,040,000.00
05-Aug-2004	33 Purchasers	CGX Energy Inc. - Common Shares	3,969,000.00	7,938,000.00

**Notice of Exempt Financings**

15-Jun-2004 to 01-Aug-2004	24 Purchasers	Covalan Technologies Inc. - Debentures	360,500.00	24.00
09-Aug-2004	TriOS College Business Technology Health Care Inc.	CrossOff Incorporated - Common Shares	0.00	1,500,000.00
09-Aug-2004	Frank Gerencser	CrossOff Incorporated - Warrants	0.00	550,000.00
20-Aug-2004	4 Purchasers	Datawire Communication Networks Inc. - Shares	1,948,203.90	1,298,803.00
16-Jul-2004 to 18-Aug-2004	Return on Innovation Fund Inc.	Delphi Solutions Corp. - Option	1.00	1.00
24-Aug-2004	Jonevan Investments Inc.	Dynamic Fuel Systems Inc. - Notes	4,500,000.00	4,500,000.00
13-Aug-2004	5 Purchasers	Dynex Power Inc. - Units	116,284.50	258,410.00
09-Aug-2004	Sherfam Inc.	Excalibur Limited Partnership - Limited Partnership Units	1,332,600.00	5.00
26-Aug-2004	11 Purchasers	Fair Sky Resources Inc. - Flow-Through Shares	1,519,980.00	1,381,800.00
16-Aug-2004	Teranet Enterprises Inc.	Filogix Inc. - Common Shares	1.00	180,815.00
28-Jul-2004 to 11-Aug-2004	6 Purchasers	FrontAlt Investment Management Limited Partnership - Limited Partnership Units	120,000.00	24.00
16-Aug-2004	Royal Bank of Canada	Genesis Worldwide Inc. - Convertible Debentures	1,500,000.00	1,500,000.00
19-Jul-2004	Donald & Marvis Lenaghan	Gerber, Inc. - Notes	43,000.00	43,000.00
19-Aug-2004	CMP 2004 Resource LP Canada Dominion Resource 2004 LP	Goldbrook Ventures Inc. - Flow-Through Shares	1,899,999.75	3,454,545.00
11-Aug-2004	Amamath Resources Limited	Greenbank Energy Ltd. - Units	500,000.00	500,000.00
23-Aug-2004	6 Purchasers	Hawk Precious Minerals Inc. - Warrants	71,500.00	6.00
11-Aug-2004	Aginco-Eagle Mines Limited	Hawkeye Gold & Diamond Inc. - Units	200,000.00	800,000.00
18-Aug-2004	MDS Inc.	Hemosol Inc. - Warrants	0.00	1.00
17-Aug-2004	2 Purchasers	Hudson Resources Inc. - Units	35,000.00	116,667.00
08-Jun-2004 to 16-Aug-2004	11 Purchasers	IMAGIN Diagnostic Centres, Inc. - Shares	179,500.00	179,500.00
16-Aug-2004	Canadian Dominion Resources CMP 2004 Resources LP	International KRL Resources Corp. - Units	400,000.00	1,000,000.00

**Notice of Exempt Financings**

27-Jul-2004	4 Purchasers	International Sovereign Energy Corp. - Common Shares	877,500.00	585,000.00
28-Jul-2004	3 Purchasers	KidsFutures Inc. - Special Warrants	510,000.00	510,000.00
13-Aug-2004	Michelle Pincus	Kingwest Avenue Portfolio - Units	7,500.00	368.00
01-Jul-2003 to 30-Jun-2004	335 Purchasers	Mackenzie Alternative Strategies Fund - Units	24,277,138.17	2,311,132.00
30-Jun-2004	Golden Apple Infrastructure Ontario Teachers Pension Plan Board	Macquarie Infrastructure Investment Management Limited - Notes	14,864,863.92	2.00
19-Aug-2004	James Bell and Nadine Bell	Magenta Mortgage Investment Corporation - Shares	38,273.36	3,827.00
10-Aug-2004	16 Purchasers	Marksmen Resources Ltd. - Flow-Through Shares	603,000.90	1,827,274.00
10-Aug-2004	8 Purchasers	Marksmen Resources Ltd. - Units	390,300.00	1,345,556.00
06-Aug-2004	6 Purchasers	MedcomSoft Inc. - Units	499,999.95	1,111,110.00
17-Aug-2004	Pelmorex Communications Inc.	MediaNet Communications Corp. - Preferred Shares	607,159.00	3,035,795.00
31-Aug-2004	6 Purchasers	MediSystem Technologies Inc. - Common Shares	2,050,000.00	1,000,000.00
13-Aug-2004	Steve Brunelle	Messina Minerals Inc. - Units	50,000.00	312,500.00
09-Aug-2004	Mr. William A. Stewart Stone Asset Management Ltd.	Metco Resources Inc. - Units	235,500.00	1,570,000.00
16-Aug-2004	Arthur Dalfen Interward Capital Corporation	Mirasol Resources Ltd. - Units	60,000.00	300,000.00
12-Aug-2004 to 16-Aug-2004	7 Purchasers	Neuro Discovery Inc. - Special Warrants	557,000.00	557,000.00
19-Aug-2004	3 Purchasers	Neurogenesis Biotech Corp. - Common Shares	215,000.10	1,433,334.00
17-Aug-2004	Sprott Asset Management Inc.	Nevada Pacific Gold Ltd. - Units	500,035.00	515,000.00
11-Aug-2004	51 Purchasers	New Millennium Capital Corp. - Units	3,295,999.20	10,986,664.00
18-Aug-2004	Salida Capital Corp.	Newfield Exploration Company - Stock Option	220,278.80	4,168.00
03-Aug-2004	6 Purchasers	Pacific Stratus Ventures Ltd. - Subscription Receipts	1,453,500.00	3,633,750.00
17-Aug-2004	3 Purchasers	Peregrine Diamonds Ltd. - Flow-Through Shares	3,025,000.00	1,512,500.00



**Notice of Exempt Financings**

19-Aug-2004	5 Purchasers	Qwest Communications Corporation - Notes	19,735,000.00	20,000,000.00
20-Aug-2004	Nursing Homes and Related Industries Pension Plan	Real Assets US Social Equity Index Fund - Units	4,086.80	589.00
20-Aug-2004	Donald Arthur Wright	Saxon Energy Services Inc. - Common Shares	389,490.00	150,000.00
13-Aug-2004	143 Purchasers	SCM Income Fund - Units	1,860,802.52	286,386.00
09-Aug-2004	CMP 2004 Resource LP Canada Dominion Resources LP	Spider Resources Inc. - Flow-Through Shares	500,000.00	5,000,000.00
04-Aug-2004	5 Purchasers	Spotwave Wireless Canada Inc. - Convertible Preferred Stock	1,770,844.06	6,196,363.00
04-Aug-2004	4 Purchasers	Spotwave Wireless Canada Inc. - Shares	2,432,573.31	6,746,977.00
30-Aug-2004	132 Purchasers	Spring 2004-1 Income Fund - Units	85,800.00	13,200.00
20-Aug-2004	4 Purchasers	Stonestreet Limited Partnership - Limited Partnership Units	485,556.06	38,618.00
16-Aug-2004	3 Purchasers	Strongbow Exploration Inc. - Common Shares	1,099,999.50	14,666,666.00
18-Aug-2004	The Canada Trust Company	STarts (Canada) Trust 2004-1 - Notes	100,000,000.00	100,000,000.00
11-Aug-2004	6 Purchasers	Syneron Medical Ltd. - Shares	221,239.58	15,300.00
17-Aug-2004	Louis Reznick Scott Cuthbertson	The Halifax Film Company Limited - Common Shares	100,000.00	100,000.00
30-Jul-2004	9 Purchasers	The Jean Coutu Group (PJC) Inc. - Notes	69,118,400.00	69,118.00
13-Aug-2004	21 Purchasers	The Learning Library Inc. - Units	481,000.00	4,810,000.00
24-Aug-2004	W. Geoffrey Beattie	The Thomson Corporation - Common Shares	4,313,000.00	100,000.00
18-Aug-2004 to 20-Aug-2004	6 Purchasers	Triacta Power Technologies Inc. - Common Shares	165,000.00	660,000.00
26-Aug-2004	Cedric E. Ritchie Vyco Limited	Twin Mining Corporation - Units	300,000.00	1,500,000.00

## Chapter 11

# IPOs, New Issues and Secondary Financings

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**Issuer Name:**

Advantage Energy Income Fund  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated August 26, 2004  
Mutual Reliance Review System Receipt dated August 26, 2004

**Offering Price and Description:**

\$65,800,000.00 - 3,500,000 Subscription Receipts, each representing the right to receive one trust unit and  
\$75,000,000.00 - 7.50% Extendible Convertible Unsecured Subordinated Debentures and  
\$50,000,000.00 - 7.75% Extendible Convertible Unsecured Subordinated Debentures

**Underwriter(s) or Distributor(s):**

Scotia Capital Inc.  
BMO Nesbitt Burns Inc.  
National Bank Financial Inc.  
RBC Dominion Securities Inc.  
CIBC World Markets Inc.  
FirstEnergy Capital Corp.  
Raymond James Ltd.

**Promoter(s):**

-

**Project #682892**

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**Issuer Name:**

CES Software plc  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated August 27, 2004  
Mutual Reliance Review System Receipt dated August 27, 2004

**Offering Price and Description:**

Cdn\$\* - \* Ordinary Shares Price: Cdn\$\* per Offered Share

**Underwriter(s) or Distributor(s):**

CIBC World Markets Inc.  
Canaccord Capital Corporation

**Promoter(s):**

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**Project #684431**

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**Issuer Name:**

Crescent Point Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 25, 2004

**Offering Price and Description:**

\$45,000,000.00 - 3,000,000 Trust Units Price: \$15.00 per Trust Unit

**Underwriter(s) or Distributor(s):**

Scotia Capital Inc.  
CIBC World Markets Inc.  
BMO Nesbitt Burns Inc.  
FirstEnergy Capital Corp.  
RBC Dominion Securities Inc.  
Canaccord Capital Corporation  
GMP Securities Ltd.  
Orion Securities Inc.  
Raymond James Ltd.

**Promoter(s):**

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**Project #682085**

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**Issuer Name:**

Fidelity Canadian Opportunities Class  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Simplified Prospectus dated August 30, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

Mutual Fund Shares at Net Asset Value

**Underwriter(s) or Distributor(s):**

Fidelity Investments Canada Limited  
Fidelity Investments Canada Limited

**Promoter(s):**

Fidelity Investments Canada Limited

**Project #686405**

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**Issuer Name:**

Great-West Lifeco Inc.  
Principal Regulator - Manitoba

**Type and Date:**

Preliminary Short Form Prospectus dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 26, 2004

**Offering Price and Description:**

\$250,000,000.00 - (10,000,000 shares) 5.20% Non-Cumulative First Preferred Shares, Series G  
Price: \$25.00 per Share to yield 5.20%

**Underwriter(s) or Distributor(s):**

BMO Nesbitt Burns Inc.  
RBC Dominion Securities Inc.  
CIBC World Markets Inc.  
National Bank Financial Inc.  
Scotia Capital Inc.  
TD Securities Inc.  
Merrill Lynch Canada Inc.

**Promoter(s):**

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**Project #682451**

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**Issuer Name:**

HMZ Metals Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated August 26, 2004  
Mutual Reliance Review System Receipt dated August 30, 2004

**Offering Price and Description:**

Price: \$ \*\* per Offered Share  
Minimum Offering: \*\* Common Shares (\$\*\*)  
Maximum Offering: \*\* Common Shares (\$\*\*)

**Underwriter(s) or Distributor(s):**

McFarlane Gordon Inc.  
Dundee Securities Corporation  
Loewen Ondaatje McCutcheon Ltd.  
Northern Securities Inc.  
Orion Securities Inc.  
First Associates Investments Inc.  
Paradigm Capital Inc.

**Promoter(s):**

Biogan International Inc.

**Project #684278**

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**Issuer Name:**

Knowlton Capital Inc.  
Principal Regulator - Quebec

**Type and Date:**

Preliminary CPC Prospectus dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 26, 2004

**Offering Price and Description:**

Minimum Offering: \$1,000,000 or 5,000,000 common shares  
Maximum Offering: \$1,500,000 or 7,500,000 common shares  
Price: \$0.20 per common share

**Underwriter(s) or Distributor(s):**

Desjardins Securities Inc.

**Promoter(s):**

Louis-Robert Lemire

**Project #682208**

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**Issuer Name:**

OccuLogix, Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated August 27, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

U.S.\$ \* - \* Shares Price: US\$ \* per Share

**Underwriter(s) or Distributor(s):**

Citigroup Global Markets Canada Inc.  
Clarus Securities Inc.  
Orion Securities Inc.  
Octagon Capital Corporation

**Promoter(s):**

-

**Project #685325**

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**Issuer Name:**

Peru Copper Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Amended and Restated Preliminary Prospectus dated August 27, 2004

Mutual Reliance Review System Receipt dated August 30, 2004

**Offering Price and Description:**

\$ \* - \* common shares

**Underwriter(s) or Distributor(s):**

BMO Nesbitt Burns Inc.

**Promoter(s):**

J. David Lowell  
Catherine E. McLoed-Seltzer

David E. De Witt

**Project #671100**

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**Issuer Name:**

PiCorp.Capital Ltd.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Prospectus dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 26, 2004

**Offering Price and Description:**

Price: \$2.00 Per Common Share  
\$4,000,000 (2,000,000 Common Shares)

**Underwriter(s) or Distributor(s):**

Research Capital Corporation  
Haywood Securities Inc.

**Promoter(s):**

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**Project #682939**

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**Issuer Name:**

Ripple Lake Diamonds Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Prospectus dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 26, 2004

**Offering Price and Description:**

\$0.50 Per Share  
Maximum Offering: 4,000,000 Common Shares  
Minimum Offering: 3,000,000 Common Shares

**Underwriter(s) or Distributor(s):**

Canaccord Capital Corporation

**Promoter(s):**

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**Project #682946**

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**Issuer Name:**

SIR ROYALTY INCOME FUND  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Prospectus dated August 27, 2004  
Mutual Reliance Review System Receipt dated August 30, 2004

**Offering Price and Description:**

\$ \* - \* Units of the Fund

**Underwriter(s) or Distributor(s):**

BMO Nesbitt Burns  
CIBC World Markets Inc.  
Canaccord Capital Corporation  
Dundee Securities Corporation

**Promoter(s):**

SIR CORP.

**Project #684811**

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**Issuer Name:**

SRAI Capital Corp.  
Sunstone Opportunity Fund (2004) Limited Partnership  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Prospectuses dated August 24, 2004  
Mutual Reliance Review System Receipt dated August 26, 2004

**Offering Price and Description:**

Minimum: \$1,000,000 - 400 Debentures  
Maximum: \$20,000,000 -2,000 Debentures  
Price: \$2,500 per Debenture

**Underwriter(s) or Distributor(s):**

Dundee Securities Corporation

**Promoter(s):**

Suntone Realty Advisors Inc.

**Project #682215/682235**

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**Issuer Name:**

Sutcliffe Resources Ltd.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Prospectus dated August 26, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

Price: \$0.25 Per Unit  
Maximum Offering: 8,000,000 Units (\$2,000,000)  
Minimum Offering: 6,000,000 Units (\$1,500,000)

**Underwriter(s) or Distributor(s):**

Canaccord Capital Corporation

**Promoter(s):**

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**Project #683329**

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**Issuer Name:**

Trigon Exploration Canada Ltd.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Prospectus dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 26, 2004

**Offering Price and Description:**

Offering : \* Flow-Through Common Shares at a Price of \$\* per share (\$1,500,000); and  
\* Units at a price of \$\* per Unit, each unit consisting of one Common Share and One-Half Common Share Purchase Warrant (\$3,000,000)

**Underwriter(s) or Distributor(s):**

Haywood Securities Inc.  
Westwind Partners Inc.

**Promoter(s):**

Trigon Exploration Ltd.  
Sidney Himmel  
George Poling

**Project #682244**

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**Issuer Name:**

Twenty-Seven Capital Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary CPC Prospectus dated August 27, 2004  
Mutual Reliance Review System Receipt dated August 27, 2004

**Offering Price and Description:**

\$250,000.00 - 1,000,000 Common Shares Price: \$0.25 per common share

**Underwriter(s) or Distributor(s):**

Leede Financial Markets Inc.

**Promoter(s):**

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**Project #683914**

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**Issuer Name:**

Willowstar Capital Inc.

**Type and Date:**

Preliminary CPC Prospectus dated August 30, 2004  
Received on August 31, 2004

**Offering Price and Description:**

Minimum Offering: \$1,000,000 or 6,666,666 Common Shares  
Maximum Offering: \$1,900,000 or 12,666,666 Common Shares

Price: \$0.15 per Common Share

**Underwriter(s) or Distributor(s):**

Credifinance Securities Limited

**Promoter(s):**

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**Project #686287**

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**Issuer Name:**

Altamira Monthly Income Fund  
Altamira RSP Health Sciences Fund  
Altamira Biotechnology Fund  
Altamira Global Value Fund  
Altamira Global 20 Fund  
Altamira RSP Science and Technology Fund  
Altamira RSP e-business Fund  
Altamira Precision U.S. Midcap Index Fund  
Altamira Precision European RSP Index Fund  
Altamira Precision European Index Fund  
Altamira Precision Dow 30 Index Fund  
Altamira Health Sciences Fund  
Altamira Global Financial Services Fund  
Altamira e-business Fund  
Altamira Precision U.S. RSP Index Fund  
Altamira Precision International RSP Index Fund  
Altamira Precision Canadian Index Fund  
Altamira T-Bill Fund  
Altamira Short Term Canadian Income Fund  
Altamira US Larger Company Fund  
Altamira Select American Fund  
Altamira Science and Technology Fund  
Altamira Japanese Opportunity Fund  
Altamira Global Small Company Fund  
Altamira Global Diversified Fund  
Altamira Global Discovery Fund  
Altamira European Equity Fund  
Altamira Asia Pacific Fund  
Altamira Precious and Strategic Metal Fund  
Altamira Canadian Value Fund  
Altamira Resource Fund  
Altamira High Yield Bond Fund  
Altamira Special Growth Fund  
Altamira Short Term Government Bond Fund  
Altamira Short Term Global Income Fund  
Altamira Income Fund  
Altamira Growth & Income Fund  
Altamira Global Bond Fund  
Altamira Equity Fund  
Altamira Dividend Fund Inc.  
Altamira Capital Growth Fund Limited  
Altamira Bond Fund  
Altamira Balanced Fund  
AltaFund Investment Corp.  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectuses dated August 26, 2004  
Mutual Reliance Review System Receipt dated August 27, 2004

**Offering Price and Description:**

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**Underwriter(s) or Distributor(s):**

Altamira Financial Services Ltd.

**Promoter(s):**

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**Project #670140**

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**Issuer Name:**

APF Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Final Short Form Prospectus dated August 31, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

\$35,030,000.00 - 3,100,000 Trust Units @ \$11.30 Per Trust Unit

**Underwriter(s) or Distributor(s):**

Scotia Capital Inc.  
CIBC World Markets Inc.  
National Bank Financial Inc.  
BMO Nesbitt Burns Inc.  
RBC Dominion Securities Inc.  
Canaccord Capital Corporation  
Dundee Securities Corporation  
GMP Securities Ltd.

**Promoter(s):**

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**Project #681055**

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**Issuer Name:**

First Asset Renewable Power Flow-Through Limited  
Partnership  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated August 23, 2004  
Mutual Reliance Review System Receipt dated August 25, 2004

**Offering Price and Description:**

(Series I Units)

**Underwriter(s) or Distributor(s):**

CIBC World Markets Inc.  
BMO Nesbitt Burns Inc.  
TD Securities Inc.  
National Bank Financial Inc.  
HSBC Securities (Canada) Inc.  
Canaccord Capital Corporation  
Desjardins Securities Inc.  
Dundee Securities Corporation  
First Associates Investments Inc.  
Raymond James Ltd.  
Wellington West Capital Inc.  
Orion Securities Inc.

**Promoter(s):**

First Asset Funds Inc.

**Project #666648**

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**Issuer Name:**

IBI Income Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated August 24, 2004  
Mutual Reliance Review System Receipt dated August 25, 2004

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

CIBC World Markets Inc.  
BMO Nesbitt Burns Inc.  
TD Securities Inc.  
National Bank Financial Inc.

**Promoter(s):**

Beinhaker Design Services Ltd.  
N.A. Irwin Consulting Limited  
**Project #670447**

**Issuer Name:**

Elliott & Page Money Fund  
Elliott & Page Active Bond Fund  
Elliott & Page Canadian Universe Bond Fund  
Elliott & Page Corporate Bond Fund  
Elliott & Page Dividend Fund  
Elliott & Page Monthly High Income Fund  
Elliott & Page Growth & Income Fund  
Elliott & Page Value Equity Fund  
Elliott & Page Canadian Equity Fund  
Elliott & Page Generation Wave Fund  
Elliott & Page Sector Rotation Fund  
Elliott & Page Growth Opportunities Fund  
Elliott & Page Small Cap Value Fund  
Elliott & Page American Growth Fund  
Elliott & Page U.S. Mid-Cap Fund  
Elliott & Page Global MultiStyle Fund  
Elliott & Page Asian Growth Fund  
E&P RSP American Growth Fund (formerly Elliott & Page RSP American Growth Fund)  
E&P RSP U.S. Mid-Cap Fund (formerly Elliott & Page RSP U.S. Mid-Cap Fund)  
E&P RSP MIX SEAMARK Total Global Equity Fund (formerly Elliott & Page RSP Total Equity Fund)  
E&P Manulife Balanced Asset Allocation Portfolio  
E&P Manulife Maximum Growth Asset Allocation Portfolio  
E&P Manulife Tax-Managed Growth Portfolio  
MIX AIM American Mid-Cap Growth Class  
MIX AIM Canadian First Class  
MIX Elliott & Page Growth Opportunities Class  
MIX Elliott & Page U.S. Mid-Cap Class  
MIX F.I. Canadian Disciplined Equity Class  
MIX F.I. Growth America Class  
MIX F.I. International Portfolio Class  
MIX SEAMARK Total Canadian Equity Class  
MIX SEAMARK Total Global Equity Class  
MIX SEAMARK Total U.S. Equity Class  
MIX Trimark Global Class  
MIX Trimark Select Canadian Class  
MIX Short Term Yield Class  
MIX Structured Bond Class  
MIX Canadian Equity Value Class  
MIX Canadian Large Cap Core Class  
MIX Canadian Large Cap Growth Class  
MIX Canadian Large Cap Value Class  
MIX Global Equity Class  
MIX Global Sector Class  
MIX Global Value Class  
MIX International Growth Class  
MIX International Value Class  
MIX Japanese Class  
MIX China Opportunities Class  
MIX U.S. Large Cap Core Class  
MIX U.S. Large Cap Growth Class  
MIX U.S. Large Cap Value Class  
MIX U.S. Mid-Cap Value Class  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectuses dated August 24, 2004  
Mutual Reliance Review System Receipt dated August 25, 2004

**Offering Price and Description:**

Advisor Series, Series D, Series F and Series I Securities

**Underwriter(s) or Distributor(s):**

Elliott & Page Limited  
Elliott & Page Limited  
MFC Global Investment Management, a division of Elliott & Page Limited

**Promoter(s):**

-

**Project #668368**

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**Issuer Name:**

Montec Holdings Inc.  
Principal Regulator - Quebec

**Type and Date:**

Amendment #1 dated August 25, 2004 to Final CPC  
Prospectus dated June 30, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

Minimum Offering: \$1,500,000 or 7,500,000 Common Shares  
Maximum Offering: \$1,700,000 or 8,500,000 Common Shares

**Underwriter(s) or Distributor(s):**

Desjardins Securities Inc.

**Promoter(s):**

Myer Bentob

**Project #657560**

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**Issuer Name:**

Multi Select Income Trust  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated August 30, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

Maximum: 10,000,000 Preferred Units @ \$10 per Unit = \$100,000,000 and 10,000,000 Capital units @ \$10 per Unit = \$100,000,000.

**Underwriter(s) or Distributor(s):**

National Bank Financial Inc.  
CIBC World Markets Inc.  
BMO Nesbitt Burns Inc.  
RBC Dominion Securities Inc.  
Scotia Capital Inc.  
TD Securities Inc.  
Canaccord Capital Corporation  
HSBC Securities (Canada) Inc.  
First Associates Investments Inc.  
Desjardins Securities Inc.  
Wellington West Capital Inc.  
Dundee Securities Corporation  
Berkshire Securities Inc.

**Promoter(s):**

Sentry Select Capital Corp.

**Project #674634**

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**Issuer Name:**

PrimeWest Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Final Short Form Prospectus dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 25, 2004

**Offering Price and Description:**

\$300,120,000.00 - 12,300,000 Trust Units  
and  
\$150,000,000.00 - 7.50% Convertible Unsecured  
Subordinated Series I Debentures  
and  
\$100,000,000.00 - 7.75% Convertible Unsecured  
Subordinated Series II Debentures

**Underwriter(s) or Distributor(s):**

Scotia Capital Inc.  
CIBC World Markets Inc.  
RBC Dominion Securities Inc.  
BMO Nesbitt Burns Inc.  
National Bank Financial Inc.  
TD Securities Inc.  
Canaccord Capital Corporation  
HSBC Securities (Canada) Inc.  
Desjardins Securities Inc.  
Dundee Securities Corporation  
FirstEnergy Capital Corp.  
GMP Securities Ltd.  
Raymond James Ltd.  
Tristone Capital Inc.

**Promoter(s):**

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**Project #679157**

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**Issuer Name:**

The Hartford Canadian Value Fund  
The Hartford Growth and Income Fund  
The Hartford Canadian Equity Income Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectuses dated August 25, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

Sales Charge Class Units and Deferred Sales Charge  
Class Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Hartford Investments Canada Corp.

**Project #664971**

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**Issuer Name:**

USC Family Group Education Savings Plan  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated August 23, 2004  
Mutual Reliance Review System Receipt dated August 27, 2004

**Offering Price and Description:**

RESP - Scholarship Plan

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

The International Scholarship Foundation

**Project #666673**

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**Issuer Name:**

USC Family Multiple Student Education Savings Plan  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated August 26, 2004  
Mutual Reliance Review System Receipt dated August 27, 2004

**Offering Price and Description:**

RESP - Scholarship Plan

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

The International Scholarship Foundation

**Project #666694**

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**Issuer Name:**

Wescan Goldfields Inc.  
Principal Regulator - Alberta

**Type and Date:**

Final Prospectus dated August 30, 2004  
Mutual Reliance Review System Receipt dated August 31, 2004

**Offering Price and Description:**

14,000,000 Common Shares (\$1,400,000) Price: \$0.10 per  
Common Share - AND - Up to 5,500,000 Common Shares  
to be Distributed by Shore Gold Inc. as a Dividend-in-Kind  
to Shareholders of SHORE GOLD INC.

**Underwriter(s) or Distributor(s):**

Wellington West Capital Inc.

**Promoter(s):**

Shore Gold Inc.

**Project #670563**



**Issuer Name:**

YIELDPLUS Income Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated August 30, 2004  
Mutual Reliance Review System Receipt dated August 31,  
2004

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

CIBC World Markets Inc.  
RBC Dominion Securities Inc.  
BMO Nesbitt Burns Inc.  
Scotia Capital Inc.  
TD Securities Inc.  
National Bank Financial Inc.  
HSBC Securities (Canada) Inc.  
Canaccord Capital Corporation  
First Associates Investments Inc.  
Wellington West Capital Inc.  
Desjardins Securities Inc.  
Dundee Securities Corporation  
Raymond James Ltd.  
Acadian Securities Incorporated  
Middlefield Capital Corporation  
Research Capital Corporation

**Promoter(s):**

Middlefield Group Limited  
Middlefield YieldPlus Management Limited

**Project #668659**

## Chapter 12

# Registrations

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### 12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Aim Funds Management Inc.	Limited Market Dealer and Investment Counsel and Portfolio Manager	August 20, 2004
New Registration	Lead Dog Capital Inc.	Limited Market Dealer	August 23, 2004

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## Chapter 25

# Other Information

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### 25.1 Approvals

#### 25.1.1 Cornerstone Asset Management L.P. - cl. 213(3)(b) of the LTCA

##### Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager (limited partnership) for approval to act as trustee of a mutual fund trust distributed under offering memorandum to accredited investors.

##### Statutes Cited

Loan and Trust Corporations Act, R.S.O. 1990, c. L.25, as am., clause 213(3)(b).

August 27, 2004

##### Osler, Hoskin & Harcourt LLP

Attention: John A. Black

Dear Sirs/Mesdames:

**Re: Cornerstone Asset Management L.P.  
("Cornerstone")  
Application pursuant to clause 213(3)(b) of the  
*Loan and Trust Corporations Act (Ontario)* to  
act as trustee of the Cornerstone Absolute  
Return Fund and other mutual funds to be  
established by Cornerstone from time to time  
and offered pursuant to prospectus  
exemptions (the "Funds")**

Further to the application dated August 3, 2004 (the "Application") filed on behalf of Cornerstone and based on the facts set out in the Application, pursuant to the authority conferred on the Ontario Securities Commission (the "Commission") in clause 213(3)(b) of the *Loan and Trust Corporations Act (Ontario)*, the Commission approves the proposal that Cornerstone act as trustee of the Funds which Cornerstone manages.

"Paul K. Bates"

"Robert L. Shirriff"

**25.2 Consents**

**25.2.1 Northway Explorations Limited - cl. 4(b) of Reg. 289**

**Headnote**

Consent given to an OBCA corporation to continue under the laws of Canada.

**Statutes Cited**

Business Corporations Act, R.S.O. 1990, c. B.16, as am.  
Canada Business Corporations Act, R.S.C. 1985, c. C-44, as am.  
Securities Act, R.S.O. 1990, c. S.5., as am.

**Regulations Cited**

Regulation made under the Business Corporations Act, Ont. Reg. 289/00, ss. 4(b).

**IN THE MATTER OF  
ONT. REG. 289/00, AS AMENDED  
(THE "REGULATION") MADE UNDER  
THE BUSINESS CORPORATIONS ACT,  
R.S.O. 1990, c. B. 16, AS AMENDED (THE "OBCA")**

**AND**

**IN THE MATTER OF  
NORTHWAY EXPLORATIONS LIMITED**

**CONSENT  
(Clause 4(b) of the Regulation)**

**UPON** the application of Northway Explorations Limited ("Northway") to the Ontario Securities Commission (the "Commission") requesting a consent from the Commission for Northway to continue into another jurisdiction pursuant to clause 4(b) of the Regulation;

**AND UPON** considering the application and the recommendation of the staff of the Commission;

**AND UPON** Northway having represented to the Commission that:

1. Northway is a corporation incorporated under the OBCA, with its registered office located at 56 Temperance Street, 4<sup>th</sup> Floor, Toronto, Ontario M5H 3V5.
2. Northway is an offering corporation under the OBCA and is a reporting issuer under the Securities Act, R.S.O. 1990, c. S. 5, as amended (the "Act"). Northway is not a reporting issuer in any other jurisdiction of Canada.
3. Northway's common shares are listed for trading on the Toronto Stock Exchange.

4. Northway is not in default of any of the provisions of the Act or the regulations or rules made thereunder.
5. Northway is not a party to any proceeding nor, to the best of its knowledge, information and belief, any pending proceeding under the Act.
6. Northway is proposing to submit an application to the Director under the OBCA pursuant to section 181 of the OBCA (the "Application for Continuance"), for authorization to continue (the "Continuance") as a corporation under the *Canada Business Corporations Act* (the "CBCA").
7. Pursuant to clause 4(b) of the Regulation, where a corporation is an offering corporation (as such term is defined in the OBCA), the Application for Continuance must be accompanied by a consent from the Commission.
8. Northway currently intends to remain a reporting issuer under the Act.
9. The Application for Continuance is subject to the approval of the shareholders of Northway by special resolution at Northway's upcoming annual and special meeting to be held on August 27, 2004 (the "Meeting"), at which shareholders will also be asked to consider, among other things, certain matters in connection with a proposed merger of Northway with Caspian Energy Ltd. ("Caspian"), by way of a three-cornered amalgamation (the "Merger").
10. Pursuant to section 185 of the OBCA, all shareholders of record as of the record date of the Meeting are entitled to dissent rights with respect to the Application for Continuance (the "Dissent Rights").
11. A joint management information circular of Northway and Caspian dated July 29, 2004 was provided to the shareholders of Northway in connection with the Meeting, which advised the holders of the common shares of Northway of their Dissent Rights.
12. Northway will not submit the Application for Continuance to the Director under the OBCA unless shareholder approval is obtained at the Meeting. Additionally, notwithstanding that the shareholders approve the Application for Continuance, the directors of Northway may revoke the special resolution authorizing the Application for Continuance, without further approval of the shareholders.
13. The Continuance is proposed in order to provide Northway with greater flexibility in the selection and appointment of directors in the event that the Merger is completed.

**Other Information**

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14. The material rights, duties and obligations of a corporation incorporated under the CBCA are substantially similar to those under the OBCA, except that the CBCA requires that 25% of a corporation's directors be resident Canadians, compared to the OBCA which requires that a majority of a corporation's directors be resident Canadians.

**THE COMMISSION** hereby consents to the continuance of Northway as a corporation under the CBCA.

August 27, 2004.

"Paul K. Bates"

"Robert L. Shirriff"

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