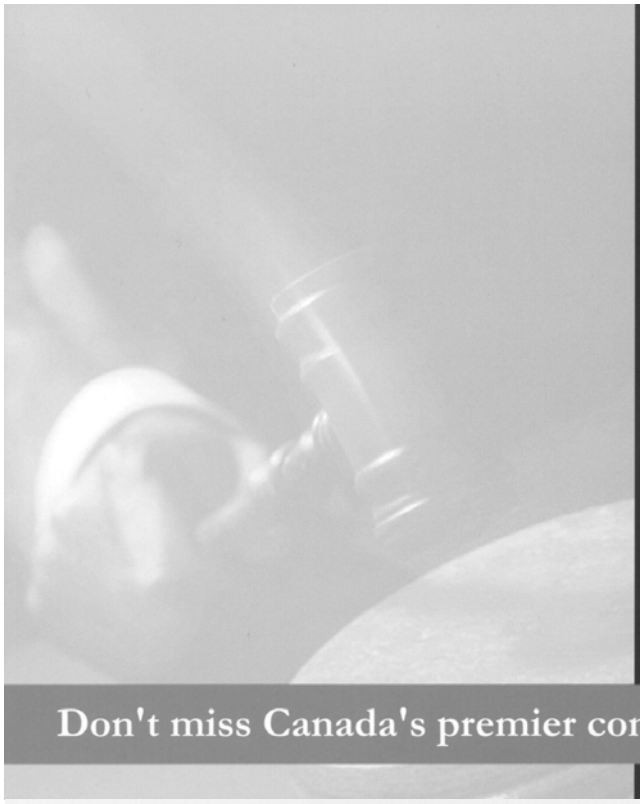

Dialogue *with the* OSC 2004

Facing the Issues

November 1, 2004
Metro Toronto Convention Centre

REGISTER ONLINE
www.osc.gov.on.ca/dialogue

Don't miss Canada's premier conference on securities regulation

FACING THE ISSUES

New issues continue to emerge in our capital markets, and, with them, increasing levels of scrutiny for market participants. Regulators are under pressure to meet the high governance and transparency standards we impose on others. Dialogue with the OSC 2004 is a great opportunity to exchange ideas on how we can all face and begin to solve the major issues head-on.

Dialogue with the OSC 2004 topics include:

- Accountability and transparency in securities regulation
- Tools for empowering investors
- The structure of the OSC's adjudicative function
- The regulatory probe into abusive mutual fund trading practices
- Proposed requirements for reporting issuers to disclose their corporate governance practices and internal controls
- Plans to simplify and harmonize registration rules across Canada
- Hot topics in enforcement

Keynote Speakers:

- Honourable Gerry Phillips, Chair, Management Board of Cabinet
- David Brown, Chair, Ontario Securities Commission

REGISTER NOW!

The $450.00 registration fee includes conference materials, continental breakfast, lunch, and refreshments. To register, visit **www.osc.gov.on.ca/dialogue** or call (416) 593-7744 or 1 (800) 465-9670.

The Ontario Securities Commission

OSC Bulletin

October 8, 2004

Volume 27, Issue 41

(2004), 27 OSCB

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
Cadillac Fairview Tower
Suite 1903, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

416-593-8314 or Toll Free 1-877-785-1555

Published under the authority of the Commission by:
Carswell
One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

416-609-3800 or 1-800-387-5164

Contact Centre - Inquiries, Complaints:	Fax: 416-593-8122
Capital Markets Branch:	Fax: 416-593-3651
- Registration:	Fax: 416-593-8283
Corporate Finance Branch:	
- Team 1:	Fax: 416-593-8244
- Team 2:	Fax: 416-593-3683
- Team 3:	Fax: 416-593-8252
- Insider Reporting	Fax: 416-593-3666
- Take-Over Bids:	Fax: 416-593-8177
Enforcement Branch:	Fax: 416-593-8321
Executive Offices:	Fax: 416-593-8241
General Counsel's Office:	Fax: 416-593-3681
Office of the Secretary:	Fax: 416-593-2318

The OSC Bulletin is published weekly by Carswell, under the authority of the Ontario Securities Commission.

Subscriptions are available from Carswell at the price of $549 per year.

Subscription prices include first class postage to Canadian addresses. Outside Canada, these airmail postage charges apply on a current subscription:

U.S.	$175
Outside North America	$400

Single issues of the printed Bulletin are available at $20 per copy as long as supplies are available.

ISSN 0226-9325

One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

Customer Relations
Toronto 1-416-609-3800
Elsewhere in Canada/U.S. 1-800-387-5164
World wide Web: http://www.carswell.com
Email: carswell.orders@thomson.com

Table of Contents

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

OCTOBER 08, 2004

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

Telephone: 416-597-0681 Telecopier: 416-593-8348

CDS **TDX 76**

Late Mail depository on the 19th Floor until 6:00 p.m.

- -

THE COMMISSIONERS

David A. Brown, Q.C., Chair	—	DAB
Paul M. Moore, Q.C., Vice-Chair	—	PMM
Susan Wolburgh Jenah, Vice-Chair	—	SWJ
Paul K. Bates	—	PKB
Robert W. Davis, FCA	—	RWD
Harold P. Hands	—	HPH
David L. Knight, FCA	—	DLK
Mary Theresa McLeod	—	MTM
H. Lorne Morphy, Q.C.	—	HLM
Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

October 18 to 22, 2004 November 2, 3, 5, 8, 10-12, 15, 17, 19, 2004	**ATI Technologies Inc., Kwok Yuen Ho, Betty Ho, JoAnne Chang, David Stone, Mary de La Torre, Alan Rae and Sally Daub** s. 127
10:00 a.m.	M. Britton in attendance for Staff Panel: SWJ/HLM/MTM
November 15 to 19, 2004	**Robert Cassels, Murray Hoult Pollitt, Pollitt & Co. Inc.**
10:00 a.m.	s. 127 J. Naster in attendance for Staff Panel: TBA
October 30, 2004 (no later than)	**Brian Anderson and Flat Electronic Data Interchange ("F.E.D.I.")**
10:00 a.m.	s. 127 K. Daniels in attendance for Staff Panel: HLM/RLS
October 31, 2004 (on or about) 10:00 a.m.	**Mark E. Valentine** s. 127 A. Clark in attendance for Staff Panel: TBA
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: TBA

November 26, 2004 10:00 a.m.	**Andrew Currah, Colin Halanen, Joseph Damm, Nicholas Weir, Penny Currah and Warren Hawkins** s. 127 J. Waechter in attendance for Staff Panel: TBA
December 6 – 17, 2004 10:00 a.m.	**Brian Peter Verbeek** and Lloyd Hutchison Ebenezer Bruce s. 127 K. Manarin in attendance for Staff Panel: TBA
January 17 – 21, 2005 10:00 a.m.	**Cornwall *et al*** s. 127 K. Manarin in attendance for Staff Panel: HLM/RWD/ST
January 24 to March 4, 2005, except Tuesdays and April 11 to May 13, 2005, except Tuesdays 10:00 a.m.	**Philip Services Corp. *et al*** s. 127 K. Manarin in attendance for Staff Panel: PMM/RWD/ST
May 30, June 1, 2, 3, 6, 7, 8, 9 and 10, 2005 10:00 a.m.	**Buckingham Securities Corporation, David Bromberg*, Norman Frydrych, Lloyd Bruce and Miller Bernstein & Partners LLP (formerly known as Miller Bernstein & Partners)** s. 127 J. Superina in attendance for Staff Panel: TBA * 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

1.3 News Releases

1.3.1 OSC Staff in Discussions with Four Mutual Fund Managers

FOR IMMEDIATE RELEASE
October 1, 2004

OSC STAFF IN DISCUSSIONS WITH FOUR MUTUAL FUND MANAGERS

TORONTO – Staff of the Ontario Securities Commission today said they are in discussions with CI Mutual Funds Inc., AIC Limited, AGF Funds Inc. and Investors Group Inc. with a view to resolving allegations of frequent trading market timing by investors in certain funds managed by the four fund managers.

"We are committed to resolving these matters as expeditiously as possible," said Michael Watson, the OSC's Director of Enforcement.

The discussions are part of the ongoing review of potential trading abuses in the Canadian mutual fund industry and are proceeding concurrently with the review of trading practices at other mutual fund groups.

To date, staff have not uncovered any evidence of late trading. Staff also have not found evidence of market timing by any insiders of the four fund managers. No evidence of ongoing market timing activity has been found since the review of the mutual fund industry began in November 2003.

Market timing involves short-term trading by investors of mutual fund units to take advantage of short-term discrepancies between the stale value of securities in a mutual fund's portfolio and the current market value of those securities.

For Media Inquiries: Wendy Dey
Director, Communications
416-593-8120

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

This page intentionally left blank

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Canada Mortgage Acceptance Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Application by issuer of mortgage pass-through certificates for relief from:

(i) the requirement to prepare, file and deliver interim and annual financial statements; and

(ii) the requirement under Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings to file interim certificates for the issuer's 2004 financial year.

Relief granted subject to conditions, including the requirement to prepare, file and deliver monthly and annual reports regarding performance of pool of assets.

Instruments Cited

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

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

AND

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

AND

IN THE MATTER OF
CANADA MORTGAGE ACCEPTANCE CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (the "Jurisdictions") has received an application from Canada Mortgage Acceptance Corporation (the "Issuer") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the provisions of the Legislation concerning the preparation, filing and delivery of interim and annual financial statements (collectively, the "Continuous Disclosure Requirements") shall not apply to the Issuer in connection with public offerings of mortgage pass-through certificates ("Certificates") of the Issuer;

AND WHEREAS the Decision Maker in each of Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, New Brunswick and Newfoundland and Labrador (the "MI 52-109Jurisdictions") has received an application from the Issuer for a decision pursuant to the securities legislation of such Jurisdictions 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 (the "Interim Certificates") shall not apply to the Issuer in respect of the 2004 financial year of the Issuer;

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

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 the Issuer has represented to the Decision Makers as follows:

1. The Issuer was incorporated under the laws of Ontario on March 11, 2004 and is a wholly-owned subsidiary of GMAC Residential Funding of Canada, Limited ("GMAC RFC").

2. The head office of the Issuer is located in Toronto, Ontario.

3. The Issuer is a reporting issuer, or the equivalent, in each Jurisdiction. Pending this decision, the Issuer has complied with the alternative disclosure described in paragraph 18 hereof and, accordingly, has not filed interim financial statements, interim MD&A (as defined below) and Interim Certificates for the interim period ended June 30, 2004. The Issuer submitted its application for the relief described herein on June 24, 2004. Except in respect of the requirements for which relief herein is granted, the Issuer is not in default of the Legislation of any Jurisdiction.

4. The Issuer is a special purpose corporation, the only securityholders of which, other than holders of its shares, are and will be the holders of its Certificates.

5. The Issuer has offered and will offer mortgage pass-through certificates that entitle the holders thereof (the "Certificateholders") to the cash flows derived from discrete pools of mortgages, hypothecs or other charges on real or immovable property situated in Canada, or interests therein, and any other rights, interests, benefits and assets acquired by the Issuer pursuant to the related securitization agreements (including the proceeds thereof and any related security) (each collectively referred to as an "Asset Pool"), together with any rights or other assets designed to assure the servicing or timely distribution of proceeds from the Asset Pool to holders of the related Certificates. By its terms, each Asset Pool converts into cash within a finite time period. The Certificates have been sold and will be sold to the public pursuant to short form or shelf prospectuses on the basis of an approved rating by an approved rating organization, as those terms are defined in National Instrument 44-101 - *Short Form Prospectus Distributions*, or any successor instrument thereto. The proceeds from the sale of Certificates have financed and will finance the purchase by the Certificateholders of undivided co-ownership interests in Asset Pools. The Certificates evidence and will evidence undivided co-ownership interests in Asset Pools.

6. The Issuer filed a short form prospectus (the "Prospectus") dated June 18, 2004 with each Canadian provincial securities regulatory authority or regulator and received receipts for the Prospectus from each such securities regulatory authority or regulator on June 21, 2004, pursuant to which the Issuer distributed approximately $270,377,000 Mortgage Pass-Through Certificates, Series 2004-C1 (the "Issued Certificates").

7. To the knowledge of the Issuer, the Issued Certificates are not traded on, and there is no current intention on the part of the Issuer to have any Certificates traded on, any marketplace, as that term is defined in National Instrument 21-101 - *Marketplace Operator*.

8. The Issuer is currently a venture issuer, as that term is defined in National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102").

9. As a special purpose corporation, the Issuer has not carried and will not carry on any activities other than acquiring Asset Pools and issuing Certificates.

10. The Issuer currently has and will have no material assets or liabilities other than its rights and obligations arising from acquiring Asset Pools and issuing Certificates.

11. No director or officer of the Issuer or any associate thereof is indebted to the Issuer, nor has any director, officer, or any other insider, or any associate or affiliate thereof, entered into a material contract with the Issuer and any remuneration received by a director or officer of the Issuer for acting in such capacity shall be consistent with industry practice.

12. No insider of the Issuer, or associate or affiliate of such insider, has a direct or indirect interest in any transaction which has materially affected or which would materially affect the Issuer.

13. The financial year-end of the Issuer is December 31.

14. The auditors of the Issuer are PricewaterhouseCoopers.

15. The information contained in the interim and annual financial statements of the Issuer is not and will not be relevant to the Certificateholders since Certificateholders will only have entitlements in (and recourse to) the Asset Pool securing their series of Certificates and will not have any entitlements in (or recourse to) any other assets of the Issuer.

16. For each Offering, the Issuer and, among others, GMAC RFC, as servicer (the "Servicer"), a Canadian trust company, as custodian on behalf of Certificateholders (the "Custodian") and a reporting agent (the "Reporting Agent") has entered and will enter into a pooling and servicing agreement (the "Pooling and Servicing Agreement") providing for the issuance of Certificates and governing the rights of Certificateholders. There is, however, a possibility that other parties acceptable to the approved rating organizations rating a particular series of Certificates may serve as Servicer.

17. Each Pooling and Servicing Agreement has provided and will provide for certain administrative functions relating to the Certificates, such as maintaining a register of holders of Certificates and other duties specified in each Pooling and Servicing Agreement, including the preparation by the Servicer and the Reporting Agent of periodic reports (the "Reports") to Certificateholders containing financial and other information in respect of the applicable Asset Pool and the Certificates. Pursuant to the Pooling and Serving Agreement, the Reports will be prepared by the Reporting Agent based solely on information provided by the Servicer.

18. The Issuer, Servicer or Reporting Agent will provide, on the Reporting Agent's website to be

identified in the relevant prospectus for the Certificates or in correspondence sent to Certificateholders, or as is otherwise provided for in the relevant prospectus, no later than the 15th day of each month (or such subsequent business day as is provided in the Pooling and Servicing Agreement if the 15th day of the month is not a business day) in respect of the Issued Certificates and no later than on a monthly basis in respect of other Certificates, the financial and other information prescribed therein to be delivered or made available to Certificateholders on a monthly basis, such information to include information relating to distributions made in that month, Certificate balances, administration and other fees, and certain aspects of the performance and composition of the Asset Pools, and will file or cause to be filed reasonably contemporaneously therewith the monthly reports commonly known as distribution date statements or their equivalent on the System for Electronic Document Analysis and Retrieval ("SEDAR").

19. Notwithstanding paragraph 18 hereof, the Issuer may amend the contents of the financial and other information posted on the Reporting Agent's website and filed on SEDAR in order not to disclose the name of any individual obligor or the name or address of any mortgaged property so as to comply with any confidentiality agreements or other obligations of confidentiality binding on the Issuer.

20. There have been and there will be no annual meetings of Certificateholders. Each Pooling and Servicing Agreement will provide that only the holders of a certain percentage of Certificates of each series of the Issuer have the right to direct the Custodian to take certain actions under the Pooling and Servicing Agreement with respect to such series of Certificates.

21. On not less than an annual basis, the Issuer will request intermediaries to deliver a notice to Certificateholders pursuant to the procedures stipulated by National Instrument 54-101 - *Communication with Beneficial Owners of Securities of a Reporting Issuer* or any successor instrument thereto, advising Certificateholders that the monthly information prescribed in paragraph 18 hereof, the quarterly information prescribed in paragraph 22 hereof and the annual information prescribed in paragraph 23 hereof is available on SEDAR and on a website, and provide the website address and that Certificateholders may request that paper copies of such reports be provided to them by ordinary mail.

22. Within 60 days of the end of each interim period of the Issuer (or within 45 days of the end of an interim period of the Issuer if the Issuer is not a venture issuer at the end of such interim period), the Reporting Agent or the Issuer or its duly appointed representative or agent will post on the applicable website and mail to Certificateholders who so request and will contemporaneously file on SEDAR management's discussion and analysis ("MD&A") with respect to the Asset Pools acquired with the proceeds of the Certificates.

23. Within 120 days of the end of each financial year of the Issuer (or within 90 days of the end of a financial year of the Issuer if the Issuer is not a venture issuer at the end of such financial year), the Reporting Agent or the Issuer or its duly appointed representative or agent will post on the applicable website and mail to Certificateholders who so request and will contemporaneously file on SEDAR:

    (a) MD&A with respect to the Asset Pools acquired with the proceeds of the Certificates;

    (b) an annual statement of compliance (the "Certificate of Compliance") signed by a senior officer of the Servicer or other party acting in a similar capacity for the applicable Asset Pool, certifying that the Servicer or such other party acting in a similar capacity has fulfilled all of its obligations under the related Pooling and Servicing Agreement during the year or, if there has been a material default, specifying each such default and the status thereof; and

    (c) an annual accountants' report (the "Accountants' Report") prepared by a firm of independent public or chartered accountants respecting compliance by the Servicer (or such other party acting in a similar capacity) with the Uniform Single Attestation Program for Mortgage Bankers or such other servicing standard acceptable to the Decision Makers.

24. The Issuer will issue news releases and file material change reports in accordance with the requirements of the Legislation in respect of material changes in its affairs and in respect of changes in the status (including as a result of defaults in payments due to Certificateholders) of the Asset Pool underlying the Certificates which may reasonably be considered to be material to Certificateholders.

25. Other than in Ontario, fees payable in connection with the filing of annual financial statements will be paid at the time that, and in respect of, the annual financial information specified in paragraph 23 hereof is required to be filed.

26. In Ontario, the fees payable by the Issuer pursuant to the Ontario Securities Commission Rule 13-502 - *Fees* or as otherwise determined by

the Decision Maker in Ontario, shall be paid no later than the date on which the annual financial information specified in paragraph 23 hereof is required to be filed.

27. The provision of information to Certificateholders on a monthly, quarterly and annual basis as described in paragraphs 18, 22 and 23 hereof, as well as the annual notices to be given by the Issuer as to the availability of such information given pursuant to terms of paragraph 21 hereof will meet the objectives of allowing the Certificateholders to monitor and make informed decisions about their investment.

28. The Compliance Certificate and Accountants' Report will provide assurance to Certificateholders in respect of the accuracy of the Reports.

AND WHEREAS pursuant to 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 that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers in the Jurisdictions under the Legislation is that the Issuer is exempted from the Continuous Disclosure Requirements provided that:

(a) the only securities that the Issuer distributes to the public are Certificates;

(b) the Issuer complies with paragraphs 9, 10, 11, 16, 17, 18, 21, 22, 23, 24, 25 and 26 hereof;

(c) the Issuer complies with all requirements of NI 51-102 other than the requirements concerning the preparation, filing and delivery of interim and annual financial statements; and

(d) this Decision shall terminate sixty days after the occurrence of a material change in any of the representations of the Issuer contained in paragraphs 4, 5, 9, 10, 11, 12, 14, 15, 17 and 18 hereof, unless the Issuer satisfies the Decision Makers that the exemption should continue.

IT IS FURTHER THE DECISION of the Decision Makers of the MI 52-109 Jurisdictions under the Legislation of such Jurisdictions 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 the Issuer 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.

September 8, 2004.

"Erez Blumberger"

2.1.2 BPCL Holdings 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.

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

AND

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

AND

IN THE MATTER OF
BPCL HOLDINGS INC.

MRRS DECISION DOCUMENT

1. WHEREAS the local securities regulatory authority or regulator (the "Decision Makers"), in each of Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, Newfoundland and Labrador and Quebec (collectively, the "Jurisdictions") has received an application from BPCL Holdings Inc. (formerly Boardwalk Equities Inc.) (the "Applicant" or "Boardwalk") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that Boardwalk be deemed to cease to be a reporting issuer under the Legislation;

2. AND WHEREAS pursuant to 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 the Applicant has represented to the Decision Makers that:

   4.1 Boardwalk is a corporation existing under the laws of the Province of Alberta.

   4.2 Boardwalk was, until completion of a Plan of Arrangement (the "Plan of Arrangement") pursuant to Section 193 of the *Business Corporations Act* (Alberta) (the "ABCA") on May 3, 2004 (the "Effective Date"), a customer-oriented real estate company specializing in the acquisition, refurbishment, management and ownership of multi-family residential communities within Canada.

   4.3 Boardwalk is authorized to issue an unlimited number of common shares ("Common Shares") and an unlimited number of preferred shares ("Preferred Shares").

   4.4 The Common Shares were, until the completion of the Plan of Arrangement, listed on the Toronto Stock Exchange (the "TSX") and the New York Stock Exchange (the "NYSE") under the symbol "BEI". Concurrently with the completion of the Plan of Arrangement the Common Shares were delisted from the TSX and the trust units ("REIT Units") of Boardwalk Real Estate Investment Trust ("Boardwalk REIT") substitutionally listed on the TSX in their place. The Common Shares were delisted from the NYSE on February 23, 2004.

   4.5 Boardwalk was, prior to the Plan of Arrangement, and remains, a reporting issuer or the equivalent under the laws of all of the provinces of Canada and is not in default of the Legislation except in respect of the failure to file interim financial statements and interim management's discussion and analysis for the quarter ended March 31, 2004.

   4.6 Boardwalk changed its name to BPCL Holdings Inc. on May 3, 2004 following the filing of articles to effect the Plan of Arrangement under the ABCA.

   4.7 Boardwalk REIT is an unincorporated, open-ended real estate investment trust created by a declaration of trust dated January 9, 2004, as amended and restated on May 3, 2004 (the "Declaration of Trust"), and governed by the laws of the Province of Alberta. The head office of Boardwalk REIT is in Calgary, Alberta.

   4.8 Boardwalk REIT became a reporting issuer in each of the provinces of Canada where such a concept exists upon completion of the Plan of Arrangement, both pursuant to applicable legislation and, where such legislation did not so provide, pursuant to applications for a declaration as to such status, and is not in default of the Legislation.

4.9 Boardwalk Properties Company Limited ("BPCL") is a corporation existing under the laws of the Province of Alberta.

4.10 1098369 Alberta Ltd. ("Newco") was incorporated as a wholly-owned subsidiary of BPCL immediately prior to the effective time on the Effective Date under the laws of Province of Alberta. The registered office of Newco is in Calgary, Alberta.

4.11 BPCL owns all of the issued and outstanding shares of Newco and Newco owns all of the issued and outstanding Common Shares.

4.12 Pursuant to the Plan of Arrangement, Boardwalk REIT indirectly acquired, through Boardwalk REIT Limited Partnership (the "Partnership"), all of Boardwalk's assets, including Boardwalk's revenue-producing properties, beneficial interests in certain trusts and various real property and shares of affiliates of Boardwalk that hold the revenue producing properties transferred to the Partnership (the "Contributed Assets") which carry on the business previously carried on by Boardwalk.

4.13 The Plan of Arrangement broadly effected the transfer and contribution of the Contributed Assets to Boardwalk REIT, and the indirect acquisition of Boardwalk by BPCL through the exchange by holders of Common Shares of Boardwalk other than BPCL and its affiliates (the "Public Shareholders"), of all of their Common Shares, and BPCL and its affiliates of approximately two thirds of their Common Shares, for REIT Units on a one-for-one basis.

4.14 Following the completion of the Plan of Arrangement:

4.14.1 BPCL, through Newco, owns all of the issued and outstanding Common Shares;

4.14.2 the Public Shareholders and BPCL collectively own REIT Units representing an equity interest in Boardwalk REIT of approximately 92% (after certain distributions and entitlements);

4.14.3 BPCL indirectly owns exchangeable securities of the Partnership which effectively represent an approximately 8% interest in Boardwalk REIT (after certain distributions and entitlements); and

4.14.4 the Partnership directly and indirectly holds the Contributed Assets.

4.15 Boardwalk does not intend to seek public financing by way of an offering of its securities;

4.16 Boardwalk does not have any other securities issued and outstanding, except the Common Shares, all of which are owned, indirectly, by BPCL; and

4.17 Boardwalk has filed a notice under British Columbia Instrument 11-502 – *Voluntary Surrender of Reporting Issuer Status* indicating that it is a "closely-held reporting issuer" and specifying the date hereof as the date on which it will cease to be a reporting issuer in British Columbia.

5. AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker with respect to Boardwalk (the "Decision");

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

7. THE DECISION of the Decision Makers pursuant to the Legislation is that Boardwalk is deemed to have ceased to be a reporting issuer under the Legislation.

August 10, 2004.

"Patricia M. Johnston"

2.1.3 Children's Education Funds Inc. - MRRS Decision

Headnote

Mutual Reliance Review System – With respect to certain education savings plans, scholarship plan dealer exempted from statement-of-account provisions in the legislation that would otherwise require that the registered dealer: (i) send or forward a statement of account to each client of the dealer at the end of the month in which a transaction has been effected in the account; and (ii) send or forward a statement of account to each client of the dealer not less than once every three months, where a transaction has not been effected in that period but there are funds or securities held by the dealer on a continuing basis – Exemptions subject to provisos, including a requirement that the registered dealer send to all plan subscribers of the relevant plan, account statements, on at least an annual basis, that contain the same information that would have been required to be provided pursuant to the statement-of-account provisions.

Applicable Ontario Regulations

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., s. 123.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN,
ONTARIO, 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
CHILDREN'S EDUCATION FUNDS INC.

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Saskatchewan, Ontario, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the "Jurisdictions") have received an application from Children's Education Funds Inc. ("CEFI") for a decision pursuant to the securities legislation of each of the Jurisdictions (the "Legislation") that the provisions (the "Statement of Account Requirements") contained in the Legislation that require a registered dealer to:

(i) send or forward a statement of account to each client of the dealer at the end of each month in which a transaction has been effected in the account; and

(ii) send or forward a statement of account to each client of the dealer not less than once every three months, where a transaction has not been effected in that period but there are funds or securities held by the dealer on a continuing basis.

shall not apply to CEFI in respect of securities of the Children's Education Trust of Canada (the "Plan").

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

AND WHEREAS CEFI has represented to the Decision Makers that:

1. CEFI was incorporated under the laws of the Province of Ontario. The head office of CEFI is located at Burlington, Ontario.

2. CEFI is indirectly wholly-owned by Donna Haid through Donna Haid Holdings Inc., and is registered under the Legislation as a scholarship plan dealer in each of the Jurisdictions to distribute securities of the Plan, an education savings plan which has been established to provide scholarships to qualified students to attend post-secondary institutions.

3. The Plan is administered and sponsored by The Children's Educational Foundation of Canada (the "Foundation"), a non-profit corporation without share capital under the Canada Corporations Act. The Foundation is a reporting issuer or the equivalent thereof in each of the Jurisdictions.

4. The current offering of the Plan is being made pursuant to an amended and restated prospectus (the "Current Prospectus") dated June 8, 2004, in respect of the continuous offering of scholarship agreements in which a subscriber to the Plan (a "Planholder") agrees to deposit a lump sum or series of payments to an account maintained by a depository trustee on behalf of a nominated child.

5. Monies deposited by a Planholder pursuant to a scholarship agreement are invested primarily in income investments in accordance with National Policy 15 or as otherwise permitted by the Canadian securities regulatory authorities.

6. Planholders receive at the time they initially enroll all details pertaining to Plan deposit information including deposit method, number of units (as applicable), initial deposit, additional deposit amounts, number of additional deposits, total funds to be deposited, next deposit date and final deposit date. Annually thereafter, a Planholder receives a statement of account (the "Account Information") which sets forth all deposits less enrollment fees, depository fees, administration

fees and insurance premiums; amounts of grant received and investment income earned; estimated principal balance on maturity plus potential scholarship value.

7. Planholders will be provided with information concerning the reporting that they will receive in respect of the Plan at the earlier of the next annual mailing to Planholders or one year from the date of this Decision.

8. Planholders may access their Account Information at any time, free of charge, via the internet.

9. Planholders may also contact CEFI customer service representatives by telephone during normal business hours and request, free of charge, a copy of their Account Information by facsimile or mail.

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 Statement of Account Requirements shall not apply to CEFI in respect of the distribution of securities of the Plan, provided that:

1. CEFI sends to all Planholders a statement of account on at least an annual basis that contains the same information that would have been required to be provided pursuant to the Statement of Account Requirements; and

2. For each Jurisdiction, this Decision shall terminate one year after the coming into force of a rule or other regulation under the Legislation of such Jurisdiction that relates, in whole or in part, to the Statement of Account Requirements applicable to scholarship plan dealers in respect of the distribution of securities of education savings plans.

September 17, 2004.

"David M. Gilkes"

2.1.4 Profit Booking Blue Chip Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – closed-end investment trust exempt from prospectus and registration requirements in connection with the sale of units repurchased from existing unit holders pursuant to distribution reinvestment plan and optional trust unit purchase plan – first trade in repurchased units deemed a distribution unless made in compliance with MI 45-102.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA NEW BRUNSWICK, 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
PROFIT BOOKING BLUE CHIP TRUST

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the "**Jurisdictions**") has received an application from Profit Booking Blue Chip Trust (the "**Trust**") for a decision, pursuant to the securities legislation of the Jurisdictions (the "**Legislation**"), that the requirement contained in the Legislation to be registered to trade in a security and to file and obtain a receipt for a preliminary prospectus and a final prospectus (the "**Registration and Prospectus Requirements**") shall not apply to the distribution or resale of units of the Trust pursuant to a distribution reinvestment plan and optional trust unit purchase plan (the "**Plan**"), subject to certain conditions;

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* or in Québec Commission Notice 14-101;

AND WHEREAS the Trust has represented to the Decision Makers that:

1. The Trust is a closed-end investment trust established under the laws of the Province of Ontario by a declaration of trust dated as of May 19, 2004.

2. The Trust is not considered to be a "mutual fund" as defined in the Legislation because the holders of units of the Trust ("**Unitholders**") are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Trust as contemplated in the definition of "mutual fund" in the Legislation.

3. The Trust became a reporting issuer or the equivalent thereof in the Jurisdictions on May 20, 2004 upon obtaining a receipt for its final prospectus dated May 20, 2004. As of the date hereof, to its knowledge, the Trust is not in default of any requirements under the Legislation, other than the requirement to file interim financial statements for the period ended June 30, 2004 in the province of British Columbia;

4. The Units are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "PBK.UN".

5. Each unit of the Trust ("**Unit**") represents an equal, undivided interest in the net assets of the Trust and is redeemable at the net asset value of the Trust ("**Net Asset Value**") per Unit on the last business day in May of each year.

6. Each Unit is entitled to one vote at all meetings of Unitholders and is entitled to participate equally with all other Units with respect to any and all distributions made by the Trust.

7. The Trust intends to make monthly cash distributions to Unitholders. The distribution for the first twelve months following the closing of the offering of Units is expected to be $0.60 per Unit, representing an annual distribution of 7.2% based on a subscription price of $10.00 per Unit. Distributions will be payable to Unitholders of record on the last business day of each calendar month prior to the termination date of the Trust, commencing no later than July 30, 2004 (each, a "**Distribution Record Date**"). The Trust intends to pay distributions to Unitholders on or about the 15th business day after each Record Date (each, a "**Distribution Payment Date**"). The initial distribution will be payable on August 15, 2004 to Unitholders of record on July 30, 2004. The Trust may also make other distributions at any time in addition to monthly distributions, if it considers it appropriate, including to ensure that the Trust will not be liable for income tax under the *Income Tax Act* (Canada).

8. The Trust has adopted the Plan which, subject to obtaining all necessary regulatory approvals, will permit distributions to be automatically reinvested, at the election of a Unitholder, to purchase additional Units ("**Plan Units**") pursuant to the Plan and in accordance with the provisions of a reinvestment plan agency agreement entered into by Crown Hill Capital Corporation., as trustee of the Trust (in such capacity, the "**Trustee**") and CIBC Mellon Trust Company (the "**Plan Agent**").

9. Pursuant to the terms of the Plan, a Unitholder will be able to elect to become a participant in the Plan by notifying the Plan Agent, via the applicable participant ("**CDS Participant**") in the Canadian Depository for Securities Limited ("**CDS**") depository service through which such Unitholder holds Units, of its decision to participate in the Plan. Participation in the Plan will not be available to Unitholders who are not residents of Canada for the purposes of the *Income Tax Act* (Canada).

10. Distributions due to Unitholders who have elected to participate in the Plan (the "**Plan Participants**") will be applied, on behalf of the Plan Participants to purchase Plan Units from the Trust or in the market in the following manner:

    (a) If the weighted average trading price of the Units on the TSX (or such other exchange or market on which the Units are then listed) for the 10 trading days immediately preceding the relevant Distribution Payment Date (the "**Market Price**") plus applicable commission and brokerage charges is less than the Net Asset Value per Unit on the Distribution Payment Date, the Plan Agent will apply the distribution to purchase Units in the market during the trading period following the Distribution Payment Date and prior to the next succeeding Distribution Record Date (the "**Relevant Trading Period**") and the price paid for those Units will not exceed 115% of the Market Price of the Units on the relevant Distribution Payment Date.

    (b) If the Market Price is equal to or greater than the Net Asset Value per Unit on the Distribution Payment Date, the Plan Agent will apply the distribution to purchase Units from the Trust through the issue of new Units at the higher of (i) Net Asset Value per Unit on the relevant Distribution Payment Date and (ii) 95% of the Market Price on the relevant Distribution Payment Date.

    (c) If purchases of Plan Units in the market within the Relevant Trading Period cannot, in the reasonable opinion of the Trustee (based on information provided by the Plan Agent), be completed prior to

the next succeeding Distribution Record Date such that all Plan Participants for the current Distribution would not be credited with the Units prior to such Distribution Record Date, the Plan Agent may, notwithstanding anything else in this Agreement, purchase Units from the Trust with the unused part of the Distributions such that, on the next succeeding Distribution Record Date, all Plan Participants will be credited with Units and no unused Distributions remain, such purchase price to be equal to the higher of: (A) the Net Asset Value per Unit on the relevant Distribution Payment Date; and (B) 95% of the Market Price on the relevant Distribution Payment Date.

(d) The Plan Units purchased in the market or from the Trust will be allocated by CDS on a *pro rata* basis to the Plan Participants via the applicable CDS Participant based on their respective entitlement to the distributions used to purchase Plan Units.

11. The Plan also allows Plan Participants, to the extent permitted under applicable law and regulatory rulings obtained, to make option cash payments ("**Optional Cash Payments**") that will be used by the Plan Agent to purchase Plan Units. Any Plan Participant may invest a minimum of $100 per Optional Cash Payment up to a maximum amount as determined by the Manager from time to time. Optional Cash Payments will be invested on the same basis as distributions as described above. The aggregate number of Plan Units that may be purchased with Optional Cash Payments in a calendar year will be limited to 2% of the outstanding Units at the commencement of that calendar year.

12. Optional Cash Payments, along with a Plan Participant's notice of his or her intention to make an Optional Cash Payment, must be received by the Plan Agent via the applicable CDS Participant by 5:00 p.m. (Toronto time) on the day which is five business days prior to a Distribution Payment Date to be used to purchase Plan Units immediately following such Distribution Payment Date. Optional Cash Payments and/or notices received less than five business days prior to a Distribution Payment Date will be held by the Plan Agent and will not be used by the Plan Agent to purchase Plan Units until the next Distribution Payment Date.

13. The Plan Agent will purchase Plan Units only in accordance with the mechanics described in the Plan and, accordingly, there is no opportunity for a Plan Participant or the Plan Agent to speculate on changes in the Net Asset Value per Unit.

14. The amount of distributions that may be reinvested in Plan Units issued from treasury will be small relative to a Unitholder's equity in the Trust.

15. The Plan is open for participation by all Unitholders (other than non-residents of Canada), so that such Unitholders can reduce potential dilution by electing to participate in the Plan.

16. Since all Units, including those issued pursuant to the Plan, are issued in book-entry only form and are held by, and registered in the name of CDS, Plan Participants will not be entitled to receive certificates representing Plan Units purchased or issued under the Plan.

17. A cash adjustment for any fractional Plan Unit to which a Plan Participant is entitled will be paid by the Plan Agent upon each distribution, provided that the Trust has first caused the amount of any such cash adjustment to be paid to the Plan Agent.

18. The Trustee will pay out of the assets of the Trust the Plan Agent's fees for administering the Plan.

19. A Plan Participant may terminate his or her participation in the Plan by providing, via the applicable CDS Participant, at least 5 business days' prior written notice to the Plan Agent and, such notice, if actually received no later than 5 business days prior to the next Distribution Record Date, will have effect for the distribution to be made on the following Distribution Payment Date. Thereafter, distributions payable to such Unitholder will be in cash.

20. The Trustee may terminate or suspend the Plan in its sole discretion, upon not less than 30 days' prior written notice to the Plan Participants via the applicable CDS Participant and the Plan Agent.

21. The Trustee may amend the Plan at any time, provided that it gives notice of that amendment to (i) the Plan Participants via the CDS Participants through which the Plan Participants hold their Units and (ii) the Plan Agent. Any amendments to the Plan are subject to the approval of the Toronto Stock Exchange. The Trustee may adopt additional rules and regulations to facilitate the administration of the Plan subject to the approval of any applicable securities regulatory authority or stock exchange.

22. The distribution of the Plan Units by the Trust pursuant to the Plan cannot be made in reliance on certain registration and prospectus exemptions contained in the Legislation as the Plan involves the reinvestment of cash distributions and not the reinvestment dividends, interest, capital gains or earnings or surplus.

23. The distribution of the Plan Units by the Trust pursuant to the Plan cannot be made in reliance on certain registration and prospectus exemptions contained in the Legislation for distribution reinvestment plans of mutual funds, as the Trust is not considered to be a "mutual fund" as defined in the Legislation because the Unitholders are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in a portion of the net assets of the Trust.

24. The distribution of the Plan Units by the Trust pursuant to the Plan to Unitholders resident in Alberta and Saskatchewan can be made in reliance on exemptions from the Registration and Prospectus Requirements in each of Alberta and Saskatchewan.

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

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

THE DECISION of the Decision Makers pursuant to the Legislation is that the trades of Plan Units to the Plan Participants pursuant to the Plan shall not be subject to the Registration and Prospectus Requirements of the Legislation provided that:

(a) in each of British Columbia, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador:

(i) At the time of the trade the Trust is a reporting issuer or the equivalent under the legislation and is not in default of any requirement of the Legislation, other than the requirement to file interim financial statements for the period ended June 30, 2004 in the province of British Columbia;

(ii) no sales charge is payable in respect of the distributions of Plan Units from treasury; and

(iii) the Trust has caused to be sent to the person or company to whom the Plan Units are traded, not more than 12 months before the trade, a statement describing:

(1) their right to withdraw from the Plan and to make an election to receive cash instead of Plan Units on the making of a distribution by the Trust; and

(2) instructions on how to exercise the right referred to in (1);

(b) in the calendar year during which the trade takes place, the aggregate number of Plan Units issued pursuant to the Optional Cash Payments shall not exceed 2% of the aggregate number of Units outstanding at the commencement of that calendar year;

(c) in each of British Columbia, Manitoba, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador, the first trade or resale of Plan Units acquired pursuant to the Plan in a Jurisdiction shall be deemed to be, and in each of Alberta and Saskatchewan the first trade or resale of Plan Units acquired pursuant to the Plan in a Jurisdiction shall be, a distribution or primary distribution to the public under the Legislation unless the conditions of paragraphs 2 through 5 of Section 2.6(3) of Multilateral Instrument 45-102 – Resale of Securities are satisfied; other than the requirement to file interim financial statements for the period ended June 30, 2004 in the province of British Columbia in respect of complying with the requirement contained in subsection 2.6(3)5 of Multilateral Instrument 45-102; and

(d) in Québec, the first trade (alienation) of Plan Units acquired pursuant to the Plan in Québec shall be a distribution or primary distribution to the public unless:

(i) at the time of the first trade, the Trust is a reporting issuer in Québec and is not in default on any of the requirements of securities legislation in Québec;

(ii) no unusual effort is made to prepare the market or to create a demand for the Plan Units;

(iii) no extraordinary commission or consideration is paid to a person or company other than the vendor of the Plan Units in respect of the first trade; and

(iv) the vendor of the Plan Units, if in a special relationship with the Trust, has no reasonable grounds to believe that the Trust is in default of any requirement of the Legislation of Québec.

September 28, 2004.

"Paul M. Moore" "Lorne H. Morphy"

2.1.5 Telstra Corporation Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Issuer bid by Australian corporation that is a reporting issuer in each province of Canada – bid made in compliance with applicable Australian laws – 108 registered Ontario shareholders holding less than 0.0013% of the outstanding shares – corporation exempted from issuer bid requirements, subject to conditions.

Applicable Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 95, 96, 97, 98, and 104(2)(c).

Recognition Orders Cited

In the Matter of the Recognition of Certain Jurisdictions Recognition Order (Clauses 93(1)(e) and 93(3((h) of Act) (1997), 20 OSCB 1035.

September 28, 2004

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ONTARIO, BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, MANITOBA, QUEBEC, NOVA SCOTIA
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
TELSTRA CORPORATION LIMITED (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 requirements contained in the legislation relating to the delivery of an offer and issuer bid circular and any notices of change or variation thereto, minimum deposit periods withdrawal rights, take-up of and payment for securities tendered to an issuer bid, disclosure, restrictions upon purchases of securities, identical consideration and collateral benefits (collectively, the Issuer Bid Requirements) do not apply to the proposed issuer bid (the Issuer Bid) by Telstra (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. Telstra is a corporation governed by the laws of Australia.

2. Telstra is a provider of telecommunications and Internet services in Australia.

3. Telstra is a reporting issuer, or the equivalent, in each of the provinces of Canada.

4. The common shares in the capital of Telstra (the Telstra Shares) are listed on the Australian Stock Exchange, the New Zealand Stock Exchange and the New York Stock Exchange (through American Depositary Receipts).

5. Telstra proposes to make an offer to purchase a number of Telstra Shares from its shareholders.

6. The Issuer Bid will be conducted by way of a "Dutch auction" in compliance with the laws and requirements of the Australian *Corporations Act* 2001.

7. The details of the Issuer Bid will be contained in an offer document (the Circular) which will be distributed to all holders of Telstra Shares (the Telstra Shareholders) and which will comply with all Australian law requirements.

8. As of August 27, 2004, there were 12,628,359,026 Telstra Shares issued and outstanding. There are, according to Telstra's share register, 298 Telstra Shareholders resident in Canada (the Canadian Shareholders), holding in the aggregate 380,177 Telstra Shares as follows:

Province of Residence	Number of Shareholders	Number of Telstra Shares
Ontario	108	164,985
British Columbia	85	112,645
Alberta	61	52,677
Saskatchewan	1	1,000
Manitoba	5	8,000
Quebec	21	20,210
Nova Scotia	4	9,700
Newfoundland	7	7,230
Prince Edward Island	3	2,130
Yukon	1	400
Northwest Territories	2	1,200

9. The Issuer Bid will be made by way of an invitation to all Telstra Shareholders as at a specified record date (currently anticipated to be October 8, 2004) to make an offer to sell a specified number of their Telstra Shares to Telstra.

10. Telstra Shareholders will be invited to tender up to 100% of their shareholdings. However, Telstra does not intend to purchase more than approximately 210 million Telstra Shares pursuant to the Issuer Bid, with Telstra's total spending on the Issuer Bid to be no more than approximately Aus$750 million (Cdn$690 million) (the Purchase Limit).

11. Telstra Shareholders will be required to specify in their offer the minimum price(s) at which they are willing to sell their Telstra Shares and the number of shares they wish to sell. The price(s) must be chosen from set prices within a range specified by Telstra in the Circular. This range will be set before the Issuer Bid tender period opens and will be around the prevailing market price of Telstra Shares. Alternatively, Telstra Shareholders who do not wish to specify a price may make a "final price tender". Telstra Shareholders who choose to make a final price tender offer will be paid the final Issuer Bid price determined by Telstra, which will be one of the nominated prices within the range specified by Telstra. Telstra Shareholders with 600 Telstra Shares or fewer will only be able to tender their Telstra Shares at one price in the specified range or as a "final price tender".

12. The final Issuer Bid price (the Issuer Bid Price) will effectively be determined by Telstra Shareholders through the tender process. The price will be the lowest price at which Telstra can purchase its desired number of shares up to the Purchase Limit. Under the tender process, Telstra will be able to select the price at which it can purchase the amount of capital that is desired. However, the Issuer Bid terms will include a scale-back procedure to cover the situation where more tenders are received at and below the Issuer Bid Price and as "final price tenders" than the number of shares targeted to be purchased. The scale back procedure will be described in full in the Circular.

13. All successful Telstra Shareholders will be paid the Issuer Bid Price even where they tendered a price that was below the Issuer Bid Price determined by Telstra.

14. Telstra Shareholders who tender a price which is greater than the Issuer Bid Price will not have their Telstra Shares bought back.

15. Telstra Shareholders will be able to withdraw their tender up until the tender closing date which will be at least 14 business days after the tender period commences.

16. All of the Telstra Shareholders to whom the Issuer Bid is made will be treated equally, subject to minor technical exceptions required to:

    (a) minimize the creation of small Telstra shareholdings by only allowing Telstra Shareholders with 600 Telstra Shares or fewer to tender Telstra Shares at one price;

    (b) facilitate participation in the Issuer Bid by certain employee share plan participants;

    (c) restrict participation in the Issuer Bid by persons whose participation is not permitted by the laws of the jurisdiction in which they are resident; and

    (d) prevent a contravention of Australian laws in relation to levels of ownership of Telstra Shares by the Commonwealth of Australia and foreign persons.

17. The *de minimis* issuer bid exemptions found in certain of the Jurisdictions are not available in respect of the Issuer Bid since the bid is not being made in compliance with laws of a jurisdiction that is recognized by the applicable Decision Makers to the purposes of the *de minimis* issuer bid exemptions. Also the *de minimis* issuer bid exemptions found in certain of the Jurisdictions is not available in respect of the Issuer Bid since the number of Telstra Shareholders resident in such Jurisdictions is over 50.

18. The percentage of total outstanding Telstra Shares held by Telstra Shareholders resident in each of Ontario, British Columbia and Alberta is well below the 2% *de minimus* threshold (being approximately 0.0013%, 0.0009% and 0.0004% respectively).

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 provided that:

1. the Issuer Bid (and any amendments thereto) is made in compliance with applicable Australian laws; and

2. all materials relating to the Issuer Bid and any amendments thereto which are sent by or on behalf of the Filer to holders of Telstra Shares in Australia are concurrently sent to Canadian Shareholders and copies thereof are concurrently filed with the Decision maker in each Jurisdiction.

“Paul Moore”	“Lorne Morphy”
Commissioner,	Commissioner,
Ontario Securities Commission	Ontario Securities Commission

2.1.6 Zargon Oil & Gas Ltd. and Zargon Energy Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from the continuous disclosure requirements in connection with an arrangement.

Applicable National Instruments

National Instrument 51-102 – Continuous Disclosure Obligations.

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

AND

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

AND

IN THE MATTER OF
ZARGON OIL & GAS LTD. AND
ZARGON ENERGY TRUST

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (collectively, the "Decision Makers") in each of Alberta, British Columbia, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, Yukon and Nunavut (collectively, the "Jurisdictions") has received an application from Zargon Oil & Gas Ltd. ("Zargon") and Zargon Energy Trust (the "Trust") in connection with a plan of arrangement (the "Arrangement") under Section 193 of the *Business Corporations Act* (Alberta) (the "ABCA") involving Zargon's predecessors (being Zargon Oil & Gas Ltd. ("Pre-Amalgamation Zargon"), Zargon AcquisitionCo Inc. ("AcquisitionCo") and Zargon Resources Ltd. ("ZRL")) and the Trust for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Zargon be granted an exemption from National Instrument 51-102 Continuous Disclosure Obligations ("NI 51-102"), in its entirety, in each of the Jurisdictions, and in Québec by a revision of general order No. 2004-PDG-0020 dated March 26, 2004 that will provide the same result as an exemption order, and further be granted an exemption from any comparable continuous disclosure requirements under the Legislation of the Jurisdictions (other than Ontario) that have not yet been repealed or otherwise rendered ineffective as a consequence of the adoption of NI 51-102 (collectively, the "Continuous Disclosure Requirements");

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Alberta 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 Zargon and the Trust have represented to the Decision Makers that:

1. Pre-Amalgamation Zargon was a corporation incorporated and subsisting pursuant to the provisions of the ABCA;

2. the registered, head and principal office of Pre-Amalgamation Zargon was located at Suite 700, 333 – 5th Avenue S.W., Calgary, Alberta, T2P 3B6;

3. Pre-Amalgamation Zargon was actively engaged in the exploration for, and the acquisition, development and production of, oil and natural gas in the Provinces of Alberta, British Columbia and Saskatchewan and in Montana and North Dakota in the United States;

4. the authorized capital of Pre-Amalgamation Zargon included an unlimited number of common shares ("Common Shares");

5. the Common Shares were listed on the Toronto Stock Exchange (the "TSX") until they were delisted at the close of business on July 20, 2004;

6. Pre-Amalgamation Zargon was a reporting issuer in the Provinces of British Columbia, Alberta, Manitoba, Ontario, Québec and Nova Scotia for more than 12 months;

7. Pre-Amalgamation Zargon had filed all the information that it had been required to file as a reporting issuer in each of the Provinces of British Columbia, Alberta, Manitoba, Ontario, Québec and Nova Scotia and was not in default of the securities legislation in any of these jurisdictions;

8. the Trust is an open-end unincorporated investment trust governed by the laws of the Province of Alberta and created pursuant to a trust indenture dated June 17, 2004 between Zargon and Valiant Trust Company, as trustee;

9. the Trust was established for the purpose of, among other things:

   (a) participating in the Arrangement;

   (b) investing in securities of AcquisitionCo and Zargon ExchangeCo Inc. ("ExchangeCo") or any other affiliate of

the Trust and acquiring (directly or indirectly) certain securities of AcquisitionCo pursuant to the Arrangement, which investments are for the purpose of funding the acquisition, development, exploitation and disposition of all types of petroleum and natural gas and energy related assets, including without limitation, facilities of any kind, oil sands interests, electricity or power generating assets and pipeline, gathering, processing and transportation assets (collectively, "Energy Assets");

(c) acquiring or investing in the securities of any other entity, including without limitation bodies corporate, partnerships or trusts, and borrowing funds or otherwise obtaining credit, including granting guarantees, for that purpose, for the purpose of directly or indirectly acquiring Energy Assets;

(d) acquiring direct royalties and net profits interests; and

(e) making loans or other advances to Zargon or any other affiliate of the Trust;

10. the head and principal office of the Trust is located at Suite 700, 333 – 5th Avenue S.W., Calgary, Alberta, T2P 3B6;

11. the Trust is authorized to issue an unlimited number of trust units ("Trust Units") and an unlimited number of special voting rights ("Special Voting Rights"), of which 14,864,531 Trust Units and one (1) Special Voting Right were outstanding on July 15, 2004 on completion of the Arrangement;

12. the Trust Units are listed and posted for trading on the TSX. The Trust Units issuable from time to time in exchange for the series A exchangeable shares of Zargon ("Exchangeable Shares") will also be listed on the TSX;

13. the Trust is a reporting issuer in the Provinces of British Columbia, Alberta, Ontario, Québec, Nova Scotia and Newfoundland and Labrador and is subject to the Continuous Disclosure Requirements in such Jurisdictions. The Trust has made application to be deemed a reporting issuer in the Provinces of Saskatchewan and New Brunswick and, when the applicable orders are received, the Trust will be subject to the Continuous Disclosure Requirements in these additional Jurisdictions;

14. AcquisitionCo was a wholly-owned subsidiary of the Trust incorporated pursuant to the ABCA. AcquisitionCo was incorporated to participate in the Arrangement by, among other things, acquiring the Common Shares of Pre-Amalgamation Zargon;

15. the head and principal office of AcquisitionCo was located at Suite 700, 333 – 5th Avenue S.W., Calgary, Alberta, T2P 3B6 and its registered office was located at 1400, 350 – 7th Avenue S.W., Calgary, Alberta, T2P 3N9;

16. the authorized capital of AcquisitionCo consisted of an unlimited number of common shares, an unlimited number of exchangeable shares, issuable in series, and 3,660,000 Exchangeable Shares;

17. none of the securities of AcquisitionCo were listed or quoted on any market place;

18. AcquisitionCo was not a reporting issuer in any of the Jurisdictions;

19. ZRL was a wholly-owned subsidiary of Zargon that was incorporated and subsisting pursuant to the provisions of the ABCA;

20. the registered, head and principal office of ZRL was located at Suite 700, 333 – 5th Avenue S.W., Calgary, Alberta, T2P 3B6;

21. ZRL participated in the Arrangement by, among other things, conveying certain undeveloped land interests owned by ZRL to Zargon Energy Ltd.;

22. the authorized capital of ZRL included an unlimited number of common shares;

23. the common shares of ZRL were not listed or quoted on any marketplace;

24. ZRL was not a reporting issuer in any of the Jurisdictions;

25. the Arrangement closed on July 15, 2004 after receipt of: (i) the approval of 99.9% of the votes cast by the shareholders and the optionholders of Pre-Amalgamation Zargon (present in person or represented by proxy), voting together as a single class, at the meeting (the "Meeting") of Pre-Amalgamation Zargon's securityholders at which the Arrangement was considered; and (ii) the approval of the Court of Queen's Bench of Alberta;

26. the information circular and proxy statement dated June 18, 2004 (the "Information Circular") prepared by Pre-Amalgamation Zargon contains prospectus-level disclosure concerning the respective business and affairs of Pre-Amalgamation Zargon, the Trust and Zargon and a detailed description of the Arrangement, and was mailed to Pre-Amalgamation Zargon's securityholders in connection with the Meeting. The Information Circular was prepared in

conformity with the provisions of the ABCA and applicable securities laws and policies;

27. at the time the Arrangement became effective on July 15, 2004, a series of transactions occurred that resulted in, among other things:

    (a) subject to certain exceptions and adjustments, shareholders of Pre-Amalgamation Zargon receiving, for each Common Share:

        (i) one (1) Trust Unit; or

        (ii) one (1) Exchangeable Share; and

    (b) Pre-Amalgamation Zargon, AcquisitionCo and ZRL amalgamating pursuant to the provisions of the ABCA and continuing as one corporation, Zargon;

28. the registered, head and principal office of Zargon is located at Suite 700, 333 – 5th Avenue S.W., Calgary, Alberta, T2P 3B6;

29. Zargon is engaged in the exploration for, and the acquisition, development and production of, oil and natural gas in the Provinces of Alberta, British Columbia and Saskatchewan and in Montana and North Dakota in the United States;

30. the authorized capital of Zargon consists of an unlimited number of common shares, an unlimited number of exchangeable shares, issuable in series, and 3,660,000 Exchangeable Shares. On July 15, 2004 when the Arrangement was completed, 100 common shares of Zargon were issued and outstanding (all of which are owned by the Trust) and 3,660,000 Exchangeable Shares were issued and outstanding;

31. the Exchangeable Shares are listed on the TSX;

32. all of the common shares of Zargon will be owned beneficially (directly or indirectly) by the Trust, for as long as any outstanding Exchangeable Shares are owned by any person other than the Trust or any of the Trust's subsidiaries and other affiliates. The common shares of Zargon are not listed on any stock exchange;

33. Zargon is a reporting issuer under the Legislation of British Columbia, Alberta, Manitoba, Ontario, Québec and Nova Scotia, and is subject to the Continuous Disclosure Requirements in such Jurisdictions;

34. Zargon has filed all the information that it has been required to file as a reporting issuer in each of the Provinces of British Columbia, Alberta, Manitoba, Ontario, Québec and Nova Scotia, and is subject to the Continuous Disclosure Requirements in such Jurisdictions;

35. the Exchangeable Shares provide a holder with a security having economic and voting rights which are, as nearly as practicable, equivalent to those of the Trust Units;

36. under the terms of the Exchangeable Shares and certain rights granted in connection with the Arrangement, holders of Exchangeable Shares are able to exchange them at their option for Trust Units;

37. under the terms of the Exchangeable Shares and certain rights granted in connection with the Arrangement, the Trust, ExchangeCo or Zargon will redeem, retract or otherwise acquire Exchangeable Shares in exchange for Trust Units in certain circumstances;

38. in order to ensure that the Exchangeable Shares remain the voting and economic equivalent of the Trust Units prior to their exchange, on the effective date of the Arrangement:

    (a) a voting and exchange trust agreement was entered into among the Trust, AcquisitionCo, ExchangeCo and Valiant Trust Company (the "Voting and Exchange Agreement Trustee") which, among other things, (i) grants to the Voting and Exchange Agreement Trustee, for the benefit of holders of Exchangeable Shares, the right to require the Trust or ExchangeCo to exchange the Exchangeable Shares for Trust Units, and (ii) triggers automatically the exchange of the Exchangeable Shares for Trust Units upon the occurrence of certain specified events;

    (b) the Trust deposited a Special Voting Unit with the Voting and Exchange Agreement Trustee which effectively provides the holders of Exchangeable Shares with voting rights equivalent to those attached to the Trust Units; and

    (c) a support agreement was entered into among the Trust, AcquisitionCo, ExchangeCo and the Voting and Exchange Agreement Trustee which, among other things, restricts the Trust from issuing or distributing to the holders of all or substantially all of the outstanding Trust Units:

        (i) additional Trust Units or securities convertible into Trust Units;

(ii) rights, options or warrants for the purchase of Trust Units; or

(iii) units or securities of the Trust other than Trust Units, evidences of indebtedness of the Trust or other assets of the Trust;

unless the same or an equivalent distribution is made to holders of Exchangeable Shares, an equivalent change is made to the Exchangeable Shares, or the approval of holders of Exchangeable Shares has been obtained;

39. the Information Circular discloses that application will be made to relieve Zargon from the Continuous Disclosure Requirements;

40. the Trust will concurrently send to holders of Exchangeable Shares resident in the Jurisdictions all disclosure material it sends to holders of Trust Units pursuant to the Legislation; and

41. Zargon and its insiders will comply with the insider reporting requirement and the requirement to file an insider profile under National Instrument 55-102;

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 Continuous Disclosure Requirements of the Jurisdictions shall not apply to Zargon for so long as:

(a) the Trust is a reporting issuer in at least one of the jurisdictions listed in Appendix B of Multilateral Instrument 45-102 and is an electronic filer under National Instrument 13-101;

(b) the Trust sends to all holders of Exchangeable Shares resident in the Jurisdictions all disclosure material furnished to holders of Trust Units under the Continuous Disclosure Requirements;

(c) the Trust complies with the requirements in the Legislation and of any marketplace on which the securities of the Trust are listed or quoted in respect of making public disclosure of material information on a timely basis, and immediately issues and files any news release that discloses a material change in its affairs;

(d) Zargon issues a news release and files a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of Zargon that are not also material changes in the affairs of the Trust;

(e) the Trust includes in all mailings of proxy solicitation materials to holders of Exchangeable Shares a clear and concise statement that explains the reason the mailed material relates solely to the Trust, indicates that the Exchangeable Shares are the economic equivalent to the Trust Units, and describes the voting rights associated with the Exchangeable Shares;

(f) the Trust remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of Zargon; and

(g) Zargon does not issue any securities, other than the Exchangeable Shares, securities issued to the Trust or its affiliates, or debt securities issued to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions.

August 16, 2004.

“Agnes Lau”

2.1.7 Echo Springs Water Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Issuer deemed to have ceased to be reporting issuer under the Act.

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 AND QUÉBEC

AND

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

AND

IN THE MATTER OF
ECHO SPRINGS WATER CORP.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker" and collectively, the "Decision Makers") in each of Alberta, Saskatchewan, Ontario and Québec, (the "Jurisdictions") has received an application from Echo Springs Water Corp. (the "Applicant"), for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Applicant be deemed to have ceased to be a reporting issuer or the equivalent in the Jurisdictions;

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 or in Québec Commission Notice 14-101;

AND WHEREAS the Applicant has represented to the Decision Makers that:

1. The Applicant was incorporated as "Burkina Capital Corp." by Certificate of Incorporation issued pursuant to the provisions of the Canada Business Corporations Act on May 1, 1996. The Articles of the Corporation were amended by Articles of Amendment dated June 3, 1996 to remove the private Corporation restrictions. The Articles of the Corporation were further amended by Articles of Amendment dated April 12, 1998 to change the name of the Corporation to "Canada's Choice Spring Water, Inc." The Articles of the Corporation were further amended by Articles of Amendment dated March 28, 2002 to change the name of the Corporation to "Echo Springs Water Corp."

2. The head office of the Applicant is located at 260 Peter Street, Port Hope, ON L1A 3V6.

3. The Applicant is a reporting issuer in each of the Jurisdictions. The common shares of the Applicant were listed for trading on the TSX Venture Exchange, but were delisted on March 15, 2004 following the completion of the reorganization of the Applicant described below.

4. The Applicant is authorized to issue an unlimited number of common shares and an unlimited number of preferred shares.

5. On August 18, 2003, the Applicant filed for protection under the Companies Creditors Arrangement Act (Canada) (the "CCAA") and the Ontario Superior Court granted an order staying enforcement proceedings against the Applicant by its creditors to permit it to reach an agreement with various parties on a restructuring proposal.

6. On January 28, 2004, the Applicant implemented a plan of arrangement (the "Plan") under the CCAA. In accordance with the terms of the Plan, the unsecured creditors of the Corporation with proven claims were entitled to share in $250,000 (the "Settlement Fund") to be distributed within 60 days of the implementation of the Plan. Each unsecured creditor with proven claims became entitled to receive full payment for the first $500 of its claim and to share, on a proportionate basis, the balance of the Settlement Fund after deduction for the payment of the first $500 of its claim. Upon the implementation of the Plan, the securities of the Applicant were cancelled for no consideration and are of no further force and effect. As part of the reorganization, 6185771 Canada Inc., an affiliate of CJC Bottling Limited, the sponsor of the plan of reorganization, was issued 10,000,000 shares. Therefore, all of the issued and outstanding shares of the Applicant are owned by 6185771 Canada Inc.

7. The outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders resident in any one Jurisdiction and less than 51 holders of securities, including debt securities, in total in Canada.

8. No securities of the Applicant are traded on a marketplace (as defined in National Instrument 21-101 Marketplace Operation).

9. The Applicant is in default of certain of its continuous disclosure obligations under the

Legislation. Specifically, the Applicant is in default with respect to the following:

(a) Annual financial statements, annual information form and the annual report for the financial year ended September 30, 2003, which were due February 17, 2004;

(b) Interim financial statements for the quarter ended December 31, 2003;

(c) Report on securities distributed in Quebec for the financial year ended September 30, 2003;

(d) Confirmations of mailing for the interim financial statements for March 31, 2002, June 30, 2002, December 31, 2002, March 31, 2003, and June 30, 2003;

(e) Confirmations of mailing for the annual financial statements, annual report and proxy materials for the year ended September 30, 2002; and

(f) Form 13-502F1 in Ontario.

10. The Applicant will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the granting of the relief contained in this decision.

11. The Applicant has no intention to seek public financing by offering its securities in Canada.

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 Applicant is deemed to have ceased to be a reporting issuer or the equivalent in the Jurisdictions.

September 22, 2004.

"Susan Wolburgh-Jenah" "H. Lorne Morphy"

2.1.8 Synnex Canada Limited and Synnex Canada Acquisition Limited - s. 9.1 of OSC Rule 61-501

Headnote

Rule 61-501 – second step business combinations - mutual reliance review system –employment agreement by acquiror with a director and senior officer of the target company who is also a significant shareholder of the target – option agreements between the target and holders of options to provide for cashless exercise of options issued to employees under target's stock option plan – agreements entered into with holders of out-of-the-money convertible securities to provide for payment of nominal consideration for waiver of conversion rights - applicant permitted to count shares tendered from holders of the target's shares subject to above-mentioned agreements as part of minority vote required in connection with a second step business combination – employment agreement does not constitute a collateral benefit under the Rule – security holders subject to option agreements and convertible securities agreements either hold nominal amount of the outstanding securities of the class subject to the bid or receiving nominal consideration under these transactions.

Applicable Ontario Rules

Rule 61-501 – Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions, ss. 8.2 and 9.1.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO AND QUEBEC

AND

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

AND

IN THE MATTER OF
SYNNEX CANADA LIMITED AND
SYNNEX CANADA ACQUISITION LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario and Québec (the "Jurisdictions") has received an application from Synnex Canada Limited ("Synnex Canada") and its wholly-owned subsidiary Synnex Canada Acquisition Limited (the "Applicant" or the "Offeror") for a decision under section 9.1 of Ontario Securities Commission (the "OSC") Rule 61-501 ("Rule 61-501") and Section 9.1. of Agence national d'encadrement du secteur financier (the "AMF") Policy Statement Q-27 ("Policy Q-27", together with Rule 61-501, the "Rules") that the votes attached to EMJ Shares (as defined below) that may be deposited by certain holders under the take-over bid (the "Offer") by the Applicant to purchase all of the issued and

outstanding common shares (the "EMJ Shares") of EMJ Data Systems Ltd. ("EMJ") may be included as votes in favour of a subsequent going private transaction/business combination in the determination of whether the requisite minority approval has been obtained, in the case of Rule 61-501, notwithstanding the entering into one or more of the Convertible Security Agreements (as defined below) and the EMJ Option Agreements (as defined below) by such holders and, in the case of the Policy Q-27, notwithstanding the entering into of one or more of the following agreements by such holders:

(A) an employment agreement (the "Employment Agreement") between James A. Estill ("Estill"), who is both an officer and director of EMJ and a direct and indirect shareholder of EMJ, and Synnex Canada dated July 14, 2004 and to be effective as of the date (the "Effective Date") on which a majority of the directors comprising the Board of Directors of EMJ are replaced by persons nominated by the Offeror (assuming that the Offeror takes up and pays for more than 50% of the EMJ Shares);

(B) agreements (the "EMJ Option Agreements") between EMJ and holders of options ("EMJ Optionholders") to purchase EMJ Shares issued under EMJ's stock option plan ("EMJ Options") pursuant to which such holders shall agree to exercise their EMJ Options and deposit under the Offer the EMJ Shares issued upon such exercise and EMJ shall agree to loan to such holders an amount equal to the aggregate exercise price required to exercise their EMJ Options, such loan to be repaid from the proceeds paid to such holders under the Offer in respect of their EMJ Shares; and

(C) agreements (the "Convertible Security Agreements") between EMJ and holders of Convertible Securities (as defined below) of EMJ, pursuant to which such holders shall, among other things, agree to not exercise, convert or exchange their Convertible Securities (or in the case of the warrants forming part of the Convertible Securities, agree to the termination of such warrants) effective from immediately prior to the earlier to occur of the time that the Offeror takes up EMJ Shares under the Offer and the time of expiry of the Offer (provided that the Offeror takes up EMJ Shares under the Offer) in consideration of the payment by EMJ of an amount of cash per underlying EMJ Share.

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the AMF is the principle regulator for this application;

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

AND WHEREAS the Applicant has represented to the Decision Makers that:

1. The Offeror is a corporation incorporated under the laws of the Province of Ontario and is a wholly-owned subsidiary of Synnex Canada.

2. The Offeror does not beneficially own any EMJ Shares and has no intention of acquiring any EMJ Shares other than pursuant to the Offer prior to the expiry of the Offer.

3. Synnex Canada is a corporation incorporated under the laws of the Province of Ontario.

4. Synnex Canada does not beneficially own any EMJ Shares and has no intention of acquiring any EMJ Shares other than as parent to the Offeror pursuant to the Offer prior to the expiry of the Offer.

5. EMJ is a corporation incorporated under the laws of the Province of Ontario and is a reporting issuer in all provinces and territories of Canada and, to the knowledge of the Offeror, it is not in default of any of the requirements of the securities legislation of such jurisdictions.

6. Based on information provided by EMJ: as of July 14, 2004 the authorized share capital of EMJ consisted of an unlimited number of EMJ Shares, an unlimited number of first preference shares and an unlimited number of second preference shares; and as of the close of business on July 11, 2004 there were issued and outstanding no more than 8,296,584 EMJ Shares, 1,056,500 First Preference Shares Series A of EMJ (the "Series A Shares") (each Series A Share is convertible into one EMJ Share), 306,362 EMJ Options, 109,500 warrants (the "Broker Warrants") (each exercisable to purchase, at the election of the holder, one Series A Share or $8.00 principal amount of Convertible Debentures (defined below)), 75,000 purchase warrants (the "Purchase Warrants") (each exercisable to purchase one EMJ Share at a price of $7.00 per share), a debenture in the aggregate principal amount of $1,000,000 (the "Debenture") pursuant to which the holder may effectively acquire 200,000 EMJ Shares upon conversion thereof, and $11,148,000 aggregate principal amount of convertible unsecured subordinated debentures of EMJ (the "Convertible Debentures") convertible into EMJ Shares at a conversion price of $8.00 per share. The Series A Shares, the EMJ Options, the Convertible Debentures, the Broker Warrants, the

Purchase Warrants and the Debenture referred to above are referred to as the "Convertible Securities" and holders of Convertible Securities are referred to as "Convertible Securityholders".

7. The EMJ Shares are listed on the Toronto Stock Exchange (the "TSX") and trade under the symbol, "EMJ".

8. Estill Holdings Limited ("Holdings") is the largest shareholder of EMJ. Based on information provided by Holdings, it holds 3,844,500 EMJ Shares. Based on information provided by EMJ, Holdings is owned by the Don Estill Family Trust as to 19.87%; Estill as to 69.34%; and Glen R. Estill, the Chief Financial Officer of EMJ, as to 10.78%. Estill and Glen R. Estill each have a 25% interest in the Don Estill Family Trust.

9. Estill is the President, Chief Executive Officer and a director of EMJ. Based on information provided by Estill, Estill directly owns 26,667 EMJ Shares, 80,000 EMJ Options and 375,000 Series A Shares, and controls the EMJ Shares held by Holdings. Estill is the controlling shareholder of Holdings.

10. The Offer has been made by way of a single offer and take-over bid circular dated August 9, 2004 mailed simultaneously to all holders of EMJ Shares and holders of securities exercisable or convertible into EMJ Shares, and prepared in accordance with applicable securities legislation and such other terms and conditions as are required by law.

11. The Offeror has offered under the Offer to pay $6.60 in cash per EMJ Share.

12. The Offeror, Synnex Canada, Synnex Corporation (the parent of Synnex Canada) and EMJ have entered into a support agreement dated July 14, 2004 (the "Support Agreement") pursuant to which, and subject to the conditions set forth therein, the Offeror has agreed to make the Offer and EMJ has represented to the Offeror that the Board of Directors of EMJ has: determined unanimously that the Offer is fair to the holders of EMJ Shares and is in the best interests of EMJ and has resolved unanimously to recommend to the holders of EMJ Shares that they deposit their EMJ Shares under the Offer.

13. Each of the Offeror and Synnex Canada has entered into lock-up agreements with Estill and Holdings pursuant to which such EMJ shareholders have agreed to deposit under the Offer their EMJ Shares, representing approximately 46.7% of the issued and outstanding EMJ Shares or approximately 33.8% of the EMJ Shares on a fully-diluted basis, and not withdraw them, except in limited circumstances.

14. Based on an Offer price of $6.60 per EMJ Share, Estill will receive an aggregate of $176,002.20 for his outstanding EMJ Shares sold under the Offer and Holdings will receive an aggregate of $25,373,700.00 for its outstanding EMJ Shares sold under the Offer. Assuming that Estill exercises his EMJ Options and sells under the Offer the 80,000 EMJ Shares issuable upon such exercise, Estill will receive an aggregate of $528,000.00 for such EMJ Shares, of which $373,600.00 will be used to repay the loan that Estill will receive pursuant to the EMJ Option Agreement relating to his EMJ Options.

15. Under the Employment Agreement, Estill shall serve as President and Chief Executive Officer of Synnex Canada and is entitled to receive a base salary of $110,000 per annum, plus a discretionary bonus. In this capacity, Estill shall perform such duties and have such authority as may from time to time be assigned, delegated or limited by Synnex Canada's board of directors or the President and Chief Executive Officer of Synnex Corporation. This agreement also provides that, during Estill's employment with Synnex Canada and for a period of two years thereafter, Estill shall not engage in any activity which is in competition with Synnex Canada in Canada provided that if Estill is terminated following a change in control of Synnex Canada such two year non-competition period shall be reduced to nil.

16. EMJ currently has an employment contract with Estill, dated September 25, 2003. The Employment Agreement is not substantially different from EMJ's current employment agreement with Estill.

17. The purpose of entering the Employment Agreement is to ensure that Estill will continue his involvement with the combined business of EMJ and Synnex Canada.

18. The Employment Agreement has been negotiated at arm's length and on terms and conditions that are commercially reasonable.

19. The Employment Agreement has been made for valid business reasons unrelated to Estill's holdings of EMJ Shares or other EMJ securities and not for the purpose of increasing the value of the consideration to be paid to him for his EMJ Shares under the Offer.

20. The receipt by Estill of compensation under the Employment Agreement is not conditional upon his support of the Offer.

21. The payments under the Employment Agreement are not greater than the total annual compensation of employees of Synnex Canada

with a similar level of seniority and/or responsibility.

22. The value of the collateral benefit to Estill under the Employment Agreement is minimal in comparison to the value that he is entitled to receive under the Offer.

23. Synnex Canada required Estill to enter into the Employment Agreement as a precondition to making the Offer because he has been critical to the operation of the business of EMJ to date and will be critical to the operations of Synnex Canada and EMJ following completion of the Offer.

24. Particulars of the Employment Agreement have been disclosed in the take-over bid circular of the Offeror and the directors' circular of EMJ relating to the Offer.

25. The Employment Agreement is not a collateral benefit within the meaning of Rule 61-501.

26. Under the EMJ Option Agreements, holders of EMJ Options shall agree to exercise their EMJ Options and deposit under the Offer the EMJ Shares issued upon such exercise and EMJ shall agree to loan, effective immediately prior to the expiry time of the Offer (provided that the Offeror takes up EMJ Shares under the Offer), to such holders an amount equal to the aggregate exercise price required to exercise their EMJ Options, such loan to be repaid from the proceeds paid to such holders under the Offer in respect of their EMJ Shares.

27. Based on information from EMJ, Holders of EMJ Options include senior officers and directors of EMJ and/or its subsidiaries and each such senior officer and director (other than Estill) owns less than one percent of the outstanding EMJ Shares as of July 14, 2004.

28. The value of the collateral benefit to Estill under the EMJ Option Agreement to which he is party is minimal in comparison to the value that he is entitled to receive under the Offer.

29. It is expected that the loans from EMJ to holders of EMJ Options under the EMJ Optionholder Agreements will be outstanding from immediately prior to the expiry time of the Offer until the time the Offeror pays for the EMJ Shares that it has acquired from such holders under the Offer.

30. EMJ has accelerated the vesting of unvested EMJ Options so that they may be exercised and the underlying EMJ Shares may be deposited under the Offer. All EMJ Options not exercised prior to the expiry of the Offer shall be terminated pursuant to written agreements between EMJ and the optionholders on terms acceptable to the Offeror.

31. It is a condition to the Offeror's obligations to take up and pay for EMJ Shares under the Offer that EMJ shall use its commercially reasonable efforts to enter into EMJ Option Agreements with all holders of EMJ Options.

32. The purpose of the EMJ Option Agreements is to facilitate the exercise of EMJ Options and the deposit under the Offer of the EMJ Shares issuable upon such exercise.

33. The EMJ Option Agreements have been made for valid business reasons unrelated to the holdings by EMJ Optionholders of EMJ Shares or other EMJ securities (other than EMJ Options) and not for the purpose of increasing the value of the consideration to be paid to EMJ Optionholders for their EMJ Shares under the Offer.

34. Particulars of the EMJ Option Agreement have been disclosed in the take-over bid circular of the Offeror and the directors' circular of EMJ relating to the Offer.

35. Under the Convertible Security Agreements, holders of Convertible Securities shall, among other things, agree to not exercise, convert or exchange their Convertible Securities (or in the case of the Broker Warrants and Purchase Warrants, agree to the termination of such securities) effective from immediately prior to the earlier to occur of the time that the Offeror takes up EMJ Shares under the Offer and the time of expiry of the Offer (provided that the Offeror takes up EMJ Shares under the Offer) in consideration of the payment by EMJ of an amount of cash per underlying EMJ Share.

36. Based on information from EMJ, the only senior officer or director of EMJ and/or its subsidiaries who will be party to a Convertible Security Agreement will be Estill.

37. The value of the collateral benefit to Estill under the Convertible Security Agreement to which he is party is minimal in comparison to the value that he is entitled to receive under the Offer.

38. The Convertible Securities that are subject to the Convertible Security Agreements are currently out-of-the-money.

39. The purpose of the Convertible Security Agreements is to eliminate conversion rights of the Convertible Securities covered by such agreements.

40. Under the Convertible Security Agreements, Convertible Securityholders are foregoing the right to the underlying EMJ Shares and the opportunity to participate in the Offer pursuant to such EMJ Shares.

41. The Convertible Security Agreements have been made for valid business reasons unrelated to the holdings by Convertible Securityholders of EMJ Shares or other EMJ securities (other than the Convertible Securities) and not for the purpose of increasing the value of the consideration to be paid to Convertible Securityholders for their EMJ Shares under the Offer.

42. Particulars of the Convertible Security Agreements have been disclosed in the take-over bid circular of the Offeror and the directors' circular of EMJ relating to the Offer.

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 under the Rules is that the votes attached to EMJ Shares that may be deposited under the Offer by parties to one or more of the Convertible Security Agreements and the EMJ Option Agreements may be included as votes in favour of a subsequent going private transaction/business combination in the determination of whether the requisite minority approval has been obtained, notwithstanding such agreements and provided that the Offeror complies with the other applicable provisions of the Rules.

AND THE FURTHER DECISION of the AMF under Policy Q-27 is that the votes attached to EMJ Shares that may be deposited under the Offer by Jim Estill may be included as votes in favour of a subsequent going private transaction in the determination of whether the requisite minority approval has been obtained, notwithstanding the Employment Agreement and provided that the Offeror complies with the other applicable provisions of Policy Q-27.

September 14, 2004.

"Josée Deslauriers"

2.1.9 Synnex Canada Limited and Synnex Canada Acquisition Limited - MRRS Decision

Headnote

Mutual Reliance Review System – take-over bid – relief from the prohibition against collateral benefits - employment agreement by acquiror with a director and senior officer of the target company who is also a significant shareholder of the target – option agreements between the target and holders of options to provide for cashless exercise of options issued to employees under target's stock option plan – agreements entered into with holders of out-of-the-money convertible securities to provide for payment of nominal consideration for waiver of conversion rights - agreements were negotiated at arm's length and on commercially reasonable terms for valid business reasons and not to increase the consideration paid, or to offer a premium for, the shares being acquired - agreements may be entered into despite the prohibition against collateral benefits.

Statute Cited

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 97(2) and 104(2)(a).

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, BRITISH COLUMBIA, ALBERTA AND QUEBEC

AND

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

AND

IN THE MATTER OF
SYNNEX CANADA LIMITED AND
SYNNEX CANADA ACQUISITION LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Alberta and Québec (the "Jurisdictions") has received an application from Synnex Canada Limited ("Synnex Canada") and its wholly-owned subsidiary Synnex Canada Acquisition Limited (the "Applicant" or the "Offeror") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement in the Legislation that an offeror who makes or intends to make a take-over bid or issuer bid and any person or company acting jointly or in concert with the offeror must not enter into any collateral agreement, commitment or understanding with any holder or beneficial owner of securities of the offeree issuer that has the effect of providing to the holder or owner a consideration of greater value than that offered to other holders of the same class of securities (the "Prohibition on Collateral Benefits")

will not apply to the following agreements in connection with the take over bid under the Legislation (the "Offer") by the Applicant to purchase all of the issued and outstanding common shares (the "EMJ Shares") of EMJ Data Systems Ltd. ("EMJ"):

(A) an employment agreement (the "Employment Agreement") between James A. Estill ("Estill"), who is both an officer and director of EMJ and a direct and indirect shareholder of EMJ, and Synnex Canada dated July 14, 2004 and to be effective as of the date (the "Effective Date") on which a majority of the directors comprising the Board of Directors of EMJ are replaced by persons nominated by the Offeror (assuming that the Offeror takes up and pays for more than 50% of the EMJ Shares);

(B) agreements (the "EMJ Option Agreements") between EMJ and holders of options ("EMJ Optionholders") to purchase EMJ Shares issued under EMJ's stock option plan ("EMJ Options") pursuant to which such holders shall agree to exercise their EMJ Options and deposit under the Offer the EMJ Shares issued upon such exercise and EMJ shall agree to loan to such holders an amount equal to the aggregate exercise price required to exercise their EMJ Options, such loan to be repaid from the proceeds paid to such holders under the Offer in respect of their EMJ Shares; and

(C) agreements (the "Convertible Security Agreements") between EMJ and holders of Convertible Securities (as defined below) of EMJ, pursuant to which such holders shall, among other things, agree to not exercise, convert or exchange their Convertible Securities (or in the case of the warrants forming part of the Convertible Securities, agree to the termination of such warrants) effective from immediately prior to the earlier to occur of the time that the Offeror takes up EMJ Shares under the Offer and the time of expiry of the Offer (provided that the Offeror takes up EMJ Shares under the Offer) in consideration of the payment by EMJ of an amount of cash per underlying EMJ Share.

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

AND WHEREAS unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Agence nationale d'encadrement du secteur financier Notice 14-101;

AND WHEREAS the Applicant has represented to the Decision Makers that:

1. The Offeror is a corporation incorporated under the laws of the Province of Ontario and is a wholly-owned subsidiary of Synnex Canada.

2. The Offeror does not beneficially own any EMJ Shares and has no intention of acquiring any EMJ Shares other than pursuant to the Offer prior to the expiry of the Offer.

3. Synnex Canada is a corporation incorporated under the laws of the Province of Ontario.

4. Synnex Canada does not beneficially own any EMJ Shares and has no intention of acquiring any EMJ Shares other than as parent to the Offeror pursuant to the Offer prior to the expiry of the Offer.

5. EMJ is a corporation incorporated under the laws of the Province of Ontario and is a reporting issuer in all provinces and territories of Canada and, to the knowledge of the Offeror, it is not in default of any of the requirements of the securities legislation of such jurisdictions.

6. Based on information provided by EMJ: as of July 14, 2004 the authorized share capital of EMJ consisted of an unlimited number of EMJ Shares, an unlimited number of first preference shares and an unlimited number of second preference shares; and as of the close of business on July 11, 2004 there were issued and outstanding no more than 8,296,584 EMJ Shares, 1,056,500 First Preference Shares Series A of EMJ (the "Series A Shares") (each Series A Share is convertible into one EMJ Share), 306,362 EMJ Options, 109,500 warrants (the "Broker Warrants") (each exercisable to purchase, at the election of the holder, one Series A Share or $8.00 principal amount of Convertible Debentures (defined below)), 75,000 purchase warrants (the "Purchase Warrants") (each exercisable to purchase one EMJ Share at a price of $7.00 per share), a debenture in the aggregate principal amount of $1,000,000 (the "Debenture") pursuant to which the holder may effectively acquire 200,000 EMJ Shares upon conversion thereof, and $11,148,000 aggregate principal amount of convertible unsecured subordinated debentures of EMJ (the "Convertible Debentures") convertible into EMJ Shares at a conversion price of $8.00 per share. The Series A Shares, the EMJ Options, the Convertible Debentures, the Broker Warrants, the Purchase Warrants and the Debenture referred to above are referred to as the "Convertible Securities" and holders of Convertible Securities are referred to as "Convertible Securityholders".

7. The EMJ Shares are listed on the Toronto Stock Exchange (the "TSX") and trade under the symbol, "EMJ".

8. Estill Holdings Limited ("Holdings") is the largest shareholder of EMJ. Based on information provided by Holdings, it holds 3,844,500 EMJ Shares. Based on information provided by EMJ, Holdings is owned by the Don Estill Family Trust as to 19.87%; Estill as to 69.34%; and Glen R. Estill, the Chief Financial Officer of EMJ, as to 10.78%. Estill and Glen R. Estill each have a 25% interest in the Don Estill Family Trust.

9. Estill is the President, Chief Executive Officer and a director of EMJ. Based on information provided by Estill, Estill directly owns 26,667 EMJ Shares, 80,000 EMJ Options and 375,000 Series A Shares, and controls the EMJ Shares held by Holdings. Estill is the controlling shareholder of Holdings.

10. The Offer has been made by way of a single offer and take-over bid circular dated August 9, 2004 mailed simultaneously to all holders of EMJ Shares and holders of securities exercisable or convertible into EMJ Shares, and prepared in accordance with applicable securities legislation and such other terms and conditions as are required by law.

11. The Offeror has offered under the Offer to pay $6.60 in cash per EMJ Share.

12. The Offeror, Synnex Canada, Synnex Corporation (the parent of Synnex Canada) and EMJ have entered into a support agreement dated July 14, 2004 (the "Support Agreement") pursuant to which, and subject to the conditions set forth therein, the Offeror has agreed to make the Offer and EMJ has represented to the Offeror that the Board of Directors of EMJ has: determined unanimously that the Offer is fair to the holders of EMJ Shares and is in the best interests of EMJ and has resolved unanimously to recommend to the holders of EMJ Shares that they deposit their EMJ Shares under the Offer.

13. Each of the Offeror and Synnex Canada has entered into lock-up agreements with Estill and Holdings pursuant to which such EMJ shareholders have agreed to deposit under the Offer their EMJ Shares, representing approximately 46.7% of the issued and outstanding EMJ Shares or approximately 33.8% of the EMJ Shares on a fully-diluted basis, and not withdraw them, except in limited circumstances.

14. Based on an Offer price of $6.60 per EMJ Share, Estill will receive an aggregate of $176,002.20 for his outstanding EMJ Shares sold under the Offer and Holdings will receive an aggregate of $25,373,700.00 for its outstanding EMJ Shares sold under the Offer. Assuming that Estill exercises his EMJ Options and sells under the Offer the 80,000 EMJ Shares issuable upon such exercise, Estill will receive an aggregate of $528,000.00 for such EMJ Shares, of which $373,600.00 will be used to repay the loan that Estill will receive pursuant to the EMJ Option Agreement relating to his EMJ Options.

15. Under the Employment Agreement, Estill shall serve as President and Chief Executive Officer of Synnex Canada and is entitled to receive a base salary of $110,000 per annum, plus a discretionary bonus. In this capacity, Estill shall perform such duties and have such authority as may from time to time be assigned, delegated or limited by Synnex Canada's board of directors or the President and Chief Executive Officer of Synnex Corporation. This agreement also provides that, during Estill's employment with Synnex Canada and for a period of two years thereafter, Estill shall not engage in any activity which is in competition with Synnex Canada in Canada provided that if Estill is terminated following a change in control of Synnex Canada such two year non-competition period shall be reduced to nil.

16. EMJ currently has an employment contract with Estill, dated September 25, 2003. The Employment Agreement is not substantially different from EMJ's current employment agreement with Estill.

17. The purpose of entering the Employment Agreement is to ensure that Estill will continue his involvement with the combined business of EMJ and Synnex Canada.

18. The Employment Agreement has been negotiated at arm's length and on terms and conditions that are commercially reasonable.

19. The Employment Agreement has been made for valid business reasons unrelated to Estill's holdings of EMJ Shares or other EMJ securities and not for the purpose of increasing the value of the consideration to be paid to him for his EMJ Shares under the Offer.

20. The receipt by Estill of compensation under the Employment Agreement is not conditional upon his support of the Offer.

21. The payments under the Employment Agreement are not greater than the total annual compensation of employees of Synnex Canada with a similar level of seniority and/or responsibility.

22. The value of the collateral benefit to Estill under the Employment Agreement is minimal in

comparison to the value that each is entitled to receive under the Offer.

23. Synnex Canada required Estill to enter into the Employment Agreement as a precondition to making the Offer because he has been critical to the operation of the business of EMJ to date and will be critical to the operations of Synnex Canada and EMJ following completion of the Offer.

24. Particulars of the Employment Agreement have been disclosed in the take-over bid circular of the Offeror and the directors' circular of EMJ relating to the Offer.

25. Under the EMJ Option Agreements, holders of EMJ Options shall agree to exercise their EMJ Options and deposit under the Offer the EMJ Shares issued upon such exercise and EMJ shall agree to loan, effective immediately prior to the expiry time of the Offer (provided that the Offeror takes up EMJ Shares under the Offer), to such holders an amount equal to the aggregate exercise price required to exercise their EMJ Options, such loan to be repaid from the proceeds paid to such holders under the Offer in respect of their EMJ Shares.

26. It is expected that the loans from EMJ to holders of EMJ Options under the EMJ Optionholder Agreements will be outstanding from immediately prior to the expiry time of the Offer until the time the Offeror pays for the EMJ Shares that it has acquired from such holders under the Offer.

27. EMJ has accelerated the vesting of unvested EMJ Options so that they may be exercised and the underlying EMJ Shares may be deposited under the Offer. All EMJ Options not exercised prior to the expiry of the Offer shall be terminated pursuant to written agreements between EMJ and the optionholders on terms acceptable to the Offeror.

28. It is a condition to the Offeror's obligations to take up and pay for EMJ Shares under the Offer that EMJ shall use its commercially reasonable efforts to enter into EMJ Option Agreements with all holders of EMJ Options.

29. The purpose of the EMJ Option Agreements is to facilitate the exercise of EMJ Options and the deposit under the Offer of the EMJ Shares issuable upon such exercise.

30. The EMJ Option Agreements have been made for valid business reasons unrelated to the holdings by EMJ Optionholders of EMJ Shares or other EMJ securities (other than EMJ Options) and not for the purpose of increasing the value of the consideration to be paid to EMJ Optionholders for their EMJ Shares under the Offer.

31. Particulars of the EMJ Option Agreement have been disclosed in the take-over bid circular of the Offeror and the directors' circular of EMJ relating to the Offer.

32. Under the Convertible Security Agreements, holders of Convertible Securities shall, among other things, agree to not exercise, convert or exchange their Convertible Securities (or in the case of the Broker Warrants and Purchase Warrants, agree to the termination of such securities) effective from immediately prior to the earlier to occur of the time that the Offeror takes up EMJ Shares under the Offer and the time of expiry of the Offer (provided that the Offeror takes up EMJ Shares under the Offer) in consideration of the payment by EMJ of an amount of cash per underlying EMJ Share.

33. The Convertible Securities that are subject to the Convertible Security Agreements are currently out-of-the-money.

34. The purpose of the Convertible Security Agreements is to eliminate conversion rights of the Convertible Securities covered by such agreements.

35. Under the Convertible Security Agreements, Convertible Securityholders are foregoing the right to the underlying EMJ Shares and the opportunity to participate in the Offer pursuant to such EMJ Shares.

36. The Convertible Security Agreements have been made for valid business reasons unrelated to the holdings by Convertible Securityholders of EMJ Shares or other EMJ securities (other than the Convertible Securities) and not for the purpose of increasing the value of the consideration to be paid to Convertible Securityholders for their EMJ Shares under the Offer.

37. The receipt by Convertible Securityholders of compensation under the Convertible Security Agreements is not conditional upon their support of the Offer.

38. Particulars of the Convertible Security Agreements have been disclosed in the take-over bid circular of the Offeror and the directors' circular of EMJ relating to the Offer.

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 under the Legislation is that the Employment Agreement, the EMJ Option Agreements and the Convertible Security Agreements are being made for reasons other than to increase the value of the consideration to be paid for the EMJ Shares to holders of EMJ Shares who are parties to such agreements and may be entered into or paid notwithstanding the Prohibition on Collateral Benefits.

September 13, 2004.

"Robert L. Shirriff" "Wendell S. Wigle"

2.1.10 Mint Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – closed-end investment trust exempt from prospectus requirements in connection with the sale of units repurchased from existing security holders pursuant to market purchase programs and by way of redemption of units by security holders – first trade in repurchased securities deemed a distribution unless made in compliance with MI 45-102.

Ontario Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53 and 74(1).

Multilateral Instrument Cited

Multilateral Instrument 45-102 Resale of Securities.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, ONTARIO, NOVA SCOTIA,
NEW BRUNSWICK, 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
MINT INCOME FUND

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the "**Jurisdictions**") has received an application from MINT *Income Fund* (the "**Trust**") for a decision pursuant to the securities legislation of the Jurisdictions (the "**Legislation**") that the requirement contained in the Legislation to file and obtain a receipt for a preliminary prospectus and a final prospectus (the "**Prospectus Requirements**") shall not apply to the distribution of units of the Trust (the "**Units**") which have been repurchased by the Trust pursuant to the mandatory market purchase program, the discretionary market purchase program, or by way of redemption of Units at the request of holders thereof, nor to the first trade or resale of such repurchased Units (the "**Repurchased Units**") which have been distributed by the Trust;

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 TRUST has represented to the Decision Makers that:

1. The Trust is an unincorporated closed-end investment trust established under the laws of the Province of Ontario by an Amended and Restated Trust Agreement (the "**Trust Agreement**").

2. The Trust became a reporting issuer or the equivalent thereof in the Jurisdictions in February 1997. As of the date hereof, the Trust is not in default of any requirements under the Legislation.

3. The Trust is not considered to be a "mutual fund" as defined in the Legislation because the holders of the Units ("**Unitholders**") are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Trust as contemplated in the definition of "mutual fund" in the Legislation.

4. The Units are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the trading symbol "MID.UN". As at September 8, 2004, 4,485,358 Units are issued and outstanding.

5. Each Unit represents an equal, undivided beneficial interest in the net assets of the Trust and is redeemable at the net asset value of the Trust ("Net Asset Value") per Unit on January 31 of each year commencing in 2005.

6. MINT Management Limited (the "**Manager**") is the manager and trustee of the Trust.

7. In order to enhance liquidity and to provide market support for the Units, pursuant to the Trust Agreement and the terms and conditions that attach to the Units, the Trust is obligated, subject to compliance with any applicable regulatory requirements, to purchase (the "**Mandatory Purchase Program**") any Units offered in the market on a business day at the then prevailing market price if at any time the price at which Units are then offered for sale is less than 95% of the Net Asset Value per Unit as at the close of business in Toronto, Ontario on the immediately preceding business day, provided that:

   (a) the maximum number of Units that the Trust shall purchase in any calendar quarter will be 1.25% of the number of Units outstanding at the beginning of each such calendar quarter; and

   (b) the Trust shall not be required to purchase Units pursuant to the Mandatory Purchase Program if:

      (i) in the opinion of the Manager such transactions, if consummated, could result in the marketability of the Units being severely impaired to the detriment of the Unitholders;

      (ii) in order to fund the purchase the Trust is not able to liquidate portfolio securities in an orderly manner consistent with the Trust's investment guidelines and objectives or, alternatively, it is not in the best interests of the Unitholders to do so; or

      (iii) there is, in the judgment of the Manager,

         (A) any material legal action or proceeding instituted or threatened, challenging such transactions or otherwise materially adversely affecting the Trust, or

         (B) a suspension of or limitation on prices for trading securities generally on any exchange on which portfolio securities of the Trust are traded.

8. In addition, the Trust may in its sole discretion purchase Units (the "**Discretionary Purchase Program**") offered in the market, up to a maximum amount during the twelve month period of the issuer bid equal to 10% of the number of Units in the public float at the beginning of such period through the facilities of the Toronto Stock Exchange (the "**TSX**"), pursuant to the normal course issuer bid exemption contained in the Legislation.

9. Commencing in 2005, pursuant to the Trust Agreement and subject to the Trust's right to suspend redemptions, a Unit may be surrendered for redemption (the "**Redemption Program**" and, together with the Mandatory Purchase Program and the Discretionary Purchase Program, the "**Programs**") by a Unitholder in the month of January on any day that is at least 10 business days prior to the last day of such month but will be redeemed only on January 31 of such year (the "**Redemption Valuation Date**"). A Unitholder who surrenders a Unit for redemption on the

Redemption Valuation Date of any year commencing in 2005 will receive an amount calculated with reference to the net asset value per Unit of the Trust less the reasonable expenses incurred by the Trust in funding such redemption (the amount to be received by a Unitholder being referred to as the "**Redemption Price**"). Any such Units so surrendered will, subject to an investment dealer finding purchasers for Units properly surrendered for redemption be redeemed by the Trust pursuant to the Redemption Program for the applicable Redemption Price.

10. A Unitholder who has surrendered Units for redemption will be paid the Redemption Price for such Units on or before the last business day of the month following the applicable Redemption Valuation Date.

11. Purchases of Units made by the Trust under the Programs are exempt from the issuer bid requirements of the Legislation pursuant to exemptions contained therein.

12. At a special meeting of Unitholders held on May 25, 2004 (the "**Meeting**"), the Unitholders approved by way of an extraordinary resolution amending the Trust Agreement to permit the Trust to implement the the Redemption Program.

13. At the Meeting, the Unitholders also approved by extraordinary resolution the amendment to the Trust Agreement permitting the Trust to arrange for one or more securities dealers to find purchasers for any Repurchased Units, subject to receiving all necessary approvals.

14. It is the intention of the Trust to resell, in its sole discretion and at its option, any Repurchased Units primarily through one or more securities dealers and through the facilities of the TSX (or such other exchange on which the Units are then listed).

15. All Repurchased Units will be held by the Trust for a period of 4 months after the repurchase thereof by the Trust (the "**Holding Period**"), prior to the resale thereof.

16. Repurchased Units that the Trust does not resell within 12 months after the Holding Period (or 16 months after the date of repurchase) will be cancelled by the Trust.

17. Prospective Purchasers who subsequently acquire Repurchased Units will have equal access to all of the continuous disclosure documents of the Trust, which are filed on SEDAR.

18. Legislation in some of the Jurisdictions provides that a trade by or on behalf of an issuer in previously issued securities of that issuer that have been purchased by that issuer is a distribution subject to the Prospectus Requirements.

19. Legislation in some of the Jurisdictions provides that the first trade or resale of Repurchased Units acquired by a purchaser will be a distribution subject to the Prospectus Requirements unless such first trade is made in reliance on an exemption therefrom.

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

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

THE DECISION of the Decision Makers pursuant to the Legislation is that the trades of Repurchased Units pursuant to the Programs shall not be subject to the Prospectus Requirements of the Legislation provided that:

(a) the Repurchased Units are sold by the Trust through the facilities of and in accordance with the regulations and policies of the TSX or the market on which the Units are then listed;

(b) the Trust complies with the insider trading restrictions imposed by securities legislation with respect to the trades of Repurchased Units;

(c) the Trust complies with the conditions of paragraphs 1 through 5 of subsection 2.8(2) of Multilateral Instrument 45-102 with respect to the sale of the Repurchased Units; and

(d) the first trade or resale of Repurchased Units acquired by a purchaser from the Trust in a Jurisdiction shall be deemed a distribution or primary distribution to the public under the Legislation unless the conditions of paragraphs 1 through 5 of subsection 2.6(3) of Multilateral Instrument 45-102 are satisfied.

September 27, 2004.

"Susan Wolburgh Jenah" "H. Lorne Morphy"

2.1.11 Coeur d'Alene Mines Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – U.S. public mining issuer that is a producing issuer under NI 43-101 exempt from requirement to file independent technical report if it becomes a reporting issuer by completing a take-over bid for a Canadian reporting issuer provided it files technical reports prepared by in-house qualified persons.

Ontario Rules

National Instrument 43-101 – Standards of Disclosure of Mineral Projects.

September 29, 2004

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR, YUKON TERRITORY, NORTHWEST TERRITORIES AND NUNAVUT (THE JURISDICTIONS)

AND

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

AND

IN THE MATTER OF
COEUR D'ALENE MINES CORPORATION (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 requirement in section 5.3 of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (NI 43-101) that an issuer must file technical reports prepared by qualified persons that are independent of the issuer upon first becoming a reporting issuer (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications

(a) the British Columbia 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* or NI 43-101 have the same meaning in this decision unless they are defined in this decision. In this decision,

(a) Wheaton means Wheaton River Minerals Ltd., and

(b) SME Guidelines means the guidelines published by the Society for Mining, Metallurgy and Exploration, Inc. in its "Guides for Reporting Exploration Information, Mineral Resources and Mineral Reserves" dated March 1, 1999.

Representations

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

1. the Filer is incorporated under the laws of Idaho and its common stock is listed on the New York Stock Exchange;

2. the Filer's head office is in Coeur d'Alene, Idaho;

3. the Filer has commenced a share exchange take-over bid for all of the outstanding common shares of Wheaton;

4. Wheaton is a reporting issuer in each province of Canada, its common shares are listed on the Toronto Stock Exchange and the American Stock Exchange, and its head office is in Vancouver, British Columbia;

5. if the Filer's bid for Wheaton is successful, the Filer will become a reporting issuer in each of the Jurisdictions where such status exists, and will need to file current technical reports in accordance with NI 43-101 for each material property prepared by a qualified person who is independent of the Filer;

6. in conjunction with the filing and distribution of a take-over bid circular for the Bid, the Filer prepared and filed technical reports for each of the Filer's material properties;

7. the technical reports were prepared by qualified persons under NI 43-101 who were not independent to the Filer;

8. the Filer is a producing issuer in that it had gross revenue from mining operations of greater than $30 million in the last fiscal year and gross revenue from mining operations of greater than $90 million in the last 3 fiscal years; and

9. the Filer complies with the SME Guidelines which results in compliance with general guidelines applicable to mining disclosure promulgated by the SEC in its Guide 7.

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 provided the Filer files current technical reports for each of its material properties that are otherwise compliant with NI 43-101.

"Martin Eady"
Director, Corporate Finance
British Columbia Securities Commission

2.1.12 Esprit Exploration Ltd., Esprit Energy Trust, ProspEx Resources Ltd., Esprit Acquisition Corp. and Esprit ExchangeCo Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from continuous disclosure requirements for an exchangeco in connection with an arrangement involving an income trust so long as parent income trust files its continuous disclosure in lieu of exchangeco's.

Applicable National Instruments

National Instrument 51-102 – Continuous Disclosure Obligations.
National Instrument 51-101 – Standards of Disclosure for Oil and Gas Activities.
Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings.

September 27, 2004

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF MANITOBA (THE "PRINCIPAL JURISDICTION"),
ALBERTA,
BRITISH COLUMBIA, SASKATCHEWAN, ONTARIO,
QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA, AND
NEWFOUNDLAND & LABRADOR (COLLECTIVELY,
THE "PARTICIPATING JURISDICTIONS")**

AND

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

AND

**IN THE MATTER OF
ESPRIT EXPLORATION LTD. ("ESPRIT"), ESPRIT
ENERGY TRUST (THE "TRUST"),
PROSPEX RESOURCES LTD. ("PROSPEX"), ESPRIT
ACQUISITION CORP. ("ACQUISITIONCO")
AND ESPRIT EXCHANGECO LTD. ("EXCHANGECO")
(COLLECTIVELY, THE "FILERS")**

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (collectively, the "Decision Makers") in each of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, and Newfoundland & Labrador (the "Jurisdictions") has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the "Legislation") that:

1.1 in Manitoba and Québec (the "Registration and Prospectus Jurisdictions") the dealer registration requirement and the prospectus requirement (the "Registration and Prospectus Requirements") shall not apply to all trades made in connection with a proposed Plan of Arrangement (the "Arrangement") pursuant to section 192 of the *Canada Business Corporations Act* (the "CBCA"), involving the Filers and the shareholders and optionholders of Esprit (the "Securityholders") and shall not apply to the first trade of securities acquired under the Arrangement or the first trade of securities acquired on the exercise of all rights, automatic or otherwise, under such securities;

1.2 in the Jurisdictions, where applicable, the requirements contained in National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102") and in Québec, by a revision of the general order that will provide the same result as an exemption order, and any comparable continuous disclosure requirements under the Legislation of the Jurisdictions that have not yet been repealed or otherwise rendered ineffective as a consequence of the adoption of NI 51-102 (the "Continuous Disclosure Requirements") shall not apply to the continuing corporation following the amalgamation of Esprit and AcquisitionCo pursuant to the Arrangement ("AmalgamationCo");

1.3 in the Jurisdictions other than Québec, the requirements contained in Part 2 (Annual Filing Requirements) and Part 3 (Responsibilities of Reporting Issuers and Directors) of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101") shall not apply to AmalgamationCo; and

1.4 in the Jurisdictions other than British Columbia and Québec, the requirements contained in Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("MI 52-109") shall not apply to AmalgamationCo.

2. Under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"),

(a) the Manitoba Securities Commission is the principal regulator for this application, and

(b) this MRRS decision evidences the decision of each Decision Maker.

Interpretation

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

Representations

4. The decision is based on the following facts represented by the Filers:

Esprit

4.1 Esprit was incorporated under the CBCA under the name Canadian 88 Energy Corp. on September 4, 1987 and changed its name to Esprit pursuant to Articles of Amendment filed on May 26, 2003.

4.2 The head and principal office of Esprit is located at Suite 900, 606 – 4th Street S.W., Calgary, Alberta, T2P 1T1, and the registered office is located at 4500 Bankers Hall East, 855 – 2nd Street S.W., Calgary, Alberta, T2P 4K7.

4.3 Esprit is engaged in the business of development and production of natural gas, natural gas liquids and oil.

4.4 The authorized share capital of Esprit consists of an unlimited number of common shares (the "Common Shares"), an unlimited number of Class B non-voting common shares, and an unlimited number of six classes of preferred shares, issuable in series. As of August 16, 2004, there were 160,752,675 Common Shares issued and outstanding, and no Class B non-voting common shares or preferred shares. Options to acquire 8,475,584 Common Shares were also outstanding as of August 16, 2004.

4.5 The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the "TSX"). Esprit has applied to have the Common Shares delisted from the TSX and to have the class A trust and class B trust units of the Trust ("Class A Trust Units" and "Class B Trust Units" and collectively the "Trust Units"), as described below, listed in substitution for the Common Shares as soon as possible after the Effective Date.

4.6 Esprit is a reporting issuer in each of the Jurisdictions in which such status is available and has been for more than four months.

4.7 Esprit has filed all of the information that it has been required to file as a reporting issuer in the Jurisdictions in which it is a reporting issuer and is not in default of the Legislation in those Jurisdictions.

The Trust

4.8 The Trust was established pursuant to a Trust Indenture dated August 16, 2004.

4.9 The Trust is, for the purposes of the *Income Tax Act* (Canada) (the "Tax Act"), an unincorporated, open-end mutual fund trust.

4.10 The capital structure of the Trust is intended to ensure that the Trust continues to qualify as a mutual fund trust under the *Income Tax Act* (Canada) on and after the Effective Date. The capital structure of the Trust consists of an unlimited number of Class A Trust Units and an unlimited number of Class B Trust Units. The Class A Trust Units and Class B Trust Units have the same rights to vote, receive distributions and participate in the assets of the Trust upon dissolution or wind-up. Class A Trust Units have no residency restrictions and Class B Trust Units may only be held by Canadian residents. At any one time, the number of Class A Trust Units issued and outstanding cannot exceed 80% of the number of Class B Trust Units issued and outstanding (excluding the number of Class B Trust Units which may be issued on the exchange of outstanding Exchangeable Shares and Post-Arrangement Entitlements, both described below).

4.11 As of August 26, 2004, one Class B Trust Unit was issued and outstanding but will be redeemed pursuant to the Arrangement.

4.12 The trustees of the Trust may declare all or any part of the net income of the Trust, less expenses and liabilities, to be payable and distributed in cash to the holders of Class A Trust Units and Class B Trust Units (a "Distribution").

4.13 Esprit, on behalf of the Trust, has applied to list the Class A Trust Units and Class B Trust Units to be issued pursuant to the Arrangement on the TSX.

4.14 The Trust is not a reporting issuer in any of the Jurisdictions.

ProspEx Resources Ltd.

4.15 ProspEx was incorporated pursuant to the *Business Corporations Act* (Alberta) on August 13, 2004.

4.16 The head and principal office of ProspEx is located at Suite 900, 606 – 4th Street S.W., Calgary, Alberta, T2P 1T1, and the registered office is located at 4500 Bankers Hall East, 855 - 2nd Street S.W., Calgary, Alberta, T2P 4K7.

4.17 ProspEx is the primary vehicle through which Esprit shareholders will continue to participate in an oil and natural gas exploration and development company focused on growth through reinvestment of cash flows.

4.18 Pursuant to the Arrangement, certain of the assets of Esprit will be transferred to ProspEx.

4.19 The authorized capital of ProspEx consists of an unlimited number of common shares (the "ProspEx Common Shares"), an unlimited number of non-voting shares (the "ProspEx Non-Voting Shares"), and an unlimited number of preferred shares issuable in series. As of August 25, 2004, one common share of ProspEx was issued and outstanding and is owned by the Trust.

4.20 Shareholders (defined below) will be asked to approve an initial private placement of approximately 32,142,857 units (6,428,571 units after giving effect to the Arrangement, pursuant to which the share capital of ProspEx will be consolidated on a five-for-one basis as described below) to certain directors, officers, and employees of ProspEx, and certain other service providers, including directors, officers and employees of AmalgamationCo (defined below) (the "Placees"). Each unit will consist of one ProspEx Non-Voting Share and one-half of one performance warrant, each whole performance warrant entitling the holder thereof to acquire one additional ProspEx Common Share. If the initial private placement is approved by Shareholders at the Meeting, each ProspEx Non-Voting Share will be exchanged and cancelled pursuant to the Arrangement for one (1) ProspEx Common Share.

4.21 Esprit, on behalf of ProspEx, has applied to list the ProspEx Common Shares on the TSX.

4.22 ProspEx is not a reporting issuer in any of the Jurisdictions.

AcquisitionCo

4.23 AcquisitionCo was incorporated pursuant to the CBCA on August 13, 2004.

4.24 The head and principal office of AcquisitionCo is Suite 900, 606 – 4th Street S.W., Calgary, Alberta, T2P 1T1, and the registered office is located at 4500 Bankers Hall East, 855 – 2nd Street S.W., Calgary, Alberta, T2P 4K7.

4.25 AcquisitionCo was incorporated for the sole purpose of participating in the Arrangement, including issuing the Exchangeable Shares and the Notes (described below).

4.26 AcquisitionCo is authorized to issue an unlimited number of common shares. As of August 26, 2004, 100 common shares of AcquisitionCo were issued and outstanding, the sole holder of which is the Trust.

4.27 AcquisitionCo is not a reporting issuer in any of the Jurisdictions.

ExchangeCo

4.28 ExchangeCo was incorporated pursuant to the CBCA on August 13, 2004.

4.29 The head and principal office of ExchangeCo is located at Suite 900, 606 - 4th Street S.W., Calgary, Alberta, T2P 1T1 and the registered office is located at 4500 Bankers Hall East, 855 - 2nd Street S.W., Calgary, Alberta, T2P 4K7.

4.30 ExchangeCo was incorporated for the sole purpose of participating in the Arrangement.

4.31 ExchangeCo is authorized to issue an unlimited number of common shares. As of August 26, 100 common shares of ExchangeCo were issued and outstanding, the sole holder of which is the Trust.

4.32 ExchangeCo is not a reporting issuer in any of the Jurisdictions.

The Arrangement

4.33 The Arrangement will be effected by way of a plan of arrangement pursuant to section 192 of the CBCA which will require approval by: (i) at least two-thirds of the votes cast by the holders of Common Shares ("Shareholders") and holders of Options ("Optionholders") (collectively, the "Securityholders") present in person or represented by proxy, voting together as a single class at the Meeting; and (ii) the Court of Queen's Bench of Alberta.

4.34 Each registered Shareholder of Esprit will be required to complete a declaration confirming whether the Shareholder is a resident of Canada or a non-resident of Canada (the "Residency Declaration") set forth in the Letter of Transmittal and Election Form. Depending on the response provided in the Residency Declaration, each Shareholder (other than a dissenting Shareholder) will receive the following in exchange for each Common Share owned (after giving effect to the Arrangement, one of the steps of which includes a consolidation described below):

(a) if the Shareholder is a resident of Canada and is not exempt from tax under Part 1 of the Tax Act (a "Tax-Exempt Shareholder"), (i) at the Shareholder's election either 0.25 of a Class B Trust Unit or 0.25 of an exchangeable share of AcquisitionCo, exchangeable at the holder's option into a Class B Trust Unit (an "Exchangeable Share"), subject to the minimum and maximum number of Exchangeable Shares issuable pursuant to the Arrangement, as described below, and (ii) 0.20 of a ProspEx Common Share, and (iii) a special distribution of $0.22 (the "Special Distribution").

(b) if the Shareholder is a resident of Canada and is a Tax-Exempt Shareholder, (i) 0.25 of a Class B Trust Unit, (ii) 0.20 of a ProspEx Common Share, and (iii) the Special Distribution.

(c) if the Shareholder is a non-resident of Canada (a "Non-Resident"), (i) 0.25 of a Class A Trust Unit, (ii) 0.20 of a ProspEx Common Share, and (iii) the Special Distribution.

(d) if the Shareholder does not return a duly completed and

validly executed Residency Declaration to the Depository (a "Non-Responding Shareholder"), (i) 0.25 of a Post-Arrangement Entitlement (described below), (ii) 0.20 of a ProspEx Common Share, and (iii) the Special Distribution.

4.35 Exchangeable Shares are intended to be, to the extent possible, the economic equivalent of Class B Trust Units.

4.36 Exchangeable Shares have voting attributes equivalent to those of the Trust Units.

4.37 Holders of Exchangeable Shares will receive all disclosure materials that the Trust is required to send to holders of Trust Units under the Legislation.

4.38 The exchange rights of the Exchangeable Shares will be governed by a Voting and Exchange Trust Agreement among the Trust, AcquisitionCo, ExchangeCo, and Computershare Trust Company of Canada as trustee (the "Trustee") that provides for certain ancillary rights (the "Ancillary Rights") which are:

(a) optional exchange rights granted to the Trustee, for the use and benefit of the holders of Exchangeable Shares pursuant to the Voting and Exchange Trust Agreement to require the Trust to exchange or purchase, or cause ExchangeCo to exchange or purchase, Exchangeable Shares for Class B Trust Units, upon the occurrence of

(i) an Insolvency Event (being the institution by AcquisitionCo of any proceeding to be adjudicated a bankrupt or insolvent or to be wound up, or the consent of AcquisitionCo to the institution of bankruptcy, insolvency, dissolution or winding-up proceedings against it, or the filing of a petition, answer or consent seeking dissolution or winding-up under any bankruptcy, insolvency or analogous laws, and the failure by AcquisitionCo to contest in good faith to any such proceedings commenced in respect of AcquisitionCo within 15 days of becoming aware thereof, or the consent by AcquisitionCo to the filing of any such petition or to the appointment of a receiver, or the making by AcquisitionCo of a general assignment for the benefit of creditors or the admission in writing by AcquisitionCo of its inability to pay its debts generally as they become due, or AcquisitionCo not being permitted, pursuant to solvency requirements of applicable law, to redeem any Exchangeable Shares that are subject to a right of retraction); or

(ii) the Trust and AcquisitionCo electing not to exercise a right to purchase, redeem or retract the Exchangeable Shares, such right being provided pursuant to the provisions of the Exchangeable Shares; and

(b) the issuance of a special voting unit of the Trust to the Trustee which will entitle the holders of Exchangeable Shares to a number of votes at meetings of Trust Unitholders equal to the aggregate equivalent vote amount.

4.39 The Exchangeable Shares will be subject to a Support Agreement among the Trust, AcquisitionCo and ExchangeCo, pursuant to which the Trust and ExchangeCo will take certain actions and make certain payments and will deliver or cause to be delivered Class B Trust Units

in satisfaction of the obligations of AcquisitionCo.

4.40 A minimum of 2,115,000 and a maximum of 4,230,000 Exchangeable Shares may be issued pursuant to the Arrangement. No Exchangeable Shares will be issued if fewer than 2,115,000 Exchangeable Shares are requested.

4.41 In the event that Exchangeable Shares are issued and more Exchangeable Shares are requested than are available, the Exchangeable Shares will be prorated and those shareholders who have elected to receive Exchangeable Shares will receive Class B Trust Units in lieu of Exchangeable Shares.

4.42 Any Exchangeable Shares issued will not be listed on the TSX.

4.43 The maximum number of Class A Trust Units that will be issued and outstanding at any time will not exceed 80% of the number of Class B Trust Units issued and outstanding at such time (the "Ownership Threshold").

4.44 In the event that the number of Class A Trust Units that are requested to be issued pursuant to the Arrangement exceeds the Ownership Threshold, the Class A Trust Units will be pro-rated among the Non-Resident Shareholders that have duly completed a Letter of Transmittal and Election Form and the obligation of Esprit and the Trust to deliver Class A Trust Units in excess of the Ownership Threshold will be satisfied by the Trust delivering Class B Trust Units for sale on the TSX and delivering the net proceeds of sale, after expenses and net of any withholding taxes, on a pro rata basis, to such Non-Resident Shareholders.

4.45 Non-Responding Shareholders will receive 0.25 of a post-arrangement entitlement ("Post-Arrangement Entitlement") for each Common Share held.

4.46 An unlimited number of Post-Arrangement Entitlements may be created and issued.

4.47 The holder of a Post-Arrangement Entitlement has the right to receive Class A Trust Units or Class B Trust Units, as applicable, from the Trust, upon delivering to the transfer agent of the Trust a duly completed and validly executed Residency Declaration, subject to the Ownership Threshold not having been exceeded. If the Ownership Threshold has been exceeded, then Class B Trust Units will be issued in lieu of Class A Trust Units and will be sold on the TSX with the net proceeds of sale, after expenses and net of any withholding taxes, being distributed to such Non-Residents on a pro rata basis.

4.48 The holder of a Post-Arrangement Entitlement also has the right to vote at meetings of the holders of Trust Units and will receive all disclosure material that the Trust is required to send to holders of Trust Units under the Legislation.

4.49 Distributions shall not be declared or paid by the Trust on any Post-Arrangement Entitlements, and the number of Class A Trust Units or Class B Trust Units to be received upon the receipt of a duly completed Residency Declaration after the Effective Date will not be increased on a cumulative basis in respect of Distributions. The holder of a Post-Arrangement Entitlement will not be entitled to any distributions of the Trust's net assets in the event of termination of winding-up of the Trust.

4.50 Any Post-Arrangement Entitlements issued will not be listed on the TSX.

4.51 The Arrangement involves a number of steps, including the following, each of which will be deemed to occur sequentially:

(a) The Common Shares and Options held by securityholders who have exercised the right to dissent pursuant to section 190 of the CBCA and interim order of the Court of Queen's Bench of Alberta (a "Dissenting Securityholder") which remain valid immediately prior to the Effective Time shall, as of the Effective Time, be deemed to have been transferred to AcquisitionCo and, as of the Effective Time, such the Dissenting Securityholders shall cease to have any rights as Securityholders as Esprit other than to be paid the fair market value of their Common Shares or Options, as the case may be;

(b) Four new classes of shares in the capital of Esprit will be created, being Class A preferred shares ("Class A Preferred Shares"), class D common shares ("New Common Shares"), class B non-voting shares ("Class B Non-Voting Shares") and class C preferred shares ("Class C Preferred Shares");

(c) each Common Share (other than Common Shares held by AcquisitionCo, Non-Residents and Non-Responding Shareholders) will be exchanged and cancelled pursuant to a reorganization of the capital of Esprit for consideration consisting of the Special Distribution, one (1) Class A Preferred Share, one (1) New Common Share and one (1) Class B Non-Voting Share;

(d) subject to pro-rationing, each New Common Share and each Class A Preferred Share (other than New Common Shares and Class A Preferred Shares held by Tax-Exempt Shareholders) will be transferred to AcquisitionCo in accordance with the election or deemed election of the holder of such New Common Shares and Class A Preferred Shares for one (1) Class B Trust Unit or one (1) Exchangeable Share (together with the Ancillary Rights);

(e) each New Common Share and each Class A Preferred Share held by Tax-Exempt Shareholders will be transferred to AcquisitionCo in exchange for one (1) Class B Trust Unit;

(f) subject to the Ownership Threshold, each Common Share held by Non-Residents will be transferred to AcquisitionCo in exchange for the Special Distribution, one (1) Class A Trust Unit and the right to receive one (1) ProspEx Common Share;

(g) each Common Share held by Non-Responding Shareholders will be transferred to AcquisitionCo in exchange for the Special Distribution, one (1) Post-Arrangement Entitlement and the right to receive one (1) ProspEx Common Share;

(h) AcquisitionCo will issue one (1) Note to the Trust for each Trust Unit and each Post-Arrangement Entitlement issued pursuant to paragraphs (d), (e), (f) and (g) above;

(i) each Option (whether vested or unvested) with an Option Value of nil (other than Options held by AcquisitionCo) shall be cancelled for a cash payment of five cents ($0.05);

(j) each Option (whether vested or unvested) with an Option Value greater than nil (other than Options held by AcquisitionCo or a Non-Resident) shall cease to represent the right to acquire a Common Share and shall thereafter only entitle the holder to acquire a ProspEx Converted Option and a Trust Converted Option under the following terms and conditions:

(i) the exercise price for each one-fifth (1/5) of a ProspEx Common Share shall be equal to the fair market value of one-fifth (1/5) of a ProspEx Common Share determined immediately after the Effective Time less the product obtained when the Option Value is multiplied by the ProspEx Option Ratio;

(ii) the exercise price for each one-fourth (1/4) of a Class B Trust Unit shall be equal to the fair market value of one-fourth (1/4) of a Class B Trust Unit determined immediately after the Effective Time less the product obtained when the Option Value is multiplied by the Trust Option Ratio; and

(iii) if the foregoing calculation results in a former Optionholder holding a ProspEx Converted Option or a Trust Converted Option being exercisable for a fraction of a ProspEx Common Share or Class B Trust Unit, as the case may be, such ProspEx Converted Option or Trust Converted Option will be rounded down to the nearest whole number of ProspEx Common Shares or Class B Trust Units, as the case may be, and the exercise price per whole ProspEx Common Share or Class B Trust Unit will be as determined in (i) and (ii) above;

(k) each Option (whether vested or unvested) held by a Non-Resident with an Option Value greater than nil shall be cancelled for a cash payment equal to the Option Value less any applicable withholding tax;

(l) each Class B Non-Voting Share will be transferred to ProspEx in exchange for one (1) ProspEx Common Share;

(m) each Class B Non-Voting Share will be exchanged pursuant to a reorganization of the capital of Esprit for one (1) Class C Preferred Share;

(n) AmalgamationCo shall deliver the ProspEx Common Shares to the Non-Residents and Non-Responding Shareholders entitled to such ProspEx Common Shares;

(o) each ProspEx Non-Voting Share will be exchanged and cancelled pursuant to a reorganization of capital of ProspEx for one (1) ProspEx Common Share;

(p) each ProspEx Common Share will be consolidated on the basis of one (1) ProspEx Common Share for each five (5) outstanding ProspEx Common Shares;

(q) each Trust Unit will be consolidated on the basis of one (1) Trust Unit for each four (4) outstanding Trust Units, and

(r) each Exchangeable Share will be consolidated on the basis of one (1) Exchangeable Share for each four (4) outstanding Exchangeable Shares and each Post-Arrangement Entitlement will be consolidated on the basis of one (1) Post-Arrangement Entitlement for each four (4) outstanding Post-Arrangement Entitlements.

(each of the trades described above referred to collectively as the "Trades")

4.52 As a further step to the Arrangement, AcquisitionCo and Esprit will amalgamate under the CBCA and will continue as one corporation ("AmalgamationCo").

4.53 Upon completion of the steps of the Arrangement, Shareholders will own all of the issued and outstanding Trust Units and Exchangeable Shares, the Trust will own all of the issued and outstanding common shares of AmalgamationCo, and Shareholders and Placees will own all of the issued and outstanding ProspEx Common Shares.

4.54 Upon completion of the Arrangement, the Trust will be a reporting issuer in British Columbia, Alberta, Saskatchewan, Ontario and Québec and, if an application made under the System in Nova Scotia, New Brunswick and Newfoundland & Labrador is granted, the Trust will be deemed or declared to be a reporting issuer in Nova Scotia, Newfoundland & Labrador, and New Brunswick. The Trust will be subject to the Continuous Disclosure Requirements, to NI 51-101 and to MI 52-109.

4.55 Upon completion of the Arrangement, ProspEx will become a reporting issuer in all Jurisdictions where such status is available except Manitoba.

4.56 Upon completion of the Arrangement, AmalgamationCo will be a reporting

issuer in all Jurisdictions where such status is available.

4.57 Upon completion of the Arrangement, AmalgamationCo will be subject to the Continuous Disclosure Requirements and, where applicable, NI 51-101 and MI 52-109.

4.58 The Information Circular and Proxy Statement mailed to Shareholders in connection with the Plan of Arrangement (the "Information Circular") discloses that AmalgamationCo will seek relief from the Continuous Disclosure Requirements.

4.59 The Information Circular contains prospectus-level disclosure about the business and affairs of each of Esprit, the Trust and ProspEx and the particulars of the Arrangement as well as a fairness opinion of a financial advisor.

4.60 AmalgamationCo and its insiders will comply with the insider reporting requirement and the requirement to file an insider profile under National Instrument 55-102 *System for Electronic Disclosure by Insiders*.

4.61 There are no exemptions from the Registration and Prospectus Requirements available under the Legislation of the Registration and Prospectus Jurisdictions for certain of the Trades.

Decision

5. 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.

6. The decision of the Decision Makers under the Legislation is that:

6.1 In the Registration and Prospectus Jurisdictions,

6.1.1 the Registration and Prospectus Requirements shall not apply to the Trades except that the first trade in the securities acquired under a Trade shall be deemed to be a distribution or primary distribution to the public;

6.1.2 the Prospectus Requirement shall not apply to the first trade in securities acquired by Shareholders pursuant to the Arrangement or the first trade of securities acquired on the exercise of all rights, automatic or otherwise under such securities, other than ProspEx Common Shares issued to Placees, provided that:

6.1.2.1 in Manitoba, the conditions in subsection (3) of section 2.6 of Multilateral Instrument 45-102 *Resale of Securities* ("MI 45-102") are satisfied, and, for the purposes of determining the period of time that the Trust and ProspEx have been reporting issuers under section 2.6 of MI 45-102, the period of time that Esprit was a reporting issuer in at least one of the jurisdictions listed in Appendix B of MI 45-102 immediately prior to the Arrangement may be included; and

6.1.2.2 in Québec, the conditions provided under sections 60 and 62 of the *Securities Act* (Québec) are satisfied.

6.2 The Continuous Disclosure Requirements shall not apply to AmalgamationCo for so long as:

6.2.1 the Trust is a reporting issuer in Québec and at least one of the jurisdictions listed in Appendix B of MI 45-102 and is an electronic filer under National Instrument 13-101;

6.2.2 the Trust sends concurrently to all holders of Exchangeable Shares and Post-Arrangement Entitlements all disclosure material furnished to holders of Trust Units under the Continuous Disclosure Requirements;

6.2.3 the Trust files with each Decision Maker copies of all documents required to be filed by it pursuant to NI 51-102;

6.2.4 the Trust is in compliance with the requirements in the Legislation and of any marketplace on which the securities of the Trust are listed or quoted in respect of making public disclosure of material information on a timely basis, and immediately issues and files any news release that discloses a material change in its affairs;

6.2.5 AmalgamationCo issues a news release and files a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of AmalgamationCo that are not also material changes in the affairs of the Trust;

6.2.6 the Trust includes in all mailings of proxy solicitation materials to holders of Exchangeable Shares and Post-Arrangement Entitlements a clear and concise statement that explains the reason the mailed material relates solely to the Trust, indicates the Exchangeable Shares are the economic equivalent to the Trust Units, describes the voting rights associated with the Exchangeable Shares and the Post-Arrangement Entitlements;

6.2.7 the Trust includes in all mailings of disclosure material and proxy solicitation materials a Residency Declaration, together with a notice to holders of Post-Arrangement Entitlements that clearly and concisely explains that holders of Post-Arrangement Entitlements who provide the Trust with a completed Residency Declaration may exchange Post-Arrangement Entitlements for Class B Trust Units or Class A Trust Units, as applicable, unless the issuance of Class A Trust Units would cause the aggregate number of issued and outstanding Class A Trust Units to exceed the Ownership Threshold, in which case Class B Trust Units will be delivered for sale on the TSX, with the net proceeds being remitted to the holder in lieu of the Class A Trust Units to which the holder would otherwise be entitled;

6.2.8 the Trust remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of AmalgamationCo; and

6.2.9 AmalgamationCo does not issue any securities, other than Exchangeable Shares, securities issued to affiliates, common shares issued only to the Trust, or debt securities issued to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions.

6.3 Other than in Québec, the requirements under Part 2 (Annual Filing Requirements) and Part 3 (Responsibilities of Reporting Issuers and Directors) of NI 51-101 shall not apply to AmalgamationCo for so long as:

6.3.1 the Trust files with each Decision Maker copies of all documents required to be filed by it pursuant to NI 51-101; and

6.3.2 AmalgamationCo is exempt from or otherwise not subject to the Continuous Disclosure Requirements.

6.4 Other than in British Columbia and Quebec, the requirements under MI 52-109 shall not apply to AmalgamationCo for so long as:

6.4.1 AmalgamationCo is not required to, and does not, file its own interim and annual filings (as those terms are defined under MI 52-109);

6.4.2 the Trust files in electronic format under the SEDAR profile of AmalgamationCo the:

(i) interim filings,

(ii) annual filings;

(iii) interim certificates; and

(iv) annual certificates

of the Trust, at the same time as such documents are required to

be filed under the Legislation by the Trust; and

6.4.3 AmalgamationCo is exempt from or otherwise not subject to the Continuous Disclosure Requirements.

"Chris Besko"
Deputy Director
Manitoba Securities Commission

2.1.13 Titan Exploration Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications. Issuer exempt from certain disclosure requirements relating to the preparation of a business acquisition report under NI 51-102. In connection with preparation of business acquisition report, issuer granted relief from general prohibition contained in National Instrument 52-107 against a reservation or qualification of an audit opinion that would constitute a reservation under Canadian generally accepted auditing standards.

Applicable Ontario Provisions

National Instrument 51-102 - Continuous Disclosure Obligations.
National Instrument 52-107 - Acceptable Accounting Principles, Auditing Standards and Reporting Currency.

Titan Exploration Ltd., 2004 ABASC 1011

September 29, 2004

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALBERTA, SASKATCHEWAN & ONTARIO

AND

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

AND

IN THE MATTER OF
TITAN EXPLORATION LTD.

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan and Ontario (the "Participating Jurisdictions") has received an application from Titan Exploration Ltd. ("Titan") in connection with the preparation and filing of a business acquisition report relating to a significant acquisition recently completed by Titan, which application requests relief from the general prohibition contained in National Instrument 52-107 against a reservation or qualification of an audit opinion that would constitute a reservation under Canadian generally accepted auditing standards ("GAAS").

2. **AND WHEREAS** pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "MRRS"), 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** Titan has represented to the Decision Makers that:

4.1 On June 16, 2004, Titan Exploration Ltd. ("Titan" or the "Corporation") announced the acquisition of all of the issued and outstanding shares of Shawnee Oils Ltd. ("Shawnee"), a private company with assets located in southwest Saskatchewan. The acquisition of the shares of Shawnee closed on July 16, 2004. The business acquisition report (Form 51-102F4) in respect of the Shawnee acquisition is due on September 29, 2004.

4.2 Shawnee Oils Ltd. was, at the time of its acquisition by Titan, a private company actively engaged in the acquisition, exploration, development and production of oil and gas from properties located in southwest Saskatchewan.

4.3 At the time of its acquisition by Titan, Shawnee was not a reporting issuer in any jurisdiction and its securities were not listed on any stock exchange.

4.4 Shawnee's financial year end is September 30.

4.5 Titan was incorporated under the laws of Alberta on January 6, 2004. The registered office of the Corporation is located at 3300, 421 - 7th Avenue S.W., Calgary, Alberta, T2P 4K9 and its head office is located at 500, 555 - 4th Avenue S.W., Calgary, Alberta, T2P 3E7.

4.6 Titan is engaged in the acquisition, exploration, development and production of petroleum and natural gas in western Canada.

4.7 The authorized capital of Titan at the date hereof consists of an unlimited number of Class A Shares, an unlimited number of Class B Shares, and an unlimited number of Preferred Shares, of which 10,880,000 Class A Shares and 812,500 Class B Shares are issued and outstanding.

4.8 The Class A Shares and the Class B Shares are listed and posted for trading on the TSXV under the symbols "TTN.A" and "TTN.B" respectively.

4.9 Titan is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan and Ontario and is not currently in default of the securities legislation in any of these jurisdictions.

4.10 Titan is, and was at the time of the acquisition of the shares of Shawnee, a "venture issuer" within the meaning of NI 51-102.

4.11 Titan's financial year end is December 31.

4.12 In connection with the preparation of the Form 51-102F4 in respect of the Shawnee acquisition, Titan engaged KPMG LLP to prepare audited financial statements for Shawnee for the year ended September 30, 2003 and to review the unaudited interim statements for the 9 month period ended June 30, 2004.

4.13 On September 24, 2004, KPMG advised that it could not calculate depletion and amortisation for Shawnee using the units-of-production method, as the information required to perform such calculations was not readily available. As such, KPMG wishes to include a qualification in its audit opinion in respect of the September 30, 2003 financial statements of Shawnee which reads as follows:

"As the information necessary to calculate depletion and amortization using the units-of-production method, including an amount for restoration and abandonment costs, is not readily available depletion and amortization on oil and gas properties is computed using the diminishing balance method. This practice is not in accordance with Canadian generally accepted accounting principles. Had the information been available to complete our audit, we might have determined adjustments to be necessary to petroleum properties and related equipment, amortization and depletion, net loss and deficit.

Except for the use of the diminishing balance method to record amortization and depletion and the lack of a provision for restoration and abandonment costs, as described in the previous paragraph, in our opinion, these financial statements present fairly, in all material respects, the financial position of the company as at September 30, 2003 and the results of its operations and its cash flows for the year then ended in accordance with Canadian

generally accepted accounting principles."

4.14 Based upon inquiries made of the former shareholders of Shawnee:

(a) it is unclear as to what information actually exists and whether or not it will be possible to obtain the relevant historical engineering reports for all of the fields or wells comprising the Shawnee assets, so as to permit the calculation of depletion and amortization using the units-of-production method; and

(b) Titan understands that a number of the properties of Shawnee were acquired piecemeal by Shawnee and/or its predecessor companies over many years and that certain of the information required to calculate the correct depletion rate on a units-of-production method may not exist.

4.15 Titan believes that a reserve report analysis to determine the reserves from the date of the first acquisition, accounting for reserve changes due drilling, acquisitions and divestitures would be extremely costly and require a significant amount of time.

5. **AND WHEREAS** under the MRRS, 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 securities legislation of the Participating Jurisdictions (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 the general prohibition contained in NI 52-107 against an auditor's report containing a reservation or qualification be waived, so as to permit Titan to file the September 30, 2003 financial statements of Shawnee, together with the proposed reservation in the audit opinion of KPMG LLP:

(i) as part of its business acquisition report filing; and

(ii) as part of any future filing by Titan to the extent that the September 30, 2003 financial statements of Shawnee are required by the Legislation to be included in such filing.

"Mavis Legg"
Manager, Securities Analysis
Alberta Securities Commission

2.1.14 Assante Asset Management Ltd. - MRRS Decision

Headnote

Exemptions from the mutual fund self-dealing prohibitions of clauses 111(2)(a), and 111(3) of the Securities Act (Ontario). Mutual funds allowed to make purchases and sales of securities of Sun Life Financial Inc, a related company to the manager of the mutual funds, and to retain those securities provided that a fund governance mechanism is used to oversee the holdings, purchases or sales of these securities for the mutual funds and to ensure that such holdings, purchases or sales have been made free from any influence by Sun Life Financial Inc. and without taking into account any consideration relevant to the Sun Life Inc.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990 c. S.5, as am., cl. 111(2)(a), and 111(3).

October 1, 2004

IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ONTARIO, BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, 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
ASSANTE ASSET MANAGEMENT LTD. (the Filer)

AND

OPTIMA STRATEGY SHORT TERM INCOME POOL
OPTIMA STRATEGY CANADIAN FIXED INCOME POOL
OPTIMA STRATEGY GLOBAL FIXED INCOME POOL
OPTIMA STRATEGY CANADIAN EQUITY VALUE POOL
OPTIMA STRATEGY CANADIAN EQUITY DIVERSIFIED POOL
OPTIMA STRATEGY CANADIAN EQUITY GROWTH POOL
OPTIMA STRATEGY CANADIAN EQUITY SMALL CAP POOL
OPTIMA STRATEGY US EQUITY VALUE POOL
OPTIMA STRATEGY US EQUITY DIVERSIFIED POOL
OPTIMA STRATEGY US EQUITY GROWTH POOL
OPTIMA STRATEGY INTERNATIONAL EQUITY VALUE POOL
OPTIMA STRATEGY INTERNATIONAL EQUITY DIVERSIFIED POOL
OPTIMA STRATEGY INTERNATIONAL EQUITY GROWTH POOL
OPTIMA STRATEGY REAL ESTATE INVESTMENT POOL
(the Current Funds)

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 in respect of the Current Funds together with such other mutual funds for which the Filer hereafter becomes the manager (individually a Fund and collectively the Funds), for a decision under the securities legislation of the Jurisdictions (the Legislation) that the provisions contained in the Legislation prohibiting a mutual fund from knowingly making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company shall not apply to investments made by the Funds in common shares (the SLF Shares) of Sun Life Financial Inc. (SLF) (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 corporation subsisting under the laws of Manitoba and is or will be the manager of each Fund. The Filer's registered office is located in Winnipeg, Manitoba.

2. Each Fund is or will be a mutual fund subject to the requirements of National Instrument 81-102 and is a reporting issuer under the securities legislation in all of the provinces and territories of Canada.

3. The Filer is a wholly-owned subsidiary of CI Fund Management Inc. (CIX). CIX is a corporation incorporated under the laws of Ontario. CIX is a reporting issuer under the securities legislation in all the provinces of Canada and the common

shares of CIX are listed and posted for trading on the Toronto Stock Exchange.

4. SLF is a corporation incorporated under the laws of Canada with its registered office located in Toronto, Ontario. SLF is a reporting issuer under the securities legislation in all of the provinces and territories of Canada. The SLF Shares are listed and posted for trading on the Toronto Stock Exchange, the New York Stock Exchange and other stock exchanges. SLF owns approximately 34% of the outstanding shares of CIX.

5. Sun Life Assurance Company of Canada (Sun Life) is a wholly-owned subsidiary of SLF.

6. On November 14, 2003, CIX completed a transaction in which it acquired all of the Filer's outstanding shares (the Transaction).

7. As a result of the Transaction, SLF became a "substantial security holder" of the Filer because it is deemed by the Legislation to own approximately 34% of the outstanding shares of the Filer. The Legislation prohibits a mutual fund from knowingly making an investment in a company which is a substantial security holder of the mutual fund, its management company or distribution company (a Related Company). Accordingly, the Funds are prohibited from acquiring SLF Shares because SLF is a substantial security holder of the management company of the Funds.

8. The Filer believes that it would be in the best interests of investors of the Funds to be permitted to invest in SLF Shares, in keeping with the investment objectives of the Funds, up to the limit allowed by applicable Legislation.

9. The Filer will establish an independent review committee (the IRC), comprised entirely of individuals who are wholly independent of the Filer and SLF, to oversee the holdings, purchases or sales of SLF Shares for the Funds.

10. The IRC shall review the holdings, purchases or sales of SLF Shares to ensure that they have been made free from any influence by SLF and without taking into account any consideration relevant to SLF.

11. The IRC will take into consideration the best interests of securityholders of the Funds and no other factors.

12. Compensation to be paid to members of the IRC will be paid by the Funds. Members of the IRC currently are paid a fixed amount per annum in consideration for the services they provide as members of the IRC and as members of the board of governors or as independent directors of the Funds and other mutual funds managed by the Filer or its affiliates. Such compensation generally is allocated to such mutual funds pro rata based upon the relative net asset values of all such mutual funds.

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 this decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that:

1. the provisions contained in the Legislation prohibiting a mutual fund from knowingly making or holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company shall not apply to investments made by the Funds in SLF Shares; provided that:

   (a) the Filer has appointed the IRC to review the Funds' purchases, sales and continued holdings of SLF Shares;

   (b) the IRC has at least three members, each of whom is independent. A member of the IRC is not independent if the member has a direct or indirect material relationship with the manager of the Funds, the Funds, or an entity related to the manager of the Funds. A material relationship is any relationship that a reasonable person would consider might interfere with the exercise of the member's independent judgement regarding conflicts of interest facing the manager of the Funds;

   (c) the IRC has a written mandate describing its duties and standard of care which, as a minimum, sets out the conditions of this Decision;

   (d) the members of the IRC exercise their powers and discharge their duties honestly, in good faith and in the best interests of investors in the Funds and, in doing so, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;

   (e) none of the Funds relieves the members of the IRC from liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph (d) above;

(f) none of the Funds indemnifies the members of the IRC against legal fees, judgments and amounts paid in settlement as a result of a breach of the standard of care set out in paragraph (d) above;

(g) none of the Funds incurs the cost of any portion of liability insurance that insures a member of the IRC for a liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph (d) above;

(h) the cost of any indemnification or insurance coverage paid for by the Filer, any portfolio advisor of the Funds, or any associate or affiliate of the Filer or the portfolio advisors of the Funds to indemnify or insure the members of the IRC in respect of a loss that arises out of a failure to satisfy the standard of care set out in paragraph (d) above is not paid either directly or indirectly by the Funds;

(i) the IRC reviews the Funds' purchases, sales and continued holdings of SLF Shares on a regular basis, but not less frequently than once every calendar quarter;

(j) the IRC forms the opinion at any time, after reasonable inquiry, that the decisions made on behalf of each Fund by the Filer or the Fund's portfolio advisor to purchase, sell or continue to hold SLF Shares were and continue to be in the best interests of the Fund, and:

(i) represent the business judgement of the Filer or the Fund's portfolio advisor, uninfluenced by considerations other than the best interests of the Fund;

(ii) have been made free from any influence by SLF and without taking into account any consideration relevant to SLF; and

(iii) do not exceed the limitations of the applicable legislation;

(k) the determination made by the IRC pursuant to paragraph (j) above is included in detailed written minutes provided to the Filer not less frequently than once every calendar quarter;

(l) in respect of the relevant Fund, within 30 days after the end of each month in which the manager of the Funds purchases or sells SLF Shares on behalf of one or more Funds, the Filer will file on SEDAR reports disclosing (i) the name of each Fund that purchased or sold SLF Shares during the month, (ii) the date of each purchase, (iii) the volume weighted average price paid or received for the SLF Shares by each Fund, and (iv) whether the trades were disapproved by the IRC and, if so, why the trades were completed in spite of such disapproval. Such report will be filed for each Fund and the report will show the trades of all Funds. Such report will also contain a certificate from the Filer that (i) the trades represented the business judgement of the Filer or the portfolio advisor of the Fund uninfluenced by considerations other than the best interest of the Funds and were, in fact, in the best interests of the Funds, (ii) the trades were made free from any influence by SLF or any affiliate or associate thereof and without taking any consideration relevant to SLF or any associate or affiliate thereof, and (iii) the trades were not part of a series of transactions aiming to support or otherwise influence the price of the SLF Shares or related to another form of misconduct. The report also will disclose any subsequent determination by the IRC that a past decision of the Filer or a Fund's portfolio advisor to purchase, sell or continue to hold SLF Shares failed or fails to satisfy the conditions in paragraph (j);

(m) the IRC advises the Decision Makers in writing of:

(i) any determination by it at any time that the condition set out in paragraph (j) has not been satisfied with respect to any purchase, sale or holding of SLF Shares;

(ii) any determination by it at any time that any other condition of this decision has not been satisfied;

(iii) any action it has taken or proposes to take following the determinations referred to above; and

(iv) any action taken, or proposed to be taken, by the Filer or a portfolio advisor of the Funds in response to the determinations referred to above; and

(n) the existence, purpose, duties and obligations of the IRC, the names of its members, whether and how they are compensated by the Funds, and the fact that they meet the requirements of the condition set out in paragraph (b) are disclosed:

(i) in a press release issued, and a material change report filed, prior to reliance on this decision;

(ii) in item 12 of Part A of the simplified prospectus of the Funds; and

(iii) on the Filer's internet website; and

2. this Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation of that Decision Maker dealing with mutual fund governance in a manner that conflicts with or makes inapplicable any provision of this Decision.

"Paul M. Moore"
Vice Chair
Ontario Securities Commission

"Paul K. Bates"
Commissioner
Ontario Securities Commission

2.1.15 Canada Life Financial Corporation and The Canada Life Assurance Company - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Application from a wholly-owned subsidiary of reporting issuer parent for a decision that the subsidiary be exempted from the following requirements to:

1. file annual and interim financial statements and MD&A, annual and interim certificates, business acquisition reports, a notice upon a change in its year-end, copy of disclosure material sent to the subsidiary's parent, the annual report that it sends to holders of the subsidiary's outstanding debentures and certain material contracts of the subsidiary or any of its subsidiaries;

2. issue and file a news release and file a material change report if a material change occurs in the affairs of the subsidiary;

3. send annually a request form to the registered holders and beneficial owners of the subsidiary's securities, other than debt instruments and send a copy of financial statements and MD&A to registered holders and beneficial owners upon request;

4. comply with the requirements upon a termination or resignation of the subsidiary's auditor or an appointment of a successor auditor; and

5. comply with proxy and proxy solicitation requirements.

Relief granted subject to terms and conditions, including without limitation that (i) the parent remains the direct or indirect beneficial owner of all of the outstanding equity securities and voting securities of the subsidiary and all of the outstanding securities convertible into equity securities or voting securities of the subsidiary; (ii) the parent has no material assets or liabilities other than its shareholding in the subsidiary; (iii) the parent remains a reporting issuer; (iv) the parent complies with its reporting issuer obligations and files certain continuous disclosure documents on the subsidiary's SEDAR profile; and (v) the parent and the subsidiary have the same auditor and financial year-end.

Instruments Cited

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

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK,
NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR,
THE NORTHWEST TERRITORIES,
THE YUKON TERRITORY AND NUNAVUT

AND

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

AND

IN THE MATTER OF
CANADA LIFE FINANCIAL CORPORATION

AND

IN THE MATTER OF
THE CANADA LIFE ASSURANCE COMPANY

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker", and collectively the "Decision Makers") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador, the Northwest Territories, the Yukon Territory and Nunavut (collectively, the "Jurisdictions") has received an application on behalf of Canada Life Financial Corporation ("CLFC") and The Canada Life Assurance Company ("CLAC") for a decision, pursuant to the securities legislation of the Jurisdictions (the "Legislation") and in Québec by a revision of the general order that will provide the same result as an exemption order, that:

1. except in the Northwest Territories, CLAC is exempt from the following requirements under the Legislation to:

   (a) file the following documents:

      (i) annual financial statements together with an auditor's report and annual MD&A; and

      (ii) interim financial statements together with a notice regarding auditor review or a written review report, if required, and interim MD&A;

   (b) send annually a request form to the registered holders and beneficial owners of CLAC's securities, other than debt instruments, that the registered holders and beneficial owners may use to request a copy of CLAC's annual financial statements and annual MD&A, interim financial statements and interim MD&A or both, and send a copy of financial statements and MD&A to registered holders and beneficial owners;

   (c) file a notice if CLAC changes its financial year-end by more than 14 days;

   (d) comply with the requirements upon a termination or resignation of CLAC's auditor or an appointment of a successor auditor;

   (e) issue and file a news release and file a material change report if a material change occurs in the affairs of CLAC;

   (f) file a business acquisition report, including any required financial statement disclosure, if CLAC completes a significant acquisition (as defined in National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102"));

   (g) comply with proxy and proxy solicitation requirements, including:

      (i) sending a form of proxy to registered holders of voting securities who are entitled to notice of a meeting and an information circular, together with a notice of meeting, if required, to registered security holders whose proxies are solicited; and

      (ii) file a copy of an information circular and form of proxy required to be sent to registered security holders and all other material required to be sent in connection with the meeting to which the information circular or form of proxy relates;

   (h) file a copy of any disclosure material that CLAC sends to holders of its equity securities and a copy of the annual report that it sends to holders of the Debentures in accordance with the terms thereof (the "Annual Report"); and

   (i) file copies of any contract that CLAC or any of its subsidiaries is a party to, other than a contract entered into in the ordinary course of business, that is material to CLAC and was entered into within the last financial year, or before the last financial year but is still in effect,

   (collectively, the "Continuous Disclosure Requirements"); and

2. except in British Columbia and Québec, CLAC is exempt from the following requirements under the Legislation to:

   (a) file annual certificates ("Annual Certificates") in accordance with section 2.1 of Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("MI 52-109"); and

   (b) file interim certificates ("Interim Certificates") in accordance with section 3.1 of MI 52-109,

   (collectively, the "Certification Filing Requirements");

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

AND WHEREAS CLFC and CLAC have represented to the Decision Makers that:

1. CLAC is a life insurance company governed by the provisions of the *Insurance Companies Act*, S.C. 1991, c. 47, as amended (the "ICA"), whose head office is located in Toronto, Ontario. On November 4, 1999, CLAC was demutualized and became a stock life insurance company under Letters Patent of Conversion issued under the ICA.

2. CLAC is a reporting issuer in each of the provinces and territories of Canada that provides for such a regime.

3. CLAC did not file Interim Certificates for the interim period ended March 31, 2004 as required under MI 52-109. Prior to such filing deadline, CLAC submitted its application for the relief described herein. Other than as described above, CLAC is not in default of its reporting issuer obligations under the Legislation.

4. CLAC is a venture issuer as defined in NI 51-102.

5. CLAC is not an SEC issuer as defined in NI 51-102.

6. CLFC is an insurance company subject to the ICA, whose head office is located in Toronto, Ontario. CLFC is a wholly-owned subsidiary of The Great West Life Assurance Company ("GWL").

7. CLFC is a reporting issuer in each of the provinces and territories of Canada that provides for such a regime and is not in default of its reporting issuer obligations under the Legislation.

8. The authorized capital of CLAC consists of an unlimited number of common shares and an unlimited number of preferred shares issuable in series designated as Classes A through F (collectively, the "Shares").

9. CLFC holds all of the outstanding Shares and as a result, CLAC is an indirect wholly-owned subsidiary of GWL and a direct wholly-owned subsidiary of CLFC.

10. CLAC has non-convertible subordinated debentures outstanding, which are not credit-supported or guaranteed (the "Debentures").

11. The Shares and the Debentures are the only outstanding securities of CLAC.

12. CLAC has no current intention to issue additional debt securities to the public.

13. No securities of CLAC are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

14. The only disclosure material that CLAC sends to the holders of the Debentures is the Annual Report that contains annual financial statements, a directors' report, a listing of CLAC's directors and officers and certain other corporate information.

15. CLFC has no material assets other than the Shares.

16. CLAC and CLFC both have a financial year-end of December 31.

17. Deloitte & Touche LLP is the auditor of both CLAC and CLFC.

18. As CLFC is simply a holding company whose only material asset consists of the Shares, adequate disclosure will be provided to the holders of securities of CLAC provided that CLFC complies with its reporting issuer obligations under the Legislation.

19. CLFC will comply with its reporting issuer obligations under the Legislation.

20. The Certification Filing Requirements are intended to improve the quality and reliability of (i) an issuer's interim financial statements and interim MD&A (collectively, the "Interim Filings") and (ii) an issuer's AIF, annual financial statements and annual MD&A (collectively, the "Annual Filings").

21. If CLAC is exempt from the requirements to file its own Annual Filings and Interim Filings, it would

not be meaningful or relevant for CLAC to file its own Annual Certificates and Interim Certificates.

22. Pursuant to an MRRS decision document dated July 8, 1999 (the "Previous MRRS Decision"), CLAC is exempt from certain continuous disclosure requirements, subject to certain conditions, under the Legislation in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, Newfoundland, the Northwest Territories, Nunavut and the Yukon Territory.

23. Pursuant to an order from the Commission des valeurs mobilières du Québec dated September 8, 2000 (the "Québec Order"), CLAC is exempt from certain continuous disclosure requirements, subject to certain conditions, under the Legislation in Québec.

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 (other than the Northwest Territories) under the Legislation is that the Continuous Disclosure Requirements, where applicable, shall not apply to CLAC provided that:

(a) CLFC remains the direct or indirect beneficial owner of all of the outstanding equity securities and voting securities of CLAC and all of the outstanding securities convertible into equity securities or voting securities of CLAC;

(b) CLFC continues to have no material assets or liabilities other than its holding of the Shares;

(c) CLFC remains a reporting issuer in each of the Jurisdictions that provides for such a regime;

(d) CLFC complies with all of its reporting issuer obligations under the Legislation,

(e) CLFC files copies of the following documents on CLAC's SEDAR profile at the same time as those documents are required to be filed by CLFC on its own SEDAR profile:

(i) Annual Filings and Interim Filings;

(ii) all notices required to be filed by CLFC upon a change in its financial year-end;

(iii) all documents required to be filed by CLFC upon a termination or resignation of CLFC's auditor or an appointment of a successor auditor;

(iv) all news releases and material change reports;

(v) all business acquisition reports required to be filed by CLFC, including any required financial statement disclosure; and

(vi) all contracts required to be filed by CLFC under NI 51-102 that pertain to CLAC;

(f) CLAC and CLFC have the same participating audit firm (as defined in National Instrument 52-108 *Auditor Oversight*) acting as their auditor;

(g) CLAC and CLFC have the same financial year-end;

(h) CLAC issues and files a news release and files a material change report for all material changes in its affairs that are not also material changes in the affairs of CLFC; and

(i) except in the Northwest Territories and Prince Edward Island, CLAC does not rely upon the Previous MRRS Decision or the Québec Order for an exemption from any of the Continuous Disclosure Requirements.

AND THE FURTHER DECISION of the Decision Makers (other than British Columbia and Québec) under the Legislation is that the Certification Filing Requirements shall not apply to CLAC provided that:

(a) CLAC is in compliance with the conditions set out in paragraphs (a) through (h) above; and

(b) CLFC files copies of its Annual Certificates and Interim Certificates on CLAC's SEDAR profile at the same time as those documents are required to be filed by CLFC on its own SEDAR profile.

August 31, 2004.

"Erez Blumberger"

2.2 Orders

2.2.1 Mississauga Teachers' Retirement Village Limited Partnership - 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
MISSISSAUGA TEACHERS' RETIREMENT VILLAGE LIMITED PARTNERSHIP (the Partnership)

ORDER
(Section 144)

WHEREAS the securities of the Partnership are subject to a temporary order issued by the Manager, Corporate Finance, (the Manager) on behalf of the Ontario Securities Commission (the Commission) pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, dated September 2, 2004 and as extended by a further order issued by the Manager dated September 14, 2004 pursuant to subsection 127(8) of the Act (collectively, the Cease Trade Order) directing that all trading in the securities of the Partnership cease until the Cease Trade Order is revoked by a further order of revocation;

AND WHEREAS the Partnership has applied to the Commission pursuant to section 144 of the Act (the **Application**) for revocation of the Cease Trade Order.

AND WHEREAS the Partnership has represented to the Director that:

1. The Partnership was created on September 30, 1983 under the *Limited Partnerships Act* (Ontario) and is a reporting issuer in the Province of Ontario;

2. The Order was issued by reason of the failure of the Partnership to file with the Commission its interim financial statements for the period ended June 30, 2004;

3. On September 22, 2004, the Partnership filed its interim financial statements for the period ended June 30, 2004 with the Commission through SEDAR; and

4. The Partnership has now brought its continuous disclosure filings up to date;

5. Except for the Cease Trade Order, the Partnership is not otherwise in default of any requirements of the Act or the regulations promulgated thereunder.

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

AND UPON the undersigned Director is satisfied that the Partnership remedied its default in respect of 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.

IT IS ORDERED pursuant to section 144 of the Act that the Cease Trade Order be and is hereby revoked.

September 29, 2004.

"John Hughes"

2.2.2 McLean Budden Limited - ss. 121(2)(a)(ii)

Headnote

Conflict relief for portfolio manager of managed accounts to purchase units of related mutual funds on behalf of managed accounts whereby the payment of the purchase price of units of the mutual funds may be satisfied by making good delivery of securities held by the managed accounts and the payment of the redemption price of units of the mutual funds to the managed accounts may be satisfied by making good delivery of securities held in the investment portfolio of the mutual funds.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990, c. S.5, as am., ss. 118(1) & (2)(b) and 121(2)(a)(ii).

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

AND

IN THE MATTER OF
MCLEAN BUDDEN LIMITED ("MCLEAN BUDDEN")

ORDER
(Subsection 121(2)(a)(ii) of the Act)

UPON the application (the "Application') of McLean Budden to the Ontario Securities Commission (the "Commission") for an order pursuant to subsection 121(2)(a)(ii) of the Act that the conflict of interest provision contained in the subsection 118(2)(b) of the Act does not apply to McLean Budden in connection with the purchase and redemption of units of pooled funds and prospectus qualified mutual funds that are currently or may in the future be managed by McLean Budden (collectively referred to as the "Funds"), whereby:

(a) the payment of the purchase price of units of the Funds by a managed account client of McLean Budden (a "Managed Account") may be satisfied by making good delivery of securities, held by a Managed Account, to a Fund and those securities meet the investment criteria of the Fund; or

(b) the payment of the redemption price of units of a Fund to a Managed Account may be satisfied by making good delivery of securities held in the investment portfolio of a Fund to the Managed Account (paragraphs a) and b) shall be individually referred to as an "In-Species Transfer");

AND UPON considering the Application and the recommendation of the staff of the Commission;

AND UPON McLean Budden having represented to the Commission that:

1. McLean Budden is a corporation incorporated under the laws of Canada. The head office of McLean Budden is located in Ontario.

2. McLean Budden is registered under the Act as an adviser in the categories of investment counsel and portfolio manager. In addition, McLean Budden is registered under the Act as a limited market dealer.

3. McLean Budden is or will be the manager, portfolio adviser and promoter of the Funds.

4. Each of the Funds is or will be an open-ended mutual fund trust established under the laws of Ontario.

5. McLean Budden acts as a portfolio manager to Managed Accounts pursuant to discretionary management agreements (the "Agreements").

6. McLean Budden manages the Managed Accounts on a discretionary basis via investments in the Funds, but also utilizes segregated, separate portfolios of securities for clients.

7. Under the Agreements, the clients specifically authorize McLean Budden to invest in the Funds.

8. All clients with Managed Accounts receive written specific disclosure of the relationship between McLean Budden and the Funds.

9. Units of each of the Funds will be offered on a continuous basis and will be acquired by Managed Accounts either on a private placement basis or on a prospectus qualified basis.

10. In order to ensure that neither the Managed Accounts nor a Fund incurs significant expenses related to the disposition and acquisition of portfolio securities in connection with a purchase of units of a Fund, McLean Budden may permit payment for units purchased to be made by an In-Species Transfer. This will only occur if the securities to be delivered in payment for units are securities that McLean Budden considers appropriate for the Fund. Appropriate securities would be securities currently held in the Fund or about to be purchased for the Fund.

11. In order to ensure that the Fund does not incur significant expenses related to the disposition of portfolio securities following a redemption of units of a Fund, McLean Budden may require that payment of redemption proceeds be satisfied by an In-Species Transfer. This will only occur in respect of redemptions that require a large payment (being a payment in excess of 10% of the market value of the Fund).

12. McLean Budden does not receive any compensation in respect of any sale or redemption of units or in respect of In-Species Transfers described in paragraphs 10 and 11 above.

13. McLean Budden obtains the prior specific consent of the relevant Managed Account client before it engages in any In-Species Transfers in connection with the purchase of units.

14. Managed Account clients specifically consent in the Agreements to receiving redemption proceeds in the form of In-Species Transfer in the event the redemption proceeds are in excess of 10% of the market value of a Fund.

15. The Royal Trust Company, the trustee and custodian of the Funds, values the securities transferred under an In-Species Transfer on the same valuation day on which the unit purchase price or redemption price is determined and on the same basis that the Fund would use in determining the value of such securities.

16. Under the Act, a portfolio manager is prohibited from purchasing or selling securities of any issuer from or to the account of a responsible person or any associate of a responsible person.

17. Since McLean Budden is the portfolio manager of the Managed Accounts, it would be considered a "responsible person" within the meaning of subsection 118(1) of the Act with respect to such Managed Accounts.

18. Each of the Funds is an associate of McLean Budden within the meaning of paragraph (c) of the definition of "associate" contained in subsection 1(1) of the Act because McLean Budden, as the manager and portfolio adviser of the Funds, serves in a similar capacity to a trustee in respect of the Funds.

19. In the absence of this Order, McLean Budden, as portfolio manager of the Managed Accounts is prohibited from engaging in an In-Species Transfer of securities of any issuer to or from a Fund, which is an associate of McLean Budden.

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

IT IS ORDERED pursuant to subsection 121(2)(a)(ii) that subsection 118(2)(b) does not apply to McLean Budden in connection with the payment of the purchase price for units of a Fund or the payment of the redemption price of units of a Fund by In-Species Transfers between the Managed Accounts and the Funds, provided that:

i) in connection with the purchase of units of a Fund by a Managed Account:

(a) McLean Budden obtains the prior specific consent of the relevant Managed Account client before it engages in any In-Species Transfers in connection with the purchase of units;

(b) the Fund would at the time of payment be permitted to purchase those securities;

(c) the securities are acceptable to the portfolio adviser of the Fund and consistent with the Fund's investment objective;

(d) the value of the securities is at least equal to the issue price of the securities of the Fund for which they are payment, valued as if the securities were portfolio assets of the Fund;

(e) the statement of portfolio transactions next prepared by a Fund shall include a note describing the portfolio assets delivered to the Fund and the value assigned to the portfolio assets; and

ii) in connection with the redemption of units of a Fund by a Managed Account:

(a) Managed Account clients specifically consent in the Agreements to receiving redemption proceeds in the form of an In-Species Transfer in the event the redemption proceeds are in excess of 10% of the market value of a Fund;

(b) the value of the securities is equal to the amount at which those securities were valued in calculating the net asset value per security used to establish the redemption price ;

(c) the statement of portfolio transactions next prepared by a Fund shall include a note describing the portfolio assets delivered to the Managed Account and the value assigned to the portfolio assets; and

McLean Budden does not receive any compensation in respect of any sale or redemption of units of a Fund or in respect of any delivery of securities by an In-Species Transfer.

September 24, 2004.

"Wendell S. Wigle" "Suresh Thakrar"

2.2.3 Secure Computing Corporation - s. 83

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer deemed to have ceased to be a reporting issuer.

Ontario Statutes

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

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

AND

IN THE MATTER OF
SECURE COMPUTING CORPORATION

ORDER
(Section 83 of the Act)

UPON the application of Secure Computing Corporation (the "Applicant") to the Ontario Securities Commission (the "Commission" for an order pursuant to section 83 of the Act that the Applicant be deemed to have ceased to be a reporting issuer under Ontario securities legislation (the "Legislation");

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a Delaware corporation having its principal offices in San Jose, California.

2. The Applicant is a U.S. issuer, listed on the Nasdaq Stock Market ("Nasdaq") under the stock symbol "SCUR".

3. The Applicant acquired Border Technologies Inc. ("Border"), by way of an Acquisition Agreement, dated August 29, 1996 (the "Acquisition").

4. Border was a private company under the Ontario Business Corporations Act.

5. In connection with the Acquisition, a new class of exchangeable shares (the "Exchangeable Shares") of Secure Computing Canada, Ltd. ("ExchangeCo"), a wholly-owned subsidiary of the Applicant, were created, exchangeable into common stock of the Applicant. The Exchangeable Shares, at that time listed on the Winnipeg Stock Exchange under the symbol "SCU.E", were issued to each of the shareholders of Border.

6. The Applicant is a reporting issuer in Ontario as a result of the exchange of Exchangeable Shares for Common Shares subsequent to the Acquisition.

7. The last Exchangeable Shares of ExchangeCo were exchanged on June 30, 2000.

8. As of the date hereof, there are 15 beneficial shareholders resident in Ontario, holding a total of 8,319 shares of the Applicants' common stock (the "Common Shares") representing approximately 0.02% of the 35,593,592 outstanding Common Shares as of May 28, 2004.

9. The Applicant's securities, including debt securities, are beneficially owned, directly or indirectly, by less than 51 security holders in Canada.

10. No securities of the Applicant are traded on a Canadian marketplace as defined in National Instrument 21-101.

11. The Applicant no longer has an operating office in Canada, no longer owns any operating assets in Canada, has no bank accounts or investment assets in Canada and has no Canadian-resident employees.

12. The Applicant will not be a reporting issuer, or the equivalent thereof, in any jurisdiction in Canada following the granting of the relief pursuant to this Decision.

13. The Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

14. The Applicant does not intend to seek financing by way of a public offering in any jurisdiction in Canada.

15. The Applicant is subject to the continuous disclosure requirements of the Securities Exchange Act of 1934, as amended, of the United States of America (the "U.S.").

16. The Applicant's shareholders resident in Canada will receive the same continuous disclosure materials as Secure Computing Corporation shareholders resident in the U.S.

17. The continuous disclosure documentation of the Applicant filed with the U.S. Securities and Exchange Commission (the "SEC") is readily accessible to holders of Common Shares resident in Ontario at the EDGAR website maintained by the SEC.

AND UPON the Commission being satisfied that to grant this order would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 83 of the Act that the Applicant is deemed to have ceased to be a reporting issuer for the purposes of the Legislation.

October 1, 2004.

"Suresh Thrakar" "Lorne Morphy"

2.2.4 Cathay Forest Products Corp. - ss. 83.1(1)

Headnote

Subsection 83.1(1) – issuer deemed to be a reporting issuer in Ontario – issuer already a reporting issuer in British Columbia and Alberta – issuer's securities listed for trading on the TSX Venture Exchange – continuous disclosure requirements in British Columbia and Alberta substantially the same as those in Ontario.

Statutes Cited

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

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

AND

IN THE MATTER OF
CATHAY FOREST PRODUCTS CORP.

ORDER
(Section 83.1(1))

UPON the application of Cathay Forest Products Corp. (the Company) to the Ontario Securities Commission (the "Commission") for an order pursuant to section 83.1(1) of the Act deeming the Company to be a reporting issuer for the purposes of Ontario securities law;

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

AND UPON the Company having represented to the Commission as follows:

1. The Company was incorporated in British Columbia on March 11, 1987. On September 23, 2004, the Company continued under the laws of the *Canada Business Corporations Act*, in anticipation of completing an exempt takeover bid of Cathay Forest Products Inc. and 1609060 Ontario Inc.

2. The Company was authorized to issue 500,000,000 common shares; however, pursuant to a share consolidation on a 1:5 basis, approved by the Company's shareholders on September 15, 2004, the Company is now authorized to issue 100,000,000 common shares. As of September 15, 2004, the Company's pre-consolidation issued and outstanding shares were 5,303,524.

3. The Company is a reporting issuer in British Columbia (since November 17, 1987) and Alberta (since November 26, 1999).

4. The Company is not in default of any requirement of the *Securities Act* (Alberta) or the *Securities Act* (British Columbia).

5. The Company believes it has a significant connection to Ontario for the following reasons:

   a) the head office of the Company is located at 5650 Yonge Street, Suite 1500, Toronto, Ontario;

   b) the registered office of the Company is located at 347 Bay Street, Suite 603, Toronto, Ontario;

   c) three of the five directors of the Company are Ontario residents; and

   d) approximately 76% of the subscribers to the concurrent private placement in 1609060 Ontario Inc. are Ontario residents, which upon the completion of the exempt takeover bid would represent approximately 30% of the total number of registered shareholders.

6. The continuous disclosure requirements of the *Securities Act* (British Columbia) and the *Securities Act* (Alberta) are substantially the same as the requirements under the Act.

7. The continuous disclosure materials filed by the Company are available on the System for Electronic Document Analysis and Retrieval.

8. There have been no penalties or sanctions 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.

9. Neither the Company nor any of its directors and officers nor, to the knowledge of the Company and directors and officers, any of its controlling shareholders, has:

   a) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority,

   b) entered into a settlement agreement with a Canadian securities regulatory authority, or

   c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

10. Neither the Company nor its directors and officers nor, to the knowledge of the Company and directors and officers, any of its controlling shareholders, is or has been subject to:

a) any known ongoing or concluded investigations by:

i) a Canadian securities regulatory authority, or

ii) 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

b) 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.

11. Neither the Company nor its directors and officers nor, to the knowledge of the Company and directors and officers, any of its controlling shareholders, is or has been, at the time of such event, a director or officer of another issuer which is or has been subject to:

a) 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

b) 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.

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

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

October 4, 2004.

“Iva Vranic”

This page intentionally left blank

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
iLoveTV Entertainment Inc.	04 Oct 04	15 Oct 04		
Wardley China Investment Trust	24 Sep 04	06 Oct 04	06 Oct 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	20 Sep 04	

This page intentionally left blank

Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesScource (see 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).

Chapter 8

Notice of Exempt Financings

REPORTS OF TRADES SUBMITTED ON FORM 45-501F1

Transaction Date	Purchaser	Security	Total Purchase Price ($)	Number of Securities
16-Sep-2004	9 Purchasers	1609060 Ontario Inc. - Common Shares	1,265,000.00	3,162,500.00
14-Sep-2004	Cindy Bako	Acuity Pooled Balanced Fund - Trust Units	52,750.00	3,057.00
17-Sep-2004 to 20-Sep-2004	Diane Taylor Sean Seguin	Acuity Pooled Growth and Income Fund - Trust Units	220,000.00	21,359.00
15-Sep-2004 to 21-Sep-2004	12 Purchasers	Acuity Pooled High Income Fund - Trust Units	1,541,389.96	83,862.00
06-Jul-2004 to 12-Sep-2004	4 Purchasers	Acuity Pooled Income Trust Fund - Trust Units	715,000.00	48,409.00
16-Sep-2004	Sprott Asset Management Inc. Dynamic Canadian Precious Metals	Adamus Resources Limited - Shares	1,323,426.00	16,967,000.00
22-Sep-2004	Credit Risk Advisors LP Bank of Montreal	Ainsworth Lumber Co. Ltd. - Notes	1,922,550.00	15,000.00
15-Sep-2004	Mike Koziol Kerry Smith	Alto Ventures Ltd. - Units	40,000.00	400,000.00
22-Sep-2004	William B. Whetstone	Auramex Resource Corp. - Units	20,000.00	50,000.00
28-Sep-2004	5 Purchasers	Avenue Financial Corporation - Units	172,590.00	1,725,900.00
03-Mar-2003	James Bay Cree Naskapi Pension Plan	Bank of Ireland Asset Management Limited - Units	1,969,684.80	253,679.00
01-Nov-2002	Textron Canada Limited Master Trust	Bank of Ireland Asset Management Limited - Units	1,299,792.00	142,415.00
01-Nov-2002	Queen's Endowment Fund	Bank of Ireland Asset Management Limited - Units	1,499,760.00	164,325.00
16-Sep-2004	6 Purchasers	Bioxel Pharma Inc - Common Shares	475,600.00	1,160,000.00
27-Sep-2004	Daniel Kaasalainen	BPI Global Opportunities III RSP Fund - Units	25,000.00	281.00

03-Sep-2004 to 21-Sep-2004	9 Purchasers	Century Mining Corporation - Common Shares	120,330.00	267,400.00
04-Feb-2004	CMP 2002 Resource Limited Partnership	CMP Fund Corporation - Shares	92,401,771.91	11,949,004.00
23-Aug-2004	16 Purchasers	Continental Cash Technologies Corporation - Units	150,000.00	1,250,000.00
28-Sep-2004	40 Purchasers	Cymat Corp. - Units	2,199,999.90	6,285,714.00
07-Jul-2004	Jason Hackett David Hackett	Dexior Financial Inc. - Preferred Shares	400,000.00	40,000.00
15-Jun-2004	Guiseppina Faraci Salvatore Faraci	Dexior Financial Inc. - Preferred Shares	63,000.00	6,300.00
17-Sep-2004	8 Purchasers	Diamondex Resources Ltd. - Flow-Through Shares	5,979,110.00	6,293,800.00
17-Sep-2004	9 Purchasers	Diamondex Resources Ltd. - Units	493,000.00	580,000.00
17-Sep-2004	Dundee Securities Corp GMP Securities Ltd.	Diamondex Resources Ltd. - Warrants	606,147.50	638,050.00
29-Jul-2004 to 10-Aug-2004	6 Purchasers	Ecu Silver Mining Inc. - Units	141,000.00	470,000.00
05-Oct-2004	9 Purchasers	Ecu Silver Mining Inc. - Units	305,000.00	953,125.00
20-Sep-2004	E2 Venture Fund Inc. VentureLink Brighter Future (Equity) Fund Inc.	Encelium Technologies Inc. - Shares	233,333.34	246,633.00
10-Sep-2004	23 Purchasers	FactorCorp. - Units	1,470,000.00	1,470,000.00
23-Jul-2004	5 Purchasers	FisherCast Global Corporation - Shares	1,630,000.00	3,030.00
23-Jul-2004	BMO Capital Corporation	FisherCast Global Corporation - Special Warrants	3,000,000.00	3,068.00
17-Mar-2004	36 Purchasers	Foru Limited Partnership - Limited Partnership Interest	4,111,963.00	36.00
17-Sep-2004	6 Purchasers	Gallery Resources Limited - Units	900,000.00	12,857,143.00
17-Sep-2004	CMP 2004 Resource LP Canada Dominion Resource 2004 LP	Golden Eagle Capital Corp. - Flow-Through Shares	1,500,000.00	2,500,000.00
31-Aug-2004	Albert Amato	Goldman Sachs Real Estate Sectors A - Units	270,000.00	17,286.00
13-Sep-2004 to 23-Sep-2004	5 Purchasers	HMZ Metals Inc. - Units	0.00	180,000.00

22-Sep-2004	5 Purchasers	iFuture.com Inc. - Common Shares	88,000.00	1,100,000.00
10-Sep-2004 to 20-Sep-2004	5 Purchasers	IMAGIN Diagnostic Centres, Inc. - Common Share Purchase Warrant	65,000.00	65,000.00
14-Sep-2004	Business Development Bank Axis Investment Fund Inc.	Infoterra Inc. - Common Shares	483,334.16	6,400,008.00
14-Sep-2004	Business Development Bank Axis Investment Fund Inc.	Infoterra Inc. - Debentures	483,334.16	7,500,000.00
17-Sep-2004	6 Purchasers	International Uranium Corporation - Flow-Through Shares	4,200,000.00	1,050,000.00
23-Sep-2004	3 Purchasers	Jostens IH Corporation - Notes	2,231,950.00	2,231,950.00
15-Sep-2004	8 Purchasers	Kingwest Avenue Portfolio - Units	306,500.00	14,414.00
15-Sep-2004	Chris Holland	Kingwest U.S. Equity Portfolio - Units	22,120.53	2,038.00
08-Sep-2004	P. O'Marra Investments Inc. Royal Trust Corporation of Canada	Kodiak Exploration Limited - Non-Flow-Though Shares	515,000.00	1,600,000.00
27-Sep-2004	Glen Grossmith	Landmark Global Opportunities Fund - Units	10,000.00	109.00
21-Sep-2004	5 Purchasers	Laramide Resources Ltd. - Units	124,500.00	415,000.00
28-Sep-2004	12 Purchasers	Luke Energy Ltd. - Flow-Through Shares	516,145.80	421,716.00
31-Aug-2002	Workplace Safety & Insurance Board Employees' Pension Fund	Morgan Stanley - Units	9,998,400.00	968,727.00
20-Sep-2004	Glenn Verge	New Solutions Financial (II) Corporation - Debentures	250,000.00	250,000.00
20-Sep-2004	4 Purchasers	Pacific Imperial Mines Inc. - Units	120,000.00	480,000.00
17-Sep-2004	4 Purchasers	Pathogen Detection Systems, Inc. - Debentures	200,000.00	200,000.00
10-Feb-2004 to 24-Aug-2004	47 Purchasers	Petroworth Resources Inc. - Units	902,500.00	1,805,000.00
19-Aug-2004	6 Purchasers	Platespin Ltd. - Notes	2,400,000.00	2,400,000.00
09-Sep-2004	Linda Bowman-MacBrien Canadian Western Trust for Linda Bowman-MacBrien	Premiere Canadian Mortgage Corp. - Shares	56,502.00	56,502.00
09-Sep-2004	F.J. Stork Holdings 2000 Ltd.	Print-Quotes Software Inc. - Shares	250,000.00	2,500,000.00

17-Sep-2004	9 Purchasers	Prism Medical Ltd. - Convertible Debentures	2,300,000.00	2,300,000.00
09-Sep-2004	OTPPB Providence (No. 1 OTPPB Providence (No. 2 Inc.	Providence Equity Partners V L.P. - Limited Partnership Interest	231,750,000.00	180,000,000.00
16-Sep-2004	The Manufacturers Life Insurance Company	Pubnico Point Wind Farm Inc. - Notes	11,047,059.00	1.00
24-Sep-2004	Nursing Homes and Related Industries Pension Plan	Real Assets US Social Equity Index Fund - Units	25,488.96	3,684.00
23-Sep-2004	Denzil Doyle	Recognia Inc. - Notes	5,000.00	5,000.00
17-Sep-2004	5 Purchasers	Spider Resources Inc. - Units	500,000.00	4,166,667.00
17-Aug-2004	12 Purchasers	The ElectroLinks Corporation - Common Shares	299,700.00	999,000.00
17-Sep-2004	Richard Elder Brant Investments	The Learning Library Inc. - Units	115,000.00	1,150,000.00
22-Sep-2004	Aegon Capital Management CI Mutual Funds	Total Capital SA - Bonds	31,848,960.00	32,000,000.00
23-Sep-2004	6 Purchasers	Toxin Alert Inc. - Common Share Purchase Warrant	71,500.00	110,000.00
17-Sep-2004	3 Purchasers	U.S. Geothermal Inc. - Option	0.00	280,000.00
17-Sep-2004	21 Purchasers	U.S. Geothermal Inc. - Units	1,613,850.80	1,898,648.00
14-Sep-2004	7 Purchasers	Western Troy Capital Resources Inc. - Units	246,000.00	546,667.00
15-Sep-2004	3 Purchasers	World Heart Corporation - Convertible Debentures	793,750.00	793,750.00
15-Sep-2004	3 Purchasers	World Heart Corporation - Warrants	793,750.00	635,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
AirSource Power Fund I L.P.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated October 4, 2004
Mutual Reliance Review System Receipt dated October 4, 2004
Offering Price and Description:
Minimum $50,000,000 (5,000,000 Limited Partnership Units)
Maximum $6,500,000 (6,500,000 Limited Partnership Units)
Price: $10.00 per Unit
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Capital Inc.
Desjardins Securities Inc.
First Associates Investments Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Berkshire Securities Inc.
Bieber Securities Inc.
Wellington West Capital Inc.
Promoter(s):
Algonquin Power (St. Leon) Inc.
GreenWing Energy Inc.
Project #694872

Issuer Name:
BMO Nesbitt Burns Growth Portfolio Fund
BMO Nesbitt Burns Balanced Portfolio Fund
BMO Nesbitt Burns All Equity Portfolio Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated September 29, 2004
Mutual Reliance Review System Receipt dated September 29, 2004
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
BMO Nesbitt Burns Inc.
Promoter(s):
BMO Nesbitt Burns Inc.
Project #693642

Issuer Name:
Cambior Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
$90,000,000 - 24,000,000 Units consisting of 24,000,000 Common Shares and 12,000,000 Series D Common Share Purchaser Warrants Price: $3.75 per Unit
Underwriter(s) or Distributor(s):
Sprott Securities Inc.
Dundee Securities Corporation
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
CIBC World Markets Inc.
Orion Securities Inc.
Scotia Capital Inc,.
Paradigm Capital Inc.
Haywood Securities Inc.
Promoter(s):
-
Project #694426

Issuer Name:
Central Gold-Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
$ * - * Units Price:$ * per Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Promoter(s):
J. C. Stefan Spicer
Alexander J. Grieve
Project #694033

Issuer Name:
CES Software plc
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated October 1, 2004
Offering Price and Description:
$7,182,210.00 - Up to 2,453,550 Ordinary Shares issuable on the exercise of 2,230,500 Special Warrants
Price: $3.22 per Special Warrant
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #694617

Issuer Name:
Charterhouse Preferred Share Index Corporation
Charterhouse PSI Investment Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectuses dated October 1, 2004
Mutual Reliance Review System Receipt dated October 4, 2004
Offering Price and Description:
$ * Maximum (* PSI Preferred Shares)
Price: $25.00 per PSI Preferred Share
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.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
First Associates Investments Inc.
Raymond James Ltd.
Wellington West Capital Inc.
McFarlane Gordon Inc.
Promoter(s):
Charterhouse PSI Management Corporation
Project #694940 & 694942

Issuer Name:
Clarington Diversified Income + Growth Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated September 28, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
$ * - * Units Price: $10.00 per Unit Minimum Purchase: 100 Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Dundee Securities Corporation
Desjardins Securities Inc.
First Associates Investments Inc.
Raymond James Ltd.
Promoter(s):
Clarington Investments Inc.
Project #694042

Issuer Name:
Desert Sun Mining Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated October 4, 2004
Mutual Reliance Review System Receipt dated October 4, 2004
Offering Price and Description:
$14,500,000.00 - 10,000,000 Units Price: $1.45 per Unit
Underwriter(s) or Distributor(s):
Sprott Securities Inc.
CIBC World Markets Inc.
GMP Securities Ltd.
Salman Partners Inc.
Promoter(s):
-
Project #694946

Issuer Name:
Energy Split Corp. II Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated October 1, 2004
Offering Price and Description:
$ * - $ * (Maximum) - $ * (Maximum) * CAPITAL YIELD SHARES - * ROC PREFERRED
Prices: $ * per Capital Yield Share and $25.00 per ROC Preferred Share (Two Capital Yield Shares will be issued for each ROC Preferred Share)
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
Promoter(s):
Scotia Capital Inc.
Project #694540

Issuer Name:
First Asset Equal Weight REIT Income Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated October 4, 2004
Mutual Reliance Review System Receipt dated October 5, 2004
Offering Price and Description:
Maximum $ * - * Units Price: $10.00 per Unit Miniumum Purchase: * Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Scotia Capital 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.
Promoter(s):
First Asset Funds Inc.
Project #695242

Issuer Name:
Gerdau Ameristeel Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated October 4, 2004
Mutual Reliance Review System Receipt dated October 5, 2004
Offering Price and Description:
Cdn $ * (U.S.$ *) 70,000,000 Common Shares Price: $ * per Common Shares
Underwriter(s) or Distributor(s):
Merrill Lynch Canada Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
J.P. Morgan Securities Canada Inc.
Morgan Stanley Canada Limited
Promoter(s):
-
Project #695272

Issuer Name:
Global DiSCS Trust 2004-1
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated October 1, 2004
Offering Price and Description:
$ * Minimum (* Units) Price: $25 per Unit
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
First Associates Investments Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Promoter(s):
RBC Dominion Securities Inc.
Project #694486

Issuer Name:
Income & Growth Split Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
$ * - * Units Prices: $15.00 per Unit $10.00 per Preferred Security
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Dundee Securities Corporation
First Associates Investments Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
Wellington West Capital Inc.
Promoter(s):
Faircourt Asset Management Inc.
Project #693976

Issuer Name:
Merrill Lynch Financial Assets Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated September 29, 2004
Offering Price and Description:
$451,150,000 (Approximate) Commercial Mortgage Pass-Through Certificates, Series 2004-Canada 14
Underwriter(s) or Distributor(s):
Merrill Lynch Canada Inc.
Promoter(s):
-
Project #693436

Issuer Name:
Nuveen Senior Floating Rate Income Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated October 4, 2004
Offering Price and Description:
$* (maximum) * Units Price: $10.00 per Unit Minimum Purchase: 200 Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
HSBC Securities (Canada) Inc.
First Associates Investments Inc.
Raymond James Ltd.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
Wellington West Capital Inc.
Berkshire Securities Inc.
Promoter(s):
Fairway Advisors Inc.
Fairway Capital Management Corp.
Project #694828

Issuer Name:
Stressgen Biotechnologies Corporation
Principal Regulator - British Columbia
Type and Date:
Preliminary Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated
Offering Price and Description:
US $50,000,000.00 - * Common Shares Price Per Common Share: US$ *
Underwriter(s) or Distributor(s):
Raymond James Ltd.
Promoter(s):
-
Project #694839

Issuer Name:
Black Hat Capital Inc.
Principal Regulator - Ontario
Type and Date:
Final CPC Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated October 4, 2004
Offering Price and Description:
$300,000 - 1,500,000 Common Shares Price: $0.20 per Common Share
Underwriter(s) or Distributor(s):
First Associates Investmentes Inc.
Promoter(s):
Mark P. Brennan
Anthony M. Croll
Project #670579

Issuer Name:
BMO Global Monthly Income Fund
BMO U.S. Dollar Monthly Income Fund
BMO Canadian Equity Class
BMO Dividend Class
BMO U.S. Equity Class
BMO Greater China Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated October 1, 2004
Mutual Reliance Review System Receipt dated October 1, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
BMO Investments Inc.
BMO Investments Inc.
Promoter(s):
-
Project #672076

Issuer Name:
Brascan SoundVest Total Return Fund
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
HSBC Securities (Canada) Icn.
Trilon Securities Corporation
Canaccord Capital Corporation
Raymond James Ltd.
Desjardins Securities Inc.
Dundee Securities Corporation
First Associates Investments Inc.
Promoter(s):
Brascan Total Return Management Ltd.
Project #680580

Issuer Name:
Brompton Equal Weight Oil & Gas Income Fund
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated September 28, 2004
Mutual Reliance Review System Receipt dated September 29, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
First Associates Investments Inc.
Raymond James Ltd.
Acadian Securities Incorporated
Newport Securities Inc.
Research Capital Corporation
Wellington West Capital Inc.
Promoter(s):
Brompton Energy Trust Management Limited
Project #681032

Issuer Name:
CARDS II Trust
Principal Regulator - Ontario
Type and Date:
Final Short Form Shelf Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Canadian Imperial Bank of Commerce
Project #691724

Issuer Name:
Clarica Alpine Canadian Resources Fund
Clarica Balanced Fund
Clarica Canadian Large Cap Value Fund
Clarica Global Bond Fund
Clarica Global Large Cap Value Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated September 20, 2004 to Final Simplified Prospectuses dated July 15, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Mutual Funds Inc.
Project #659955

Issuer Name:
Clarington Navellier U.S. All Cap Class of Clarington Sector Fund Inc.
Clarington Navellier U.S. All Cap Fund
Clarington RSP Navellier U.S. All Cap Fund
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated September 15, 2004 to Final Simplified Prospectuses and Annual Information Forms dated June 25, 2004
Mutual Reliance Review System Receipt dated September 29, 2004
Offering Price and Description:
(Series A, F, and O Units)
Underwriter(s) or Distributor(s):
ClaringtonFunds Inc.
ClaringtonFunds Inc.
Promoter(s):
Clarington Funds Inc.
Project #646147

Issuer Name:
Financial 15 Split Corp. II
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated September 29, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
National Bank Financial Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Bieber Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
First Associates Investments Inc.
Raymond James Ltd.
Promoter(s):
Quadravest Capital Management Inc.
Project #688268

Issuer Name:
Front Street Performance Fund II
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
First Associates Investments Inc.
Raymond James Ltd.
Berkshire Securities Inc.
GMP Securities Ltd.
Tuscarora Capital Inc.
Wellington West Capital Inc.
Promoter(s):
-
Project #687597

Issuer Name:
Knowlton Capital Inc.
Principal Regulator - Quebec
Type and Date:
Final CPC Prospectus dated October 28, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
a minimum of 5,000,000 common shares and a maximum of 7,500,000 common shares at a price of $0.20 per share
Underwriter(s) or Distributor(s):
Desjardins Securities Inc.
Promoter(s):
Louis-Robert Lemire
Project #682208

Issuer Name:
NCE Diversified Flow-Through (04) Limited Partnership
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated September 29, 2004
Mutual Reliance Review System Receipt dated September 29, 2004
Offering Price and Description:
-
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.
Raymond James Ltd.
Berkshire Securities Inc.
Desjardins Securities Inc.
First Associates Investments Inc.
Jory Capital Inc.
Wellington West Capital Inc.
Promoter(s):
Petro Assets Inc.
Project #688805

Issuer Name:
SIR ROYALTY INCOME FUND
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated October 1, 2004
Mutual Reliance Review System Receipt dated October 1, 2004
Offering Price and Description:
$53,566,670.00 - 5,356,667 Units of the Fund Price $10.00 per Unit 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

Issuer Name:
Skylon All Asset Trust
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated September 30, 2004
Mutual Reliance Review System Receipt dated September 30, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
TD Securities Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
First Associates Investments Inc.
Richardson Partners Financial Limited
Wellington West Capital Inc.
Promoter(s):
Skylon Advisor Inc.
Project #687576

Issuer Name:
Soyers Capital Limited
Type and Date:
Final CPC Prospectus dated September 28, 2004
Receipted on September 29, 2004
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fraser Mackenzie Limited
Promoter(s):
Daniel Ezer
Haron Ezer
Project #669146

Issuer Name:
Tree Island Wire Income Fund
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated October 4, 2004
Mutual Reliance Review System Receipt dated October 4, 2004
Offering Price and Description:
$76,678,815.00 - 5,028,119 Units Price: $15.25 per Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Raymond James Ltd.
Promoter(s):
-
Project #691841

Issuer Name:
Wasaga Capital Corp.
Principal Regulator - Alberta
Type and Date:
Final CPC Prospectus dated September 24, 2004
Mutual Reliance Review System Receipt dated October 1, 2004
Offering Price and Description:
Maximum: 15,000,000 Common Shares ($1,500,000);
Minimum: 5,000,000 Common Shares ($500,000)
at $0.10 per Common Share
Underwriter(s) or Distributor(s):
Octagon Capital Corporation
Promoter(s):
Theodore Rousseau
Project #671069

This page intentionally left blank

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Five Continents Bank Corporation	Non-Canadian Adviser (Investment Counsel & Portfolio Manager)	Sept. 30, 2004
New Registration	Industrial Alliance Investment Management Inc.	Investment Counsel & Portfolio Manager	Sept. 28, 2004

This page intentionally left blank

Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 RS Market Integrity Notice – Request for Comments – Strategic Review of the Universal Market Integrity Rules

October 4, 2004 No. 2004-026

REQUEST FOR COMMENTS

STRATEGIC REVIEW OF THE UNIVERSAL MARKET INTEGRITY RULES

Summary

Market Regulation Services Inc. ("RS") is undertaking a strategic review of the Universal Market Integrity Rules ("UMIR"). While UMIR has been amended from time to time since coming into effect on April 1, 2002, RS is taking this opportunity to conduct a comprehensive review of UMIR in light of changes in the marketplace and in industry practices, to consider emerging trends in securities regulation, and to explore ways to better contribute to the overall effectiveness of regulation of equity trading in Canada. This initiative will ensure that the rules that govern equities trading in Canada are fair and neutral to all forms of marketplace and continue to enhance market integrity in the Canadian equity markets.

RS is seeking input from the public, including market participants, buy-side firms and their advisors, in connection with this strategic review.

Objectives for the Strategic Review

RS has been recognized as a self-regulatory entity by the Alberta Securities Commission, British Columbia Securities Commission, Manitoba Securities Commission, Ontario Securities Commission and, in Quebec, the Autorité des marchés financiers (the "Recognizing Regulators") and, as such, is authorized to be a regulation services provider for the purposes of the National Instrument 21-101 ("Marketplace Operation Instrument") and National Instrument 23-101 ("CSA Trading Rules").

RS has adopted, and the Recognizing Regulators have approved, UMIR as the integrity trading rules that will apply in any marketplace that retains RS as its regulation services provider. Presently, RS has been retained to be the regulation services provider for the Toronto Stock Exchange, TSX Venture Exchange and Canadian Trading and Quotation System, each as a recognized exchange and for Bloomberg Tradebook Canada Company and Liquidnet Canada Inc., each as an alternative trading system ("ATS").

Since marketplaces, Participants and Access Persons have now had two and half years of experience with UMIR, RS is undertaking the strategic review to ensure that UMIR:

- adequately address the risks to market integrity that presently exists in equity trading in Canadian markets in the most effective and efficient manner;
- do not impose requirements that are no longer necessary to ensure market integrity;
- are sufficiently "marketplace neutral" in their requirements so as not to impede the development of competitive marketplaces; and
- requirements that differ from prevailing standards in international markets are justified by differences in Canadian market structure, industry practices and legal requirements.

The strategic review is also an opportunity for persons to make comments or suggestions on any specific Rule or Policy. As a starting point for the strategic review, RS has prepared the Questions set out in Appendix "A". While RS would appreciate comment on these questions, RS welcomes comments on any aspect of UMIR. Given the importance of this initiative to the Canadian securities industry as well as RS, RS urges the industry and its advisors to participate in the strategic review.

Strategic Review Process

For the purposes of conducting the strategic review of UMIR, a working group has been established comprised of representatives of the Rules Advisory Committee of RS and management of RS. This working group will review each submission made in response to this Request for Comments. All of the submissions received by RS will be available to the public and will be posted on the RS website.

The working group will conduct roundtable meetings in Montréal, Toronto, Calgary and Vancouver with interested parties. Management and staff of RS will prepare a project plan to implement the suggested rule and policy changes that will be submitted to the Board of Directors of RS (the "Board") for consideration and approval. All proposed changes to UMIR are reviewed by RAC prior to submission to the Board. RAC is an advisory committee comprised of representatives of each of: the marketplaces for which RS acts as a regulation services provider; Participants; institutional investors and subscribers; and the legal and compliance community.

Each proposed amendment to UMIR that has been approved by the Board is published for public comment in the form of a Market Integrity Notice disseminated by RS and posted on its website. Concurrent with this publication, the Ontario Securities Commission ("OSC"), on behalf of the Recognizing Regulators, publishes the text of the Market Integrity Notice in the OSC Bulletin and posts the document on the OSC website. Based on the public comments together with the results of the review conducted by the staff of each of the Recognizing Regulators, each of the Recognizing Regulators will consider approval of the amendment. Generally, amendments only become effective after all of the Recognizing Regulators have approved.

Comments on UMIR should be in writing and delivered by November 30, 2004 to:

James E. Twiss,
Chief Policy Counsel,
Market Policy and General Counsel's Office,
Market Regulation Services Inc.,
Suite 900, P.O. Box 939,
145 King Street West,
Toronto, Ontario. M5H 1J8

Fax: 416.646.7265
e-mail: james.twiss@rs.ca

A copy should also be provided to Recognizing Regulators by forwarding a copy to:

Cindy Petlock
Manager, Market Regulation
Capital Markets Branch
Ontario Securities Commission
Suite 1903, Box 55,
20 Queen Street West
Toronto, Ontario. M5H 3S8

Fax: (416) 595-8940
e-mail: cpetlock@osc.gov.on.ca

Background

UMIR was adopted by RS effective April 1, 2002 to be the single set of market integrity rules for trading on equity marketplaces in Canada. UMIR is comprised of:

- Rules, the formal requirements which are imposed on persons that are subject to the jurisdiction of RS as a regulation services provider; and
- Policies, the less formal requirements which provide:
    - specific examples of activities covered by a Rule,
    - guidelines for the implementation of a Rule requirement,
    - for the application of a Rule in particular fact situations,

- guidance on the interpretation of a Rule, and
- such other matters as permitted by the Rules.

From time to time, RS issues Market Integrity Notices which set out the position of RS with respect to the interpretation or application of a particular Rule or Policy.

As background material for the strategic review, RS has prepared a chart which identifies the specific market integrity risks that have been addressed in the current provisions of UMIR and identifies comparable provisions in other jurisdictions, principally the United States. This chart is available through the RS website at www.rs.ca under the heading "Market Policy".

In their original conception, UMIR were to be "universal" in that the rules should:

- apply to trading in all marketplaces;
- apply equally to all dealers or persons who access a marketplace;
- not be capable of being circumvented by directing trading activity to another marketplace or market;
- apply, to the greatest extent possible, to trading in all forms of securities; and
- incorporate, to the greatest extent possible, any exceptions to the rules that are required to accommodate the workings of an individual marketplace.

As outlined in the Market Integrity Notice which accompanied the introduction of UMIR, RS recognized that amendments to UMIR would, or could, be required in a number of circumstances including:

- changes in the Marketplace Operation Instrument and the CSA Trading Rules;
- changes in applicable securities legislation and regulations;
- recognition of additional marketplaces (whether or not such marketplaces retain RS as their regulation services provider);
- introduction of new products and facilities by marketplaces; and
- developments in securities trading regulation in jurisdictions and markets outside of Canada.

Requirements Under the Recognition Orders

The orders issued by each of the Recognizing Regulators recognizing RS as a self-regulatory entity ("Recognition Orders") require that each of the provisions of UMIR:

- not be contrary to the public interest; and
- be necessary or appropriate to govern and regulate all aspects of the business and affairs.

More specifically, the Recognition Orders requires that RS ensure that the provisions of UMIR are designed to:

- ensure compliance with securities legislation;
- prevent fraudulent and manipulative acts and practices;
- promote just and equitable principles of trade;
- foster cooperation and coordination with entities engaged in regulating, clearing, settling, processing information about, and facilitating transactions in, securities;
- provide for appropriate discipline; and
- ensure that the business of RS is conducted in an orderly manner so as to afford protection to investors.

RS must also ensure that the provisions of UMIR do not:

- permit unreasonable discrimination between those granted access to the regulation services of RS; or
- impose any burden on competition that is not necessary or appropriate in furtherance of securities legislation.

When UMIR was approved by the Recognizing Regulators as the rules for RS effective April 1, 2002, the Recognizing Regulators accepted that UMIR as drafted met the standards required by the Recognition Orders. Any changes to UMIR which may be recommended as a result of the strategic review must satisfy the requirements of the Recognition Orders.

Proposed Amendments to UMIR

Since UMIR became effective on April 1, 2002, RS has pursued a number of amendments to UMIR. Each of these amendments was reviewed by RAC, adopted by the Board and circulated for public comment prior to approval by the Recognizing Regulators.

The following is a list of proposed amendments to UMIR which have been released for public comment but which have not yet been approved of by the Recognizing Regulators. These Market Integrity Notices are available through the RS website at www.rs.ca under the heading "Market Policy". Commentators may wish to take these proposed amendments into account in any submission. Commentators are invited to submit comments on these outstanding amendments even though the formal public comment period provided for in the Market Integrity Notice may have expired.

Market Integrity Notice	Title	Summary of Proposed Amendment
2004-013 April 30, 2004	Practice and Procedure	Make a number of amendments to the Policies governing the practice and procedure to be followed in a disciplinary proceeding which are generally of an administrative, editorial or technical nature.
2004-017 August 13, 2004	Provisions Respecting Manipulative and Deceptive Activities	Vary the requirements related to manipulative and deceptive activities by: • modifying the language to achieve greater clarity and consistency; • providing for consistency with the requirements related to manipulative and deceptive activities under the CSA Trading Rules and applicable securities legislation; • confirming the "gatekeeper" obligations of Participants and Access Persons; • introducing a specific requirement to report to RS significant violations of UMIR; and • eliminating potential gaps that may be caused by the current rule which combines both manipulative "effects" and "methods" in a single requirement.
2004-018 August 20, 2004	Provisions Respecting "Off-Marketplace" Trades	Vary the requirements respecting the ability of Participants and Access Persons to conduct trades of listed or quoted securities other than by the entry of orders on a marketplace. In particular, the amendments would require a Participant, when handling a principal or non-client order, to make reasonable efforts to fill better-priced orders on marketplaces prior to executing a trade at an inferior price in a transaction undertaken other than on a Canadian marketplace. The amendments would impose a similar obligation on an Access Person when that person is trading directly and the order is not being handled by a registered dealer. In the case of large block trades, the amendments would provide a mechanism to cap the obligation to fill better-priced orders to the disclosed volume of better-priced orders indicated on a consolidated market display. The amendments also make a number of additional consequential changes to UMIR including the provision of definitions for the terms "organized regulated market", "Canadian account", "non-Canadian account" and "trading increment".

Market Integrity Notice	Title	Summary of Proposed Amendment
2004-019 August 13, 2004	Impeding or Obstructing a Market Regulator	Introduce provisions to: • specifically provide that it is an offence to impede or obstruct a Market Regulator in an investigation, proceeding or the exercise of a power; • provide that a person who is subject to the jurisdiction of UMIR ("Regulated Person") shall respond to a request by a Market Regulator forthwith or not later than the date permitted by the Market Regulator as specified in its written request; and • adopt a definition of "document" and clarify that records which must be provided by a Regulated Person during an investigation are not limited to "records" as contemplated by the audit trail and retention requirements.
2004-024 September 10, 2004	Amendments Respecting Trading During Certain Securities Transactions	Change the provisions of UMIR to: • combine prohibitions and restrictions relating to market stabilization and market balancing activities into a single rule; • introduce exemptions from the prohibitions and restrictions relating to market stabilization and market balancing for trading in "highly-liquid" securities and exchange-traded funds; and • harmonize the UMIR provisions governing restrictions and prohibitions on trading activities by Participants with the proposed rule of the Ontario Securities Commission ("OSC") governing the trading activities of dealers and parties connected to the issuer.

Annotated Version of UMIR

To assist persons who may wish to make a submission as part of the strategic review, RS would remind commentators that an annotated version of UMIR is available through the RS website at www.rs.ca under the heading "Market Policy". The annotated version of UMIR is current as of September 30, 2004 and is organized into parts with a part for each subject matter covered by UMIR. Each part contains:

- the relevant Rule and Policy;
- reference to any defined term contained in the Rule or Policy;
- Market Integrity Notices related to the Rule or Policy;
- the history of any amendment to the Rule or Policy; and
- reference to any Market Integrity Notice containing proposed amendments to the Rule or Policy.

Inquiries

Inquiries concerning this notice may be directed to:

James E. Twiss,
Chief Policy Counsel,
Market Policy and General Counsel's Office,
Market Regulation Services Inc.,
Suite 900,
P.O. Box 939,
145 King Street West,
Toronto, Ontario. M5H 1J8

Telephone: 416.646.7277
Fax: 416.646.7265
e-mail: james.twiss@rs.ca

ROSEMARY CHAN,
VICE PRESIDENT, MARKET POLICY AND GENERAL COUNSEL

Appendix "A"

LIST OF QUESTIONS TO BE CONSIDERED

The following is a list of questions which RS will consider as part of the strategic review of UMIR. The list is not exhaustive and is intended only as a catalyst for discussion. As responses from commentators will be publicly available on the RS website, RS would ask that responses to the questions or other comments are accompanied by sufficient detail or examples that will allow other participants in the strategic view to appreciate the position taken by the commentator.

- ***Addressing Market Integrity Risks***

  - In April, 2004, RS delivered an online questionnaire to the investment community to ascertain their opinions on the risks to market integrity. In particular, respondents were asked for their views on what they perceive are the highest risks to market integrity and the trend of these risks. The results were quite consistent and there were many areas of convergence of views amongst Participants and non-participants. Both Participants and non-participants ranked manipulative/deceptive trading, insider trading, front running and client priority as the top four market integrity risks in terms of likelihood, impact and trend. The most significant divergence in views was in connection with best execution/best price/client priority where Participants were of the view that this risk was unlikely to occur and non-participants were of the view that it was the second highest risk in terms of likelihood.

  - *Does UMIR adequately address the risks to market integrity that presently exists in equity trading in Canadian markets? In particular, are the Rules and Policies comprehensive? Are the Rules and Policies clear and understandable?*

  - *Does UMIR impose requirements that are no longer necessary to ensure market integrity?*

- ***Neutrality of Rules***

  - The Recognition Orders require that UMIR not impose any burden on competition that is not necessary or appropriate in furtherance of securities legislation. While UMIR was drafted in contemplation of multiple competitive marketplaces trading the same securities, UMIR also reflected the structure of the Canadian equity marketplaces as they existed in early 2002.

  - *Is UMIR is sufficiently "marketplace neutral" in its requirements so as not to impede the development of competitive marketplaces?*

- ***Harmonization***

  - UMIR was drafted in the context of trading rules which existed in Canada in 2002. While UMIR and regulatory requirements in other jurisdictions "deal" with many of the same market integrity concerns, UMIR often addresses the concern in a manner which is different from the practice in other jurisdictions. For example, the rules governing short sales permit sales at prices not less than the last sale price (rather than requiring the price to be above the last sale price as is the case in the United States) and dealers are not required to make a "positive affirmation" before entering the short sale that securities have been borrowed to permit the settlement of any short sale (as is now required in the United States). The question arises whether there would be any implications for dealers or marketplaces in Canada if UMIR were to parallel the requirements in the United States that short sales must be made above the last sale price and only after the dealer had made a positive affirmation that the securities were available for settlement of any trade. A summary of the differences in approach between UMIR and requirements in other jurisdictions, principally the United States, is set out in a paper entitled "Background Chart for the Strategic Review of UMIR" available on the RS website.

  - *Are the requirements of UMIR that differ from prevailing standards in international markets justified by differences in Canadian market structure, industry practices and legal requirements?*

  - *Are there any UMIR requirements that can be "harmonized" without significant impact on marketplaces or marketplace participants?*

- ***Specific Comments***

  - While RS would appreciate comment on the questions asked above, RS welcomes comments on any aspect of UMIR, including comments on any specific provision contained in UMIR. Commentators should bear in mind that the submission will be considered as part of a strategic review of UMIR and, as such, comments on

a specific provision should be ones which will have application generally to other Participants, Access Persons or marketplaces.

Chapter 25

Other Information

25.1 Exemptions

25.1.1 Crescent Point Resources Ltd. - s. 6.1 of OSC Rule 13-502

Headnote

Subsidiary of issuer exempt from requirement to pay participation fee, subject to conditions.

Statutes Cited

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

Rules Cited

OSC Rule 13-502 Fees (2003), 26 O.S.C.B. 890.

IN THE MATTER OF
THE SECURITIES ACT, R.S.O. 1990, C. S.5,
AS AMENDED AND ONTARIO SECURITIES COMMISSION
RULE 13-502 FEES (THE "FEE RULE")

AND

IN THE MATTER OF
CRESCENT POINT RESOURCES LTD.

EXEMPTION
(Section 6.1 of the Fee Rule)

UPON the Director having received an application (the "Application") from Crescent Point Resources Ltd. (the "Applicant" or "CPRL") seeking a decision pursuant to section 6.1 of the Fee Rule exempting CPRL from the requirement in section 2.2 of the Fee Rule to pay a participation fee;

AND UPON considering the Application and the recommendation of the staff of the Ontario Securities Commission;

AND UPON the Applicant having represented to the Director as follows:

1. CPRL was incorporated under the Business Corporations Act (Alberta) (the "ABCA") on July 22, 2003 as Crescent Point Acquisition Ltd. ("AcquisitionCo"). On September 5, 2003, as part of a plan of an arrangement (the "Arrangement") involving Crescent Point Energy Ltd. ("CPEL"), Tappit Resources Ltd. ("Tappit"), Starpoint Energy Ltd., AcquisitionCo, Crescent Point Energy Trust (the "Trust") and the shareholders of CPEL and Tappit, AcquisitionCo amalgamated with CPEL and changed its name to CPRL. Following this amalgamation on September 5, 2003, CPRL amalgamated with Tappit to complete the terms of the Arrangement. On January 6, 2004, CPRL amalgamated with Capio Petroleum Corporation and 935247 Alberta Inc.

2. The head and principal offices of CPRL are located at Suite 1800, 500 – 4th Ave. S.W., Calgary, Alberta, T2P 2V6 and the registered office is located at Suite 3300, 421 – 7th Ave S.W., Calgary, Alberta, T2P 4K9.

3. CPRL is an indirect wholly-owned subsidiary of the Trust.

4. CPRL has been appointed as the administrator of the Trust and has generally been delegated responsibility relating to significant management and operational decisions involving the Trust and the crude oil and natural gas properties underlying the Trust.

5. CPRL is authorized to issue an unlimited number of common shares, an unlimited number of Non-Voting Common Shares, an unlimited number of Class A Preferred Shares and an unlimited number of exchangeable shares, issuable in series (the "Exchangeable Shares"). The Trust is the sole holder of the issued and outstanding common shares and Class A Preferred Shares of CPRL. Crescent Point Commercial Trust, a wholly-owned subsidiary of the Trust, is the sole holder of the issued and outstanding Non-Voting Common Shares of CPRL. On September 5, 2003, CPRL issued a total of 2,000,000 Exchangeable Shares pursuant to the Arrangement.

6. CPRL is a reporting issuer (or equivalent) in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland (the "Jurisdictions") and is not on the list of reporting issuers in default in any of those jurisdictions.

7. On September 2, 2003, CPRL obtained an order under the mutual reliance review system exempting CPRL from, among other things, the requirement to issue a news release and file a report upon the occurrence of a material change; file an annual report, where applicable; file interim financial statements and audited annual financial statements and deliver such statements to the security holders; file and deliver an information circular or make an annual filing in lieu of filing an

information circular; file an annual information form; and provide management's discussion and analysis of financial condition and results of operations (collectively, the "Continuous Disclosure Requirements"), subject to certain conditions and, in particular, that:

7.1 the Trust send to all holders of Exchangeable Shares all disclosure material furnished to holders of Trust Units ("Unitholders") under the Continuous Disclosure Requirements;

7.2 CPRL issue a news release and file a report with the Jurisdictions upon the occurrence of a material change in respect of the affairs of CPRL that is not also a material change in the affairs of the Trust;

7.3 the Trust includes in all future mailings of proxy solicitation materials to holders of Exchangeable Shares a clear and concise statement on or appended to the front of such materials that the materials relate solely to a meeting of securityholders of the Trust, not to CPRL, describing the economic equivalency between the Exchangeable Shares and Trust Units and the right to direct voting at meetings of holders of Trust Units;

7.4 the Trust remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of CPRL; and

7.5 CPRL does not issue any preferred shares or debt obligations other than debt obligations issued to its affiliates or to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions.

8. As at August 31, 2004, 1,450,887 Exchangeable Shares remained outstanding. The outstanding Exchangeable Shares are the only securities of CPRL that are held by the public and no securities of CPRL are listed on a stock exchange in Canada or elsewhere.

9. The Exchangeable Shares are intended to be, to the extent possible, the economic equivalent of Trust Units.

10. Holders of Exchangeable Shares have the right to exchange their Exchangeable Shares for Trust Units at any time, on the basis of the exchange ratio in effect at the time of such exchange.

11. CPRL has no current intention of accessing the capital markets in the future by issuing any further securities to the public.

12. No continuous disclosure documents concerning only CPRL will be filed with the Ontario Securities Commission or any other securities commission.

13. The Trust is an open ended unincorporated investment trust governed by the laws of the Province of Alberta and created pursuant to a an amended and restated trust indenture dated as of July 22, 2003, amended and restated on August 27, 2003 and January 6, 2004, between Crescent Point and Olympia Trust Company, as trustee.

14. The Trust is authorized to issue an unlimited number of Trust Units. As at August 31, 2004 there were 1,660,511 Trust Units reserved for issuance on exchange of 1,450,887 outstanding Exchangeable Shares.

15. The Trust is a reporting issuer in all Provinces of Canada and its outstanding trust units ("Trust Units") are listed and posted for trading on the Toronto Stock Exchange under the symbol CPG.UN.

16. The Trust includes in its consolidated financial statements the Exchangeable Shares as part of the outstanding Trust Units and, on April 19, 2004, paid to the Ontario Securities Commission a Participation Fee, the calculation of which included the estimated number of trust units issuable in respect of the number of Exchangeable Shares outstanding at December 31, 2003.

17. CPRL's net assets and gross revenues represent less than 90% of the net assets and gross revenues of the Trust.

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

IT IS THE DECISION of the Director, pursuant to Section 6.1 of the Fee Rule, that CPRL is exempt from the requirement in section 2.2 of the Fee Rule to pay a participation fee for each of its financial years, for so long as:

1. CPRL continues to be exempt from the Continuous Disclosure Requirements;

2. all of the equity securities of CPRL (other than the Exchangeable Shares) continue to be held beneficially, directly or indirectly, by the Trust;

3. the Trust is a reporting issuer in Ontario;

4. the Trust has paid its participation fee pursuant to section 2.2 of the Fee Rule, and in calculating such fee, has included the number of the Trust

Units issuable in respect of the number of Exchangeable Shares outstanding at the relevant time; and

5. CPRL does not issue any further securities to the public,

provided further that upon the further issuance of securities to the public of CPRL, a participation fee shall be immediately paid by CPRL in respect of the financial year during which the securities are issued (such fee to be pro rated to reflect the number of entire months remaining in such financial year) and in respect of subsequent financial years during which such securities remain outstanding.

September 29, 2004.

"Erez Blumberger"

This page intentionally left blank

Index