

The Ontario Securities Commission

OSC Bulletin

September 9, 2005

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

The Ontario Securities Commission

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Chapter 1

Notices / News Releases

1.1 Notices		<u>SCHEDULED OSC HEARINGS</u>
1.1.1 Current Proceedings Before The Ontario Securities Commission SEPTEMBER 9, 2005 CURRENT PROCEEDINGS BEFORE ONTARIO SECURITIES COMMISSION -----	TBA TBA TBA TBA	Yama Abdullah Yaqeen s. 8(2) J. Superina in attendance for Staff Panel: TBA Cornwall et al s. 127 K. Manarin in attendance for Staff Panel: TBA Philip Services Corp. et al s. 127 K. Manarin in attendance for Staff Panel: TBA Robert Patrick Zuk, Ivan Djordjevic, Matthew Noah Coleman, Dane Alan Walton, Derek Reid and Daniel David Danzig s. 127 J. Waechter in attendance for Staff Panel: TBA Jose L. Castaneda s.127 T. Hodgson in attendance for Staff Panel: TBA John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir S. 127 & 127.1 K. Manarin in attendance for Staff Panel: TBA
<p>Unless otherwise indicated in the date column, all hearings will take place at the following location:</p> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>The Harry S. Bray Hearing Room Ontario Securities Commission Cadillac Fairview Tower Suite 1700, Box 55 20 Queen Street West Toronto, Ontario M5H 3S8</p> </div> <div style="width: 35%; text-align: right;"> <p>Telephone: 416-597-0681 Telecopier: 416-593-8348</p> </div> </div>		
CDS TDX 76 Late Mail depository on the 19 th Floor until 6:00 p.m. ----- <u>THE COMMISSIONERS</u> 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 Carol S. Perry — CSP Robert L. Shirriff, Q.C. — RLS Suresh Thakrar, FIBC — ST Wendell S. Wigle, Q.C. — WSW	TBA TBA TBA TBA	

September 12, 13, 14 & 16, 2005
10:00 am-4:30 pm
Sept. 15, 2005
10:00 am-2:00 pm
s.127
T. Pratt in attendance for Staff
Panel: WSW/PKB/ST
* Hersey settled May 26, 2004
* Fangeat settled June 21, 2004
* Rizzuto settled August 17, 2004
* McGee settled November 11, 2004
* Eizenga settled August 29, 2005

September 15, 2005
2:30 p.m.
James Patrick Boyle, Lawrence Melnick and John Michael Malone
s. 127 and 127.1
Y. Chisholm in attendance for Staff
Panel: TBA

September 16, 2005
10:00 a.m.
Portus Alternative Asset Management Inc., and Portus Asset Management, Inc.
s. 127
M. MacKewn in attendance for Staff
Panel: TBA

September 28 and 29, 2005
10:00 a.m.
Francis Jason Biller
s.127
P. Foy in attendance for Staff
Panel: RLS/RWD/CSP

October 4, 2005
2:30 p.m.
Momentas Corporation, Howard Rash, Alexander Funt, Suzanne Morrison and Malcolm Rogers
s. 127 and 127.1
P. Foy in attendance for Staff
Panel: PMM/WSW/CSP

October 6, 2005
10:00 a.m.
Olympus United Group Inc.
s.127
M. MacKewn in attendance for Staff
Panel: TBA

October 6, 2005
10:00 a.m.
Norshield Asset Management (Canada) Ltd.
s.127
M. MacKewn in attendance for Staff
Panel: TBA

October 6, 2005
10:00 a.m.
George Theodore
s. 127
P. Foy in attendance for Staff
Panel: TBA

October 11, 2005
9:00 a.m.
Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson
s.127
J. Superina in attendance for Staff
Panel: TBA

October 12, 2005
10:00 a.m.
Christopher Freeman
s. 127 and 127.1
P. Foy in attendance for Staff
Panel: TBA

November 2005
Andrew Currah, Colin Halanen, Joseph Damm, Nicholas Weir, Penny Currah, Warren Hawkins
s.127
J. Waechter in attendance for Staff
Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

Andrew Keith Lech

S. B. McLaughlin

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

1.1.2 CSA Staff Notice 45-304 - Notice of Local Exemptions Related to NI 45-106

CSA STAFF NOTICE 45-304

NOTICE OF LOCAL EXEMPTIONS

**Related to
National Instrument 45-106 Prospectus and
Registration Exemptions**

Effective September 14, 2005, members of the Canadian Securities Administrators (CSA or we) have implemented National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) together with various consequential repeals and amendments to certain national, multilateral and local instruments, rules and regulations.

Although NI 45-106 consolidates and harmonizes most of the prospectus and registration exemptions contained in various provincial statutes and national, multilateral and local instruments into a single national instrument, there remain a limited number of local exemptions in each jurisdiction.

On July 8, 2005 the CSA published notice of approvals of NI 45-106 and related consequential repeals and amendments. At that time, the CSA also stated that on final publication of NI 45-106, we would publish a CSA Notice listing all prospectus and registration exemptions in each jurisdiction that are not included in NI 45-106. These exemptions are listed by jurisdiction and are available only in that jurisdiction. Please refer to the Appendix attached to this notice. Although we have attempted to consolidate a list of all remaining exemptions by local jurisdiction, we encourage persons relying on a local exemption to consult the securities legislation of the jurisdiction. If a jurisdiction is not listed in the Appendix, please consult the securities legislation of that jurisdiction for any local exemptions.

The list of exemptions in the Appendix is up-to-date as of September 14, 2005. Although the CSA will update the list of local exemptions periodically, issuers and their counsel should check the current status of any local exemption.

Questions

Questions about any of the local exemptions listed in the Appendix may be referred to the contact(s) for that local jurisdiction listed below:

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September 9, 2005

APPENDIX

LOCAL EXEMPTIONS - ALBERTA

Alberta Securities Commission Rules

Sections 68, and 123 (capital accumulation plan)

Section 68.1 (Registration exemption exempt purchaser)

Section 69.1 (Registration exemption promoter)

Section 69.2 (Registration exemption for issuers under Rural Utilities Act)

Section 69.3 (Registration exemption for cooperative membership shares)

Section 69.4 (Registration exemption for cooperative investment shares)

Section 69.5 (Transitional: exemption of trades)

Section 127.01 (Prospectus exemption for exempt purchaser)

Section 127.02 (Prospectus exemption for promoter)

Section 127.03 (Prospectus exemption for cooperatives and corporations under the Rural Utilities Act)

Section 127.04 (Transitional: exemption of trades)

ASC Rule 45-502 Trade with RESP

ASC Rule 72-501 *Distributions to Purchasers Outside Alberta*

ASC Rule 91-504 *Strip Bonds*

Blanket Orders

ASC Blanket Order 91-502 Over-the-Counter Derivatives Transactions and Commodity Contracts

ASC Blanket Order 87/03/26 Certain Interests in Government Securities

ASC Blanket Order 90/02/22 Trades of Government Warrants

APPENDIX

LOCAL EXEMPTIONS - BRITISH COLUMBIA

Securities Act (British Columbia)

Sections 45(2) (4) and 74(2) (3) (Exempt purchaser)

Sections 45(2) (13) and 74 (2) (12) (Realization on collateral given for a debt)

Sections 46(h) and 75(a) (Cooperative Associations Act)

Sections 46(i) and 75(a) (Shares or deposits of a credit)

Sections 46(k) and 75(a) (Cooperative corporations under the Real Estate Act)

Securities Rules (British Columbia)

Sections 89(e) and 128(f) (Bonus or finder's fee)

Commission Rules

BC Instrument 45-501 Mortgages

BC Instrument 45-502 Cooperative associations

Blanket Orders

BC Instrument 31-503 Exchange contracts dealers trading in commodity pool securities

BC Instrument 32-501 Advising and related trading under an exemption

BC Instrument 45-504 Trades to trust companies, insurers and portfolio managers outside BC

BC Instrument 45-510 Trades in self-directed registered educational savings plans

BC Instrument 45-511 Trades of government warrants

BC Instrument 45-512 Real estate securities

BC Instrument 45-513 Resale relief for eligible real estate securities

BC Instrument 45-514 The Employee Investment Act

BC Instrument 45-515 Resale of rights

BC Instrument 72-502 Trades in securities of U.S. registered issuers

BC Instrument 72-503 Distribution of securities outside B.C.

BC Instrument 72-504 Distribution of Eurobonds

BC Instrument 91-501 Over-the-counter derivatives

BC Instrument 91-502 Short term foreign exchange transactions

BC Instrument 91-503 Contracts providing for physical delivery of commodities

BC Instrument 91-504 Government strip bonds

APPENDIX

LOCAL EXEMPTIONS - MANITOBA

The Securities Act (Manitoba)

Section 19(1)(c) and 58(1)(a) – Exempt Purchasers

Sections 19(2)(g) and 58(3)(a) – Securities to which *The Cooperatives Act* apply

Sections 19(2)(h) and 58(3)(a) – Securities to which *The Credit Unions and Caisses Populaires Act* apply

Securities Regulation (Manitoba)

Sections 91(a) and (b) of *The Securities Regulation* M.R. 491/88R

APPENDIX

LOCAL EXEMPTIONS - NEW BRUNSWICK

Rules

Local Rule 45-501 Prospectus and Registration Exemptions

APPENDIX

LOCAL EXEMPTIONS - NORTHWEST TERRITORIES

Securities Act (Northwest Territories)

Section 2 (Various exemptions from registration requirement)

Blanket Orders

Blanket Order No. 1 – Section 2 (Secondary Market Trading)

Blanket Order No. 1 – Subsection 3(a) (Bona Fide Debts of Non-control Persons)

Blanket Order No. 1 – Section 3(b) (Securities of a Co-operative)

Blanket Order No. 1 – Section 3(c) (Distributions commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Blanket Order No. 2 – Subsection 2(a) (Bona Fide Debts of Non-control Persons)

Blanket Order No. 2 – Section 2(b) (Securities of a Co-operative)

Blanket Order No. 2 – Section 2(c) (Trades commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

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LOCAL EXEMPTIONS - NOVA SCOTIA

Securities Act (Nova Scotia)

Section 41(1) (y), (ac), (ah)(ii) and (am) (Registration exemptions for government incentive securities)

Section 41(1) (ama) and (amb) (Registration exemption for securities of a cooperative)

Section 41(2)(i) (Registration exemption for shares of a credit union within the meaning of the Credit Union Act)

Section 77(1)(u), (w), (ab)(ii) and (ag) (Prospectus exemptions for government incentive securities)

Section 77(1)(ah) (Prospectus exemption for securities of a cooperative)

Section 78(1)(a) as it relates to section 41(2)(i) (Prospectus exemption for shares of a credit union within the meaning of the Credit Union Act)

Section 78(1)(b) (Prospectus exemption for trades of securities under a statement of material facts)

Section 78(1)(c) (Prospectus exemption for put and call options)

Rules

NSSC Rule 35-101 Conditional Exemption from Registration for United States Broker-Dealers and Agents

Regulations

Section 3 of the *Community Economic – Development Corporations Regulations*. - N.S. Reg.79/98 (Registration and prospectus exemptions for shares of a community economic-development corporation)

Blanket Orders

Blanket Order No. 3 Zero Coupon Strip Bonds

Blanket Order No. 10 Certain Trades in Registered Education Savings Plans

Blanket Order No. 11 Self-Directed Registered Education Savings Plans

Blanket Order No. 15 Trading in Recognized Options Cleared through Recognized Clearing Organizations

Blanket Order No. 16 Trading in Commodity Futures Contracts and Commodity Futures Options

Blanket Order No. 24 Certain Certificates for Government Securities

Blanket Order No. 40 International Advisers

Blanket Order No. 46 Shareholder Protection Rights Plans

Blanket Order No. 47 Distribution of Mutual Funds Established for Employees of a Company and Its Affiliates

Blanket Order No. 52 Local Policy No. 34-601 - Non-Resident Salesperson

Blanket Order No. 45-509 Trades in Warrants to Acquire Certain Debt Securities

Blanket Order No. 45-510 First and Subsequent Trades in Shares of a Community Economic-Development Corporation

Blanket Order No. 45-511 Transitional Trades Relating to Adoption of Rule 45-106 Prospectus and Registration Exemptions

APPENDIX

LOCAL EXEMPTIONS - NUNAVUT

Securities Act (Nunavut)

Section 2 (Various exemptions from registration requirement)

Blanket Orders

Blanket Order No. 1 – Section 2 (Secondary Market Trading)

Blanket Order No. 1 – Subsection 3(a) (Bona Fide Debts of Non-control Persons)

Blanket Order No. 1 – Section 3(b) (Securities of a Co-operative)

Blanket Order No. 1 – Section 3(c) (Distributions commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

Blanket Order No. 3 – Subsection 2(a) (Bona Fide Debts of Non-control Persons)

Blanket Order No. 3 – Section 2(b) (Securities of a Co-operative)

Blanket Order No. 3 – Section 2(c) (Trades commenced in reliance on Blanket Order exemptions in effect prior to September 14, 2005)

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LOCAL EXEMPTIONS - ONTARIO

Regulations

Part XI – Universal Registration, Ont. Reg. 1015 – General Regulation made under the *Securities Act* (Ontario), R.R.O. 1990, Reg. 1015, as am.

Ontario Regulation 106/03 *Exemptions respecting the Ontario Municipal Economic Infrastructure Financing Authority*

Ontario Regulation 85/05 *Exemptions respecting the Ontario Financing Authority*

Rules

Ontario Securities Commission Rule 32-501 *Direct Purchase Plans*

Ontario Securities Commission Rule 35-101 *Conditional Exemption from Registration for United States Broker-Dealers and Agents*

Ontario Securities Commission Rule 35-502 *Non Resident Advisers*

Ontario Securities Commission Rule 35-503 *Trades by Certain Members of The Toronto Stock Exchange*

Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*

Ontario Securities Commission Rule 91-501 *Strip Bonds*

Ontario Securities Commission Rule 91-502 *Trades in Recognized Options – Rule Under the Securities Act*

Ontario Securities Commission Rule 91-503 *Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario – Rule Under the Securities Act*

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LOCAL EXEMPTIONS - PRINCE EDWARD ISLAND

Securities Act (Prince Edward Island)

clause 2(4)(f) - (Co-operative Associations)

clause 2(4)(g) - (Credit Unions)

Rules

Local Rule 45-507 - Exempt Distributions - Self Directed Registered Education Savings Plans

Local Rule 45-510 - Exempt Distributions - Exemptions for Trades Pursuant to Take-Over Bids and Issuer Bids

APPENDIX

LOCAL EXEMPTIONS - QUEBEC

Securities Act (Québec)

Section 3 (exemptions)

Paragraph 2 of section 3 (exemption for closed company) is repealed and is not included in this reference.

Section 41 (prospectus exemptions)

Section 154 (exemptions)

Sections 194.1 and 194.2

APPENDIX

LOCAL EXEMPTIONS - SASKATCHEWAN

General Rulings/Orders

General Ruling/Order 32-901 *Direct Purchase Plans*

General Ruling/Order 45-901 *Self-Directed Registered Education Savings Plans*

General Ruling/Order 45-902 *Labour-Sponsored Venture Capital Corporations*

General Ruling/Order 45-911 *Co-operative and Credit Union Exemption*

General Ruling/Order 72-901 *Trades to Purchasers Outside of Saskatchewan*

General Ruling/Order 91-901 *Recognized Options Rationalization Order*

General Ruling/Order 91-902 *The Toronto Futures Exchange Order*

General Ruling/Order 91-903 *Trading on the Toronto Futures Exchange of TSE Spot Index Contracts Order*

General Ruling/Order 91-904 *Government Warrants*

General Ruling/Order 91-905 *Certain Interests in Government Securities*

General Ruling/Order 91-906 *Strip Bonds*

1.1.3 Notice of Ministerial Approval - NI 45-106 and Consequential Amendments

Related Take-over Bid and Insider Reporting Issues;

NOTICE OF MINISTERIAL APPROVAL

OF

**NATIONAL INSTRUMENT 45-106,
FORM 45-106F1, FORM 45-106F2,
FORM 45-106F3, FORM 45-106F4, FORM 45-106F5
PROSPECTUS AND REGISTRATION EXEMPTIONS**

AND

**ONTARIO SECURITIES COMMISSION
RULE 45-501, FORM 45-501F1
ONTARIO PROSPECTUS AND
REGISTRATION EXEMPTIONS**

AND

CONSEQUENTIAL AMENDMENTS

On August 26, 2005, the Minister of Government Services approved, pursuant to subsection 143.3(3) of the *Securities Act* (Ontario), the following as rules under the Act (together the **Rules**):

- National Instrument 45-106 *Prospectus and Registration Exemptions* and Forms 45-106F1 *Report of Exempt Distribution*, 45-106F2 *Offering Memorandum for Non-Qualifying Issuers*, 45-106F3 *Offering Memorandum for Qualifying Issuers*, 45-106F4 *Risk Acknowledgement* and 45-106F5 *Risk Acknowledgement – Saskatchewan Close Personal Friends and Close Business Associates*;
- amended and restated Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions* and amended and restated Form 45-501F1 *Report of Exempt Distribution*;
- revocations of National Instrument 32-101 *Small Securityholder Selling and Purchase Arrangements*, Multilateral Instrument 45-105 *Trades to Employees, Senior Officers, Directors and Consultants* and National Instrument 62-101 *Control Block Distribution Issues*;
- amendments to National Instrument 33-105 *Underwriting Conflicts*;
- amendments to National Instrument 45-101 *Rights Offerings*;
- amendments to National Instrument 62-103 *The Early Warning System and*

- amendments to Multilateral Instrument 45-102 *Resale of Securities*;
- amendment instrument amending Ontario Securities Commission Rule 13-502 *Fees*;
- amendment instrument amending Ontario Securities Commission Rule 31-503 *Limited Market Dealers*;
- amendment instrument amending Ontario Securities Commission Rule 91-501 *Strip Bonds*;
- amendment instrument amending Ontario Securities Commission Rule 91-502 *Trades in Recognized Options*;
- Ontario Securities Commission Rule 45-802 *Implementing National Instrument 45-106 Prospectus and Registration Exemptions and Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions*; and
- Ontario Securities Commission Rule 32-504 (under the Commodity Futures Act) *Adviser Registration Exemption*.

The Rules were previously made by the Commission on June 14, 2005. On June 14, 2005, the Commission also adopted the following as policies (together the **Policies**):

- Companion Policy 45-106CP *Prospectus and Registration Exemptions*;
- amended and restated Companion Policy 45-501CP *Ontario Prospectus and Registration Exemptions*; and
- amendments to Companion Policy 45-102CP *Resale of Securities*.

The Rules and Policies were previously published in a supplement to the Bulletin on July 8, 2005. The Rules and Policies are published in a supplement to this Bulletin. The Rules and Policies will come into force in Ontario on September 14, 2005.

On August 26, 2005, the Minister of Government Services also approved a Regulation amending or revoking certain provisions of Regulation 1015 of the Revised Regulations of Ontario, 1990. This Regulation was filed as O. Reg 491/05 on September 7, 2005 and will be published in the Ontario Gazette on September 24, 2005. The Regulation is published in Chapter 9 of this Bulletin.

1.1.4 OSC Staff Notice 11-755- Notice of Withdrawal of OSC Staff Notices

**ONTARIO SECURITIES COMMISSION
STAFF NOTICE 11-755**

**NOTICE OF WITHDRAWAL OF ONTARIO
SECURITIES COMMISSION STAFF NOTICES**

Staff of the Ontario Securities Commission has determined that the following Notices are no longer required and therefore will be withdrawn in Ontario, effective September 14, 2005:

- Ontario Securities Commission Staff Notice 45-701 – Paragraph 35(2)14 of the Securities Act (Ontario); and
- Ontario Securities Commission Staff Notice 45-702 – Frequently Asked Questions – Ontario Securities Commission Rule 45-501 – Exempt Distributions.

Questions may be referred to:

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(416) 593 3662
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Darren McCall
Senior Legal Counsel, Investment Funds
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dmckall@osc.gov.on.ca

1.1.5 Executive Director's Designation And Determination

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

AND

**IN THE MATTER OF
THE DESIGNATION BY
THE EXECUTIVE DIRECTOR OF POSITIONS
FOR THE PURPOSES OF THE DEFINITION
OF DIRECTOR IN THE ACT**

AND

**IN THE MATTER OF
THE ASSIGNMENT OF CERTAIN POWERS AND
DUTIES
OF THE ONTARIO SECURITIES COMMISSION
EXECUTIVE DIRECTOR'S DESIGNATION AND
DETERMINATION**

WHEREAS:

- on April 12, 1999, the Ontario Securities Commission (Commission) issued an assignment (April 1999 Assignment), pursuant to subsection 6(3) of the Act, assigning certain of its powers and duties under the Act to each "Director" as that term is defined in subsection 1(1) of the Act, acting individually;
- the Commission amended the April 1999 Assignment by amendments made on September 7, 1999, February 15, 2000, January 23, 2001, April 27, 2001, October 3, 2001, April 15, 2003, and February 3, 2004;
- on June 30, 2005 the Commission revoked the April 1999 Assignment, as amended, and issued a new assignment pursuant to subsection 6(3) of the Act (June 2005 Assignment);
- the June 2005 Assignment provides that the Executive Director of the Commission shall from time to time determine which one or more other Directors, in each case acting alone, should, as an administrative matter, exercise each of the powers or perform each of the duties assigned by the Commission in paragraph 2 of the June 2005 Assignment, each of which powers may also be exercised and duties performed by the Executive Director, acting alone;
- on April 12, 1999, the Executive Director issued a designation and determination (April 1999 Designation) whereby the Executive Director (i) revoked the prior designation and determination, (ii) designated certain positions, whether or not in an acting capacity, for the purposes of the definition of

“Director” contained in subsection 1(1) of the Act, and (iii) determined that, in addition to the Executive Director, acting alone, each Director may, until otherwise determined by the Executive Director, exercise the powers and perform the duties assigned by the Commission to Directors, as set out in the April 1999 Designation

- F. on February 15, 2000, the Executive Director issued a designation and determination (February 2000 Designation) whereby the Executive Director (i) revoked the April 1999 Designation, as amended, (ii) designated certain positions, whether or not in an acting capacity, for the purposes of the definition of “Director” contained in subsection 1(1) of the Act and (iii) determined that, in addition to the Executive Director, acting alone, each Director may, until otherwise determined by the Executive Director, exercise the powers and perform the duties assigned by the Commission to Directors, as further set out in the February 2000 Designation;
- G. the February 2000 Designation was amended by the Executive Director by amendments made on October 13, 2000, October 16, 2000, August 7, 2001, February 14, 2003, and March 31, 2003 (collectively, the Amendments);
- H. on April 28, 2005, the Executive Director issued a separate designation in connection with exemptive relief from late filing fees in respect of insider reports (the Fee Designation); and
- I. the Executive Director considers it desirable to make a new designation and determination in order to consolidate the Fee Designation and the February 2000 Designation, as amended by the Amendments, and to amend certain provisions thereof;

NOW THEREFORE, the Executive Director hereby:

1. revokes the Fee Designation and the February 2000 Designation, as amended by the Amendments;
2. designates each of the following positions, whether or not in an acting capacity, for the purposes of the definition of “Director” contained in subsection 1(1) of the Act:
 - (a) each Manager and Assistant Manager in the Corporate Finance Branch of the Commission;
 - (b) each Manager and Assistant Manager in the Capital Markets Branch of the Commission;
 - (c) each Manager and Assistant Manager in the Enforcement Branch of the Commission;
 - (d) each Manager and Assistant Manager in the Investment Funds Branch of the Commission;

- (e) the Chief Accountant of the Commission; and
- (f) the General Counsel of the Commission.

3. designates each Senior Legal Counsel and Senior Accountant in the Corporate Finance Branch of the Commission for the purposes of the definition of “Director” contained in subsection 1(1) of the Act, but solely for the purpose of granting exemptions from fees for the late filing of insider reports on Form 55-102F2 under OSC Rule 13-502 Fees;
4. designates each Senior Legal Counsel in the Capital Markets Branch of the Commission for the purposes of the definition of “Director” contained in subsection 1(1) of the Act, but solely for the purpose of exercising the powers and duties under section 26 of the Act; and
5. determines that, in addition to the Executive Director, acting alone, each Director, other than the Senior Legal Counsel and Senior Accountant in the Corporate Finance Branch and the Senior Legal Counsel in the Capital Markets Branch, may exercise the powers and perform the duties assigned by the Commission in the June 2005 Assignment to Directors until otherwise determined by the Executive Director.

DATED AT TORONTO this 17th day of August, 2005.

“Charlie Macfarlane”
Executive Director

1.3 News Releases

1.3.1 OSC and Five Other Provincial Securities Regulators Approve Settlement Agreement Reached in the Matter of optionsXpress, Inc.

FOR IMMEDIATE RELEASE
September 1, 2005

OSC AND FIVE OTHER PROVINCIAL
SECURITIES REGULATORS
APPROVE SETTLEMENT AGREEMENT REACHED
IN THE MATTER OF OPTIONSPRESS, INC.

TORONTO – Late yesterday afternoon, the Ontario Securities Commission (OSC) approved a settlement agreement with optionsXpress, Inc. in a hearing held jointly by video/teleconference with the Alberta Securities Commission, the Manitoba Securities Commission, the Nova Scotia Securities Commission, the New Brunswick Securities Commission and the Bureau de décision et de révision en valeurs mobilières in Québec. These six regulators approved the settlement agreement at the joint hearing. Four other regulators approved the settlement agreement by administrative processes.

OptionsXpress is an internet-based securities firm in Chicago, Illinois. OptionsXpress permitted Canadians to open internet trading accounts to trade securities in the United States.

The settlement agreement requires optionsXpress to pay a total of \$550,000 to the regulators of the ten Canadian jurisdictions in which it was trading securities without registration. As part of the settlement agreement, optionsXpress' Canadian affiliate must obtain membership with the Investment Dealers Association and register with the ten regulators by December 31, 2005. Until then, optionsXpress is prevented from opening any new accounts for Canadian customers.

Kelley McKinnon, Chief Litigation Counsel for the Ontario Securities Commission, lead jurisdiction for the settlement agreement, pointed to this settlement as another example of effective co-operation among provincial securities regulators : "By co-ordinating the settlement process, we were able to avoid the unnecessary expense and procedural complexity of 10 settlement agreements with 10 regulators. This serves our aim of reducing the regulatory burden on the marketplace."

Copies of the Notice of Hearing, the Statement of Allegations dated August 17, 2005 and the Order dated August 31, 2005 approving the settlement agreement are available on the OSC website (www.osc.gov.on.ca).

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

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 CPAC (Care) Holdings Ltd. -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., s. 83.

Borden Ladner Gervais

40 King Street West
Toronto, Ontario M5H 3Y4

Attention: Adam Segal

Dear Sir:

**Re: CPAC (Care) Holdings Ltd. (the “Applicant”) -
Application to Cease to be a Reporting Issuer
under the securities legislation of Alberta and
Ontario (the “Jurisdictions”)**

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

As the Applicant has represented to the Decision Makers that:

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision

Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 26th day of July, 2005.

“Blaine Young”
Director, Legal Services & Policy Development
Alberta Securities Commission

2.1.2 Flowing Energy 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., s. 83.

Burnet, Duckworth & Palmer LLP

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

Attention: Laurie Schrader

Dear Madam:

Re: Flowing Energy Corporation (the “Applicant”) - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan and Ontario (the “Jurisdictions”)

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

As the Applicant has represented to the Decision Makers that:

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 2nd day of August, 2005.

“Blaine Young”
Director, Legal Services & Policy Development
Alberta Securities Commission

2.1.3 Mullen Co. Limited Partnership - 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., s. 83.

Burnet, Duckworth & Palmer LLP

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

Attention: Edward Brown

Dear Sir:

Re: Mullen Co. Limited Partnership (the “Applicant”) - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Ontario, Québec, New Brunswick and Newfoundland and Labrador (the “Jurisdictions”)

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

As the Applicant has represented to the Decision Makers that:

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 11th day of August, 2005.

“Blaine Young”
Director, Legal Services & Policy Development
Alberta Securities Commission

2.1.4 Zargon Oil & Gas Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Filer exempt from certain continuous disclosure requirements – Relief from certain filing requirements – Trust filing information relevant to holders of exchangeable shares.

Applicable Ontario Statutory Provisions

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

Citation: Zargon Oil & Gas Ltd., 2005 ABASC 692

August 19, 2005

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, MANITOBA, ONTARIO,
NEW BRUNSWICK, NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR, YUKON,
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
ZARGON OIL & GAS LTD. (THE FILER)**

MRRS DECISION DOCUMENT

Background

1. 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:
 - 1.1 the Filer be exempted from 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) (the NI 51-101 Relief); and
 - 1.2 except in British Columbia, the Filer be exempted from Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (MI 52-109) (the MI 52-109 Relief).
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (the MRRS):
 - 2.1 the Alberta Securities Commission is the principal regulator for this application; and
 - 2.2 this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

3. Defined terms contained in National Instrument 14-101 *Definitions* 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 Filer:

- 4.1 The Filer amalgamated under the *Business Corporations Act* (Alberta) on July 15, 2004.
- 4.2 The head office and registered office of the Filer is located in Calgary, Alberta.
- 4.3 The Filer has 100 common shares issued and outstanding all of which are owned by Zargon Energy Trust (the Trust). The Filer has 2,912,822 exchangeable shares (Exchangeable Shares) issued and outstanding none of which are owned by the Trust.
- 4.4 The common shares of the Filer are not listed or quoted on any marketplace.
- 4.5 The Exchangeable Shares are listed and posted for trading on the Toronto Stock Exchange (the TSX).
- 4.6 The Filer is a reporting issuer in each of British Columbia, Alberta, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador.
- 4.7 The Trust was established pursuant to a trust indenture dated June 17, 2004 under the laws of Alberta.
- 4.8 The Trust is, for the purposes of the *Income Tax Act* (Canada), an unincorporated, open-end mutual fund trust.
- 4.9 The head office of the Trust is located in Calgary, Alberta.
- 4.10 The Unitholders are the sole beneficiaries of the Trust. Valiant Trust Company (the Trustee) is the trustee of the Trust. The Filer is the administrator of the Trust.
- 4.11 The Trust Units are listed and posted for trading on the TSX.
- 4.12 The Trust is a reporting issuer in each of British Columbia, Alberta, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia and Newfoundland and Labrador.
- 4.13 The Exchangeable Shares are, to the extent possible, the economic equivalent of the Trust Units.
- 4.14 The Exchangeable Shares have voting attributes equivalent to those of the Trust Units.
- 4.15 Holders of Exchangeable Shares receive all disclosure materials that the Trust is required to send to holders of Trust Units under the Legislation.
- 4.16 The exchange rights attaching to the Exchangeable Shares are governed by a voting and exchange trust agreement among the Trust, the Filer, Zargon ExchangeCo (ExchangeCo) and the Trustee that provides the Trustee the right to require the Trust or ExchangeCo to exchange the Exchangeable Shares and which will trigger automatically the exchange of the Exchangeable Shares for Trust Units upon the occurrence of certain specified events.
- 4.17 The Exchangeable Shares are also subject to a support agreement among the Trust, the Filer, ExchangeCo and the Trustee, pursuant to which the Trust and ExchangeCo will take certain actions and make certain payments and will deliver or cause to be delivered Trust Units in satisfaction of the obligations of the Filer.
- 4.18 Pursuant to an MRRS decision document dated May 22, 2004 (the 2004 Decision), the Filer was exempted from NI 51-102 in each of British Columbia, Alberta, Manitoba, Ontario, New Brunswick, Nova Scotia, Newfoundland and Labrador, Yukon and Nunavut. In Québec, the Filer was exempted from continuous disclosure obligations under general order No. 2004-PDG-0020 that has the effect of exempting the Filer from requirements substantially equivalent to the requirements of NI 51-102. The Filer has obtained an exemption from all other comparable continuous disclosure requirements under the Legislation of the Jurisdictions noted in this paragraph that have not yet been repealed or otherwise rendered ineffective as a consequence of the adoption of NI 51-102 (collectively, the CD Requirements).
- 4.19 The MI 52-109 Relief is not required in British Columbia as British Columbia has not adopted MI 52-109.

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 the NI 51-101 Relief is granted for so long as:
- 6.1.1 the Trust files with each Decision Maker copies of all documents required to be filed by it pursuant to NI 51-101 (the NI 51-101 Documents) and, concurrently with each such filing, the Trust files in electronic format under the *System for Electronic Document Analysis and Retrieval* (SEDAR) profile of the Filer either:
- 6.1.1.1 the NI 51-101 Documents; or
- 6.1.1.2 a notice that indicates:
- 6.1.1.2.1 that the Filer has been granted an exemption from the requirements of Part 2 (Annual Filing Requirements) and Part 3 (Responsibilities of Reporting Issuers and the Directors) of NI 51-101;
- 6.1.1.2.2 that the Trust has filed the NI 51-101 Documents; and
- 6.1.1.2.3 where a copy of the NI 51-101 Documents can be found for viewing on SEDAR by electronic means;
- 6.1.2 the Filer disseminates, or causes the Trust to disseminate on the Filer's behalf, a news release announcing the filing by the Filer or the Trust of the information set out in paragraph 6.1.1 and indicating where a copy of the filed information can be found for viewing on SEDAR by electronic means;
- 6.1.3 the Filer is exempt from or otherwise not subject to the CD Requirements and the Filer and the Trust are in compliance with the 2004 Decision;
- 6.1.4 if the disclosure to which NI 51-101 applies is made by the Filer separately from the Trust, the disclosure includes a statement to the effect that the Filer is relying on an exemption from requirements to file information annually under NI 51-101 separately from the Trust, and indicates where disclosure under NI 51-101 filed by the Trust (or by the Filer, if applicable) can be found for viewing on SEDAR by electronic means; and
- 6.1.5 if the Trust files a material change report to which section 6.1 of NI 51-101 applies, the Filer files the same material change report; and
- 6.2 the MI 52-109 Relief is granted for so long as:
- 6.2.1 the Filer is not required to, and does not, file its own interim filings and annual filings (as those terms are defined under MI 52-109);
- 6.2.2 the Trust files in electronic format under the SEDAR profile of the Filer the:
- 6.2.2.1 interim financial statements of the Trust required under section 4.3 of NI 51-102;
- 6.2.2.2 annual financial statements of the Trust required under section 4.2 of NI 51-102;
- 6.2.2.3 certification of interim filings of the Trust required under Part 3 of MI 52-109; and
- 6.2.2.4 certification of annual filings of the Trust required under Part 2 of MI 52-109
- at the same time as such documents are required to be filed by the Trust under the Legislation; and
- 6.2.3 the Filer is exempt from or otherwise not subject to the CD Requirements.

"Glenda A. Campbell", Q.C.
Vice-Chair
Alberta Securities Commission

"Stephen R. Murison"
Vice-Chair
Alberta Securities Commission

2.1.5 Connor, Clark & Lunn Prints Trust - MRRS Decision

Headnote

Exemptive relief granted to a mutual fund listed on the Toronto Stock Exchange from certain restrictions and requirements on mutual funds entering into securities lending transactions, including: (i) the 50% limit on lending; (ii) the requirement to use a custodial lending agent; and (iii) the requirement to hold the collateral during the course of the transaction.

Rules Cited

National Instrument 81-102 - Mutual Funds, ss. 2.12(1)1., 2.12(1)2., 2.12(1)12., 2.12(3) , 2.15, 2.16(1), and 19.1.

August 25, 2005

**IN THE MATTER OF
NATIONAL INSTRUMENT 81-102 MUTUAL FUNDS
(NI 81-102)**

AND

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

AND

**IN THE MATTER OF
CONNOR, CLARK & LUNN PRINTS TRUST
(the Trust)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (each, a Decision Maker, and together, the Decision Makers) in each of the provinces of Canada except Québec (together, the Jurisdictions) has received an application (the Application) from the Trust for a decision under NI 81-102 that the following sections of NI 81-102 (collectively, the Securities Lending Requirements) will not apply to the Trust with respect to securities lending transactions conducted by the Trust:

- (a) subsection 2.12(1)1., which requires that such transactions be administered and supervised by an agent;
- (b) subsection 2.12(1)12., which requires that the aggregate value of all securities loaned by the Trust and not yet returned to it does not exceed 50% of the total assets of the Trust;
- (c) subsection 2.12(1)2., which requires that such transactions are made pursuant to a written

agreement that implements the requirements of section 2.12;

- (d) subsection 2.12(3), which requires that during the course of such a transaction, the Trust will hold all, and shall not dispose of any, non-cash collateral delivered to it as collateral in the transaction;
- (e) section 2.15, which requires that such transactions be administered by an agent that is either the custodian or sub-custodian of the Trust; and
- (f) subsection 2.16(1), which requires that for transactions entered into through an agent, the manager of the Trust must have reasonable grounds to believe that such agent has established and maintains appropriate internal controls and procedures and records.

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, as applicable

Interpretation

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

Representations

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

The Trust

1. The Trust was established under the laws of Ontario pursuant to a trust agreement (the Trust Agreement) entered into between the Manager as manager and The Royal Trust Company as trustee (the Trustee) on November 29, 2001.
2. Connor, Clark & Lunn Capital Markets Inc. (the Manager) manages the ongoing business and administration of the Trust. Connor, Clark & Lunn Investment Management Ltd. provides investment advisory and portfolio management services to the Trust.
3. The units of the Trust are listed and posted for trading on the Toronto Stock Exchange. The Trust will terminate on or about December 2, 2013 (the Termination Date), subject only to extension by the holders of Units (the Holders) by extraordinary resolution. On such date, after paying or making adequate provision for all of the Trust's liabilities,

the Trust will distribute its net assets to Holders on a *pro rata* basis.

Investment Objectives and Strategy

4. The Trust's investment objectives are:
- Distributions: to provide Holders with a stable stream of quarterly distributions of at least \$0.50 per Unit (\$2.00 per annum to yield 8.0% on the subscription price of \$25.00 per Unit);
 - Capital Repayment: to pay to Holders, on or about the Termination Date, an amount per Unit equal to the subscription price of \$25.00 (the Original Investment Amount); and
 - Capital Appreciation: to pay to Holders on the Termination Date, in addition to the Original Investment Amount, the value per Unit, if any, in excess of the Original Investment Amount.

5. In order to achieve the Trust's distribution and capital appreciation objectives, the Trust invested the net proceeds of the Offering in a diversified portfolio (the Managed Portfolio) consisting principally of equity securities issued by mid- and large-capitalization companies which were selected from the S&P 500 Index (the Managed Portfolio Universe).

6. To achieve the capital repayment objective, upon the closing of the Offering, the Trust entered into an agreement (the Forward Agreement) with TD Global Finance (the Counterparty), pursuant to which the Trust agreed to identify and purchase a portfolio of equity securities (the Capital Portfolio) (for sale to the Counterparty on the Termination Date) on the date (the Determination Date) that is the earlier of (i) December 13, 2004, and (ii) the date of the occurrence of any of the following events:

- (a) the Counterparty, in its sole discretion after consultation with the Manager, determines that (A) there has been any amendment to, clarification of, or change (including any prospective change) in the laws, or any regulations thereunder, of Canada or any political subdivision or taxing authority thereof, or (B) any other circumstances not within the control of the Counterparty have occurred, which in either case could have an adverse effect on the Counterparty or the Trust if the Determination Date is not designated immediately;
- (b) the Counterparty, in its sole discretion after consultation with the Manager,

determines that it would be appropriate for the Determination Date to be designated immediately, including without limitation as a result of the Trust not meeting the collateralization requirements described in the Forward Agreement or a material diminution in the value of the Managed Portfolio securities; or

- (c) the Manager, on behalf of the Trust, in its sole discretion after consultation with the Counterparty, determines that it would be in the best interests of the Holders for the Determination Date to be designated immediately.

7. Under the Forward Agreement, the Counterparty will be required to pay the Original Investment Amount to the Trust on the Termination Date in exchange for the Capital Portfolio securities.

8. On June 4, 2003, the Manager, on behalf of the Trust, determined that due to adverse market conditions it was in the best interests of the Holders to designate the Determination Date immediately. As a result, the Trust liquidated the Managed Portfolio and used the proceeds to acquire the Capital Portfolio, which the Trust agreed to sell to the Counterparty pursuant to the terms and conditions of the Forward Agreement. Other than the Capital Portfolio, the only assets of the Trust now consist of its rights under the Forward Agreement (being the right to receive \$25.00 per Unit on the Termination Date in exchange for the Capital Portfolio securities) and cash which will be used to pay the expenses of the Trust until the Termination Date. Effectively, as a result of equity market declines and decreased interest rates, no Managed Portfolio remains.

9. Due to the adverse market conditions since the formation of the Trust, the Trust has been forced to cease making distributions on the Units and there will likely be no capital appreciation to pass on to Holders on the Termination Date. Such adverse market conditions consisted of the prolonged deterioration of the equity markets that had occurred since the inception of the Trust to the period just prior to the liquidation of the Managed Portfolio on June 4, 2003. The benchmark S&P 500 index had fallen by 26% to May 30, 2003 and had been down as much as 34% in Canadian dollar terms since the Trust's inception in December 2001, and the cost per Unit of executing the forward sale had increased by over 25% in the same period as a result of declining bond yields. As the Managed Portfolio was comprised principally of equity securities of companies selected from the S&P 500 Index, the decline in this index resulted in a decline in the value of the Managed Portfolio.

10. On June 4, 2003 the Trust filed a material change report and issued a press release with respect to the designation of the Determination Date under the Forward Agreement.

Securities Lending Transactions

11. The Trust proposes to engage in securities lending transactions with respect to the securities in the Capital Portfolio in order to earn additional revenue which it expects will defray some of its ongoing operating costs, and thereby increase the amount available for payment to the Holders on the Termination Date. In order to maximize the revenues it will generate through securities lending transactions, the Trust proposes to lend the securities in the Capital Portfolio, which will represent greater than 50% of the total assets of the Trust. The Trust may lend securities to one or more borrowers directly, or may lend securities indirectly through an agent, which agent may not be the Trust's custodian but would be a Canadian financial institution or the investment bank affiliate of a Canadian financial institution.

12. The securities in the Capital Portfolio have been pledged to the Counterparty as collateral for the obligations of the Trust under the Forward Agreement. The Counterparty will need to release its security interest in the securities in the Capital Portfolio in order to allow the Trust to lend such securities, provided that the Trust grants to the Counterparty a security interest in the collateral held by the Trust for the loaned securities.

13. The Trust shall ensure that any agent through which the Company lends securities has established, and shall maintain, appropriate internal controls, procedures and records for securities lending transactions as prescribed in subsection 2.16(2) of NI 81-102.

14. If the Trust lends securities to borrowers directly, each of the Trust and the Manager shall, in administering such securities lending transactions, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances, and each of the Trust and the Manager shall ensure that appropriate internal controls, procedures and records for securities lending transactions as prescribed in subsection 2.16(2) of NI 81-102 are established and maintained.

15. The Trust will enter into a written agreement with any agent or direct borrower which will comply with each of the requirements set forth in subsection 2.15(4) of NI 81-102.

16. If direct lending is conducted, the Manager will fulfill the annual obligations set forth in subsection 2.16(3) with respect to any direct borrowers as if

references to the agent in such subsection were references to direct borrowers.

17. The Capital Portfolio is a static portfolio that is not traded except in limited circumstances.

18. The Manager is part of the Connor, Clark & Lunn Financial Group with approximately \$26 billion in assets under administration. The Manager has approximately \$1,150 million in assets under administration and acts as manager for eight investment funds listed on The Toronto Stock Exchange.

19. The Prospectus contains disclosure with respect to the Trust's intention to enter into securities lending transactions following the Determination Date.

20. Any securities lending transactions will be conducted in accordance with the provisions of NI 81-102 other than the Securities Lending Requirements.

Decision

Each of the Decision Makers is satisfied that, based on the information and representations contained in the Application and this decision, and for the purposes described in the Application, the Decision Makers hereby grant the Trust exemption from the Securities Lending Requirements, provided that:

- (a) with respect to the exemption from subsection 2.12(1)12., the Trust, in connection with each securities lending transaction,
 - (i) receives the collateral prescribed by subsections 2.12(1)3. to 6.,
 - (ii) has the rights set forth in subsections 2.12(1)7. to 9. and 2.12(1)11., and
 - (iii) complies with subsection 2.12(1)10.;
- (b) with respect to the exemption from section 2.12(3), the Company provides a security interest to the Counterparty in the collateral delivered to it as collateral pursuant to a securities lending transaction as described in representation 12;
- (c) with respect to the exemption from section 2.15,
 - (i) the Trust enter into a written agreement with an agent or direct borrower that complies with each of the requirements set forth in subsection 2.15(4);
 - (ii) the Trust, if lending to a direct borrower, or the agent administers the securities lending transactions in compliance with subsection 2.15(5); and

- (iii) if the Trust lends indirectly through an agent, the agent is a bank or trust company described in paragraph 1 or 2 of section 6.2 of NI 81-102 (an Eligible Agent) or the investment bank affiliate of an Eligible Agent that is registered as an investment dealer in the Jurisdictions; and
- (d) with respect to the exemption from subsection 2.16(1), the Manager, itself, meets the requirements of section 2.16 as if it were the agent.

“Leslie Byberg”
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.6 APF Energy Trust - 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., s. 83.

August 11, 2005

Heenan Blaikie

12th Floor
425 - 1st Street S.W.
Calgary, Alberta T2P 3L8

Attention: Peter Yates

Dear Sir:

Re: APF Energy Trust (the “Applicant”) - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (the “Jurisdictions”)

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

As the Applicant has represented to the Decision Makers that:

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 11th day of August, 2005.

“Blaine Young”
Director, Legal Services & Policy Development
Alberta Securities Commission

2.1.7 MT Investments Inc. - 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., s. 83.

August 11, 2005

Burnet, Duckworth & Palmer LLP

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

Attention: Edward Brown

Dear Sir:

**Re: MT Investments Inc. (the “Applicant”) -
Application to Cease to be a Reporting Issuer
under the securities legislation of Alberta,
Saskatchewan, Manitoba, Ontario, Québec,
New Brunswick and Newfoundland and
Labrador (the “Jurisdictions”)**

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

As the Applicant has represented to the Decision Makers that:

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 11th day of August, 2005.

"Blaine Young"
Director, Legal Services & Policy Development
Alberta Securities Commission

2.1.8 Shiningbank Energy Ltd. - 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., s. 83.

August 12, 2005

Gowlings

1400, 700 - 2 Street SW
Calgary, AB T2P 4V5

Attention: Bennett Wong

Dear Sir:

Re: Shiningbank Energy Ltd. (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario and Québec (the "Jurisdictions")

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

As the Applicant has represented to the Decision Makers that:

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 12th day of August, 2005.

“Blaine Young”
Director, Legal Services & Policy Development
Alberta Securities Commission

2.1.9 Penn West Petroleum Ltd. - 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., s. 83.

July 20, 2005

Burnet, Duckworth & Palmer LLP

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

Attention: Edward B. Brown

Dear Sir:

**Re: Penn West Petroleum Ltd. (the “Applicant”) -
Application to Cease to be a Reporting Issuer
under the securities legislation of Alberta,
Saskatchewan, Ontario, Québec and New
Brunswick (the “Jurisdictions”)**

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

As the Applicant has represented to the Decision Makers that:

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 20th day of July, 2005.

“Blaine Young”
Director, Legal Services & Policy Development
Alberta Securities Commission

2.1.10 Newport Investment Counsel Inc. - MRRS Decision

Headnote

Applicant was granted relief from the provision in the Legislation that prohibits purchases or sales of any security in which an investment counsel or any partner, officer or associate of an investment counsel has a direct or indirect beneficial interest being made from or to a portfolio managed or supervised by the investment counsel in connection with the initial public offering of units of a fund and certain related transactions.

Statutes cited:

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

Regulations Cited

Regulation made under the Securities Act, R.R.O., Reg. 1015, as am., s.115(6).

July 29, 2005

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ONTARIO, ALBERTA, SASKATCHEWAN,
NOVA SCOTIA, PRINCE EDWARD ISLAND
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
NEWPORT INVESTMENT COUNSEL INC.
(THE “FILER” or “NIC”)**

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 (the “**Legislation**”) of the Jurisdictions that the provision in the Legislation that prohibits purchases or sales of any security in which an investment counsel or any partner, officer or associate of an investment counsel has a direct or indirect beneficial interest being made from or to a portfolio managed or supervised by the investment counsel (the “**IC Restriction**”) shall not apply in connection with the IPO Acquisitions and Redemptions described below (the “**Requested Relief**”).

Decisions, Orders and Rulings

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.

“**BML**” means Brompton Management Ltd.;

“**Brompton Acquisition**” has the meaning given to it in paragraph 36,

“**Disclosure Document**” has the meaning given to it in paragraph 37,

“**Exchangeable Units**” means LP Units that are exchangeable for Fund Units;

“**Fairness Opinion**” has the meaning given to it in paragraph 40,

“**Fund Units**” means units of the Fund;

“**Fund**” means Newport Partners Income Fund;

“**GP**” means Newport Private Yield Inc.;

“**IA Agreement**” means the investment advisory agreement dated February 24, 2004 between the GP and NICI;

“**ICPM**” means the categories of investment counsel and portfolio manager under the securities legislation of Ontario or their equivalent in each of the Jurisdictions;

“**Investee Businesses**” means private businesses with a history of profitability and positive cash flows;

“**IPO**” means the initial public offering of Fund Units;

“**IPO Acquisitions**” means collectively the NICI Acquisition, the NPI LP Acquisition and the Brompton Acquisition;

“**IPO Meeting**” has the meaning given to it in paragraph 14;

“**Limited Partners**” means the holders of LP Units of NPY LP;

“**LP Agreement**” means the limited partnership agreement of NPY LP dated March 2, 2004, as amended and restated as of January 26, 2005 and again as of May 9, 2005;

“**LP Units**” means limited partnership units of NPY LP;

“**NICI Acquisition**” has the meaning given to it in paragraph 36;

“**NPI**” means Newport Partners Inc.;

“**NPI LP Acquisition**” has the meaning given to it in paragraph 36;

“**NPY LP**” means Newport Private Yield LP;

“**Offering Memorandum**” has the meaning given to it in paragraph 24;

“**Performance Fee**” has the meaning given to it in paragraph 32;

“**Preliminary Prospectus**” has the meaning given to it in paragraph 42;

“**Principals**” means the fifteen (15) individuals who beneficially own, directly or indirectly, all of the issued and outstanding shares in the capital of NPI;

“**RBC DS**” means RBC Dominion Securities Inc.;

“**Redemption Letter**” has the meaning given to it in paragraph 31;

“**Special Meeting**” has the meaning given to it in paragraph 37;

“**the Redemptions**” has the meaning given to it in paragraph 29; and

“**Trust**” means the commercial trust to be established in connection with the IPO.

Representations

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

1. NPY LP will purchase ownership interests in NICI and the businesses of NPI and BML in connection with the IPO Acquisitions to be carried out concurrently and in conjunction with the IPO.

NPI

2. NPI is an independent wealth management company which provides investment counselling and sophisticated financial planning, management and solutions services to its personal and corporate clients, with a focus on understanding and servicing the needs of entrepreneurs. NPI's business is carried on through its wholly-owned subsidiaries which include NICI, the GP, Newport Securities Inc., Newport Insurance Inc., Newport Capital Partners Inc. and NAIF Management Ltd.

Decisions, Orders and Rulings

3. All of the issued and outstanding shares in the capital of NPI are beneficially owned directly or indirectly by the Principals.
4. None of the Principals own more than 25% of any class of NPI's issued and outstanding capital.
5. All of the directors and certain of the officers of NPI are Principals.
6. NPI is not a reporting issuer in any of the Jurisdictions.

NICI

7. NPI owns all of the issued and outstanding shares in the capital of NICI, and as a result, NICI is not a reporting issuer in any of the Jurisdictions.
8. All of the directors and officers of NICI are Principals.
9. NICI is registered in each of the Jurisdictions as an ICPM and is registered in Ontario as a dealer in the category of limited market dealer.
10. NICI engages in a number of advisory activities, including as an investment counsel and/or portfolio manager for numerous clients, as manager of a family of mutual funds, and as investment adviser for NPY LP under the IA Agreement.
11. Pursuant to the IA Agreement, NICI has full power and discretionary authority to manage that portion of the investment portfolio of NPY LP assigned to it by the GP. Section 2.2 of the IA Agreement states:

[NICI] agrees to provide advice to the [GP] in formulating overall investment policies and strategies for [NPY LP] from time to time and, subject always to the direction of the [GP], to manage on a day-to-day basis, with full power and discretionary authority that portion of the investment portfolio of [NPY LP] as is identified from time to time by the GP...[emphasis added.]

The GP

12. NPI owns all of the issued and outstanding shares in the capital of the GP.
13. The GP is the general partner of NPY LP pursuant to the terms the LP Agreement.
14. The Limited Partners will be asked to pass a special resolution approving amendments to the LP Agreement at a special meeting of the Limited Partners to be held prior to filing the final prospectus for the IPO (the "**IPO Meeting**").

15. Pursuant to the terms of the LP Agreement, the GP is responsible for managing and controlling the business of NPY LP in accordance with the terms of the LP Agreement.

16. All of the directors and officers of the GP are Principals.

NPY LP

17. NPY LP is an Ontario limited partnership formed in March of 2004 on the initiative of NPI. The objective of NPY LP is to invest in Investee Businesses.
18. NPY LP currently holds varying equity interests in six Investee Businesses in four principal areas: financial services, distribution, marketing and oil and gas services.
19. NPY LP is not an "investment fund" (as defined in *National Instrument 81-106, Investment Fund Continuous Disclosure*). Its LP Units are not redeemable on demand and it currently holds more than a 50% equity interest in a number of the Investee Businesses in which it is invested.
20. As of June 15, 2005, NPY LP had approximately 400 Limited Partners. Each Limited Partner purchased his, her or its LP Units in 2004 or 2005 pursuant to private placement exemptions for accredited investors available in Ontario and the other provinces and territories of Canada in which the Limited Partners resided. NPY LP is therefore not a reporting issuer in any of the Jurisdictions.
21. Each of the Limited Partners holds his, her or its LP Units in a non-discretionary account with NICI. In cases where the Limited Partner also has a discretionary account with NICI, the LP Units are not part of the discretionary account over which NICI exercises discretionary authority.
22. Prior to their purchases of LP Units, each Limited Partner was provided with a copy of the LP Agreement. Section 12.03 of the LP Agreement provides that the GP will not permit NPY LP to invest in any Investee Business in which a director or officer of the GP or any of its Affiliates (as defined in the Act) has an interest, directly or indirectly, unless such investment has been approved by a majority of the independent directors of the GP and NPY LP has obtained an independent valuation or an independent fairness opinion with respect to such investment.
23. Section 14.08 of the LP Agreement provides that, in addition to all other powers conferred on them by the LP Agreement, the Limited Partners together with the GP may by special resolution authorize a change in the restrictions in Section 6.03 of the LP Agreement, which includes a restriction on making an investment contrary to

the provisions regarding conflicts of interest in Section 12.03, described in paragraph 22 above.

24. Each Limited Partner also received an offering memorandum (the "**Offering Memorandum**") in connection with his, her or its investment in LP Units. In the Offering Memorandum, it was noted that when NPY LP achieved \$100 million in invested assets, the GP would consider offering LP Units to the public in order to access capital at a lower cost and provide liquidity to the GP and the Limited Partners.
25. That milestone was reached and, as a result, the GP notified the Limited Partners in January of 2005 that it intended to pursue the IPO of NPY LP in 2005.

The IPO

26. NPY LP intends to access capital in the public market through the IPO, using an income fund structure. Under that structure, a lawyer engaged by the GP will establish the Fund, and all of the Fund's holdings in NPY LP will be indirectly held through the Trust.
27. Prior to the closing of the IPO, the LP Units and general partnership units of NPY LP held by the Limited Partners and the GP, respectively, will be exchanged for Exchangeable Units which are exchangeable for Fund Units at a unitholder's election.
28. A portion of the net proceeds from the IPO will be used by the Fund (through the Trust) to subscribe for LP Units, and the subscription monies received by NPY LP will be used to pay for the acquisitions of additional equity interests in certain of the Investee Businesses in which it currently holds equity interests, to pay for the IPO Acquisitions and to acquire interests in other new Investee Businesses.
29. A portion of the net proceeds from the IPO will be used by the Fund (through the Trust) to make a capital contribution to NPY LP so that NPY LP can purchase or redeem LP Units (which will immediately prior to the IPO closing be exchanged into Exchangeable Units) from those Limited Partners who choose to sell their Exchangeable Units to NPY LP ("**the Redemptions**") in connection with the IPO.
30. NPY LP will effect the Redemptions by redeeming Exchangeable Units held by the Limited Partners at the IPO offering price to the extent that Limited Partners wish to sell any of their units.
31. In connection with the Redemptions, NICI sent a letter (the "**Redemption Letter**") to the Limited Partners recommending that the Limited Partners sell a portion of their interests in NPY LP by way

of Redemption on the closing of the IPO. In this manner, the Limited Partners will be able to realize on the increase in value of their Exchangeable Units of NPY LP as a result of the IPO and the related transactions, while maintaining a similar weighting in NPY LP as part of their overall portfolio of investments. The Redemption Letter requests that each Limited Partner provide written instructions as to what steps should be taken with respect to his, her or its interests in NPY LP (*i.e.*, whether to sell the recommended amount or a different amount).

32. NPY LP will use a portion of the net proceeds from the IPO that it receives as subscription monies to pay the performance fee (the "**Performance Fee**") payable to NICI under the IA Agreement in connection with the IPO. The Performance Fee would be paid to NICI on the IPO regardless of whether the IPO Acquisitions were involved as part of the IPO.
33. NICI will pay the Performance Fee, net of any applicable taxes, to the Principals and to align the interests of the Principals with the Limited Partners, each of the Principals will use his or her portion of the Performance Fee, less an amount to be paid in respect of taxes, to subscribe for Exchangeable Units at the IPO offering price. The Principals have each entered into an undertaking with the underwriters not to sell any of the Exchangeable Units they acquire on the closing of the IPO for a period of six (6) months.
34. RBC DS has been retained by NPY LP to act as the lead underwriter.
35. During initial discussions with RBC DS about the IPO, RBC DS advised that NPY LP should be purchasing NPI as an Investee Business, to further align the interests of the GP with those of the Limited Partners, as this is customary among income trusts and would be expected by the public markets and potential investors in the Fund. This led to the initiative to expand one of the principal areas of NPY LP's investments, being financial services, and to search for complimentary financial services businesses for NPY LP to acquire as Investee Businesses to further improve the attractiveness of the IPO to investors. The result has been the agreement for NPY LP to acquire interests in the businesses of BML (a mutual fund manager) and Morrison Williams Investment Limited (an institutional adviser) in addition to the businesses of NPI (a wealth manager with an entrepreneurial focus). These acquisitions are contingent on and will occur contemporaneously with the closing of the IPO and are considered by the GP and the Limited Partners to be part of the IPO.
36. As a result, concurrently with and conditional upon the closing of the IPO, NPY LP will acquire

interests in three wealth management companies. Two of those acquisitions, namely the IPO Acquisitions, involve Principals directly or indirectly on both sides of the transactions. More particularly, NPY LP will acquire the following interests under the IPO Acquisitions:

- (i) NPI, all of the issued and outstanding securities in the capital of NICI (the "**NICI Acquisition**") and all of the limited partnership interests in NPI LP (the "**NPI LP Acquisition**"), a limited partnership created for the purpose of holding all of the business assets of NPI other than NICI; and
 - (ii) BML, 45% of the limited partnership interests in Brompton LP (the "**Brompton Acquisition**"), a limited partnership created for the purpose of holding all of the fund management assets of BML, whose shareholders include four directors of NPI who collectively hold 9% of the issued and outstanding capital of BML.
37. On April 18, 2005, the GP delivered a solicitation of proxies to the Limited Partners accompanied by a disclosure document (the "**Disclosure Document**") in connection with a special meeting of the Limited Partners (the "**Special Meeting**") held May 9, 2005 for the purposes of approving the IPO and the IPO Acquisitions in principle.
38. The Disclosure Document includes a description of the IPO and the transactions being carried out as part of the IPO (which include the IPO Acquisitions). In addition to providing the reasons for the GP's recommendation to proceed with the IPO and the accompanying transactions, the Disclosure Document includes a description of the interests of related parties in the IPO Acquisitions.
39. The Disclosure Document also includes disclosure related to the Performance Fee which NICI is entitled to receive under the IA Agreement, and arrangements under the IA Agreement in connection with the IPO.
40. Orion Securities Inc., an independent financial adviser retained to provide a fairness opinion (the "**Fairness Opinion**"), determined that the proposed purchase price to be paid by NPY LP for NPI is fair from a financial point of view to the Limited Partners. A copy of the Fairness Opinion was delivered to the Limited Partners with the Disclosure Document.
41. At the Special Meeting, the resolution of the Limited Partners to approve the IPO received the unanimous support of the votes cast in person or by proxy, representing approximately 78% of the outstanding LP Units allowed to vote. The

Principals and their immediate families were excluded from voting any LP Units held directly or indirectly by them.

42. The Fund filed a preliminary prospectus dated June 29, 2005 in respect of the IPO and an amended and restated preliminary prospectus (the "**Preliminary Prospectus**") dated July 7, 2005 for which MRRS decision documents evidencing receipt by the regulators in each of the provinces and territories of Canada were issued on June 30, 2005 and July 8, 2005, respectively.
43. It is anticipated that a final prospectus will be filed in respect of the IPO on July 27, 2005 and that the closing of the IPO, the IPO Acquisitions and the Redemptions will occur on or about August 4, 2005.
44. At the IPO Meeting, which is scheduled to be held prior to the filing of the final prospectus, the Limited Partners will be asked to vote on a resolution to approve amendments to the LP Agreement which are necessary to enable NPY LP and the Fund to proceed with the IPO and the related transactions (including the IPO Acquisitions and the payment of the Performance Fee). Notice of the IPO Meeting, a solicitation of proxies and an accompanying disclosure document providing disclosure relating to the items for approval will be sent to the Limited Partners in advance of the IPO Meeting.

Decisions

Each of the relevant Decision Makers is satisfied that the tests contained in the Legislation that provide the Decision Maker with the jurisdiction to make the decisions have been met.

The decision of the Decision Makers in each of the Jurisdictions under the Legislation is that the Requested Relief is granted.

"Paul M. Moore"
Commissioner
Ontario Securities Commission

"Harold P. Hands"
Commissioner
Ontario Securities Commission

2.1.11 Microtec Enterprises Inc. - s. 83

Le Chef du Service du financement des sociétés,

Headnote

“Benoit Dionne”

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., s. 83.

August 15, 2005

Fasken Martineau DuMoulin LLP

Stock Exchange Tower
Suite 3400, P.O. Box 242
800 Place Victoria
Montreal, Quebec H4Z 1E9

Dear Madam:

Re: Microtec Enterprises Inc. (the “Applicant”) - Application to Cease to be a Reporting Issuer under the securities legislation of Quebec, Ontario, Alberta, Manitoba, Nova Scotia, Saskatchewan, New Brunswick, Newfoundland and Labrador (“Jurisdictions”)

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

As the Applicant has represented to the Decision Makers that,

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

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer.

2.1.12 Controladora Mabe S.A. DE C.V. and 6295053 Canada Inc. - MRRS Decision

Headnote

Mutual Reliance Review System - Take-over bid – Relief from the prohibition against collateral benefits. Memorandum of understanding entered into with 51% security holder of target company to amend pricing arrangements under agreement governing supply of clothes dryers by target company. Memorandum of understanding on commercially reasonable terms and entered into for business reasons other than to increase the value of the consideration paid to the security holder for its shares. Amendments to underlying agreement intended to be economically neutral to the security holder and details of the material terms of the amendments to be disclosed in take-over bid circular. The prohibition against collateral benefits will not apply to the memorandum of understanding.

Statute Cited

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

August 19, 2005

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK,
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
CONTROLADORA MABE S.A. DE C.V.
(THE "FILER")
AND
6295053 CANADA INC.
("BIDCO")**

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 provisions in the Legislation prohibiting an offeror making or intending to make a take-over bid, and any person or company acting jointly or in concert with the

offeror, from entering 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 memorandum of understanding (as described herein) in connection with the formal take-over bid under the Legislation by the Filer (the "Requested Relief").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

Defined terms contained in National Instrument 14-101 – Definitions have the same meaning in this Decision unless they are defined in this Decision. As used herein, the following terms have the following meanings:

"Camco" means Camco Inc.;

"CBCA" means the *Canada Business Corporations Act*;

"Dryer Agreement" means the dryer agreement dated January 1, 2002 between GEC and Camco;

"GE Canada" means General Electric Canada Inc.;

"GEC" means General Electric Company;

"GSW" means GSW Inc.;

"Offer" means the offer to be made by Bidco to acquire all the Shares of Camco; and

"Shares" means all of the issued and outstanding common shares of Camco.

Representations

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

- 1. the Filer is a corporation existing under the laws of Mexico and is not a reporting issuer or the equivalent in any Jurisdiction;
- 2. the shares of the Filer are owned (i) as to 48.4% by GEC and (ii) as to 51.6% by the Berrondo, Saiz and Esteve families of Mexico and certain other Mexican-resident minority shareholders;

3. Bidco is a corporation existing under the CBCA and is a wholly-owned indirect subsidiary of the Filer, was incorporated specifically for the purpose of making the Offer and is not a reporting issuer or the equivalent in any Jurisdiction;
4. Camco is a corporation existing under the CBCA and is a reporting issuer or the equivalent in each Jurisdiction;
5. to the knowledge of the Filer, (i) the authorized capital of Camco consists of an unlimited number of Shares of which 20,000,000 Shares are outstanding, (ii) as at March 9, 2005, 10,200,000 Shares (51% of the outstanding Shares) were owned by GE Canada, a subsidiary of GEC, and 4,001,800 Shares (20% of the outstanding Shares) were owned by GSW and (iii) the Shares are listed on the Toronto Stock Exchange;
6. to the knowledge of the Filer, (i) GSW served GE Canada and GEC with a statement of claim in late 2000 alleging that GE Canada and GEC have dealt with Camco in a manner that has been oppressive to Camco's minority shareholders, (ii) in the statement of claim, GSW requested an order that GE Canada or GEC make an offer to GSW and other minority shareholders of Camco to purchase their Shares at a value to be determined by the court, (iii) although Camco was initially named as a defendant in the proceeding, no claim was made against or relief sought from Camco, and (iv) GSW and GEC subsequently agreed that Camco be removed as a party from the claim. The Filer is not a party to or otherwise involved in these legal proceedings;
7. Bidco proposes to make an all cash offer to the holders of Shares to acquire all of the outstanding Shares on the basis of \$3.52 per Share, representing a 53% premium to the closing price of the Shares on the Toronto Stock Exchange on Friday July 22, 2005;
8. the Offer will be made by take-over bid circular mailed to all holders of Shares. The take-over bid circular will be prepared in accordance with the Legislation including Rule 61-501, Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions, of the Ontario Securities Commission and Policy Q-27, Protection of minority shareholders in the course of certain transactions, of the Autorité des marchés financiers, in each case as they apply to insider bids;
9. the Offer will be subject to the condition (among others) that there shall have been validly deposited under the Offer (and not withdrawn) that number of Shares constituting (i) at least 66 2/3% of the Shares on a fully-diluted basis and (ii) at least a majority of the outstanding Shares (calculated on a fully-diluted basis) the votes attached to which would be included in the minority approval of a second step transaction pursuant to Rule 61-501 and Policy Q-27;
10. in connection with the Offer, the board of directors of Camco formed an independent committee independent of GEC and its affiliates and independent of the management of Camco;
11. the independent committee has received a fairness opinion from National Bank Financial Inc. to the effect that the consideration under the Offer is fair from a financial point of view to the holders of Shares (other than GEC and its affiliates) and each of the independent committee and the Camco board of directors (with directors related to GEC and its affiliates abstaining) have (i) unanimously determined that the Offer is in the best interests of Camco and its shareholders and (ii) unanimously approved the Offer;
12. the Filer and Bidco entered into a support agreement with Camco on July 25, 2005 pursuant to which Bidco has agreed to make the Offer on the conditions (among others) that the Camco board of directors shall (i) unanimously recommended that the holders of Shares accept the Offer and (ii) shall have prepared and approved for distribution to the holders of Shares in connection with the Offer a directors' circular recommending acceptance of the Offer and containing a copy of the opinion from National Bank Financial Inc. that the consideration to be received under the Offer is fair from a financial point of view to the holders of Shares;
13. the consideration to be paid to GE Canada for its Shares deposited under the Offer is identical to the consideration to be paid to all other holders of Shares;
14. Camco and GEC are party to the Dryer Agreement pursuant to which Camco supplies GEC with automatic clothes dryers, the term of which is scheduled to expire on December 31, 2006 and which the Filer understands is a material contract to Camco;
15. the Dryer Agreement is a "fixed price" contract pursuant to which GEC has agreed to purchase minimum annual quantities of clothes dryers at a fixed price, which price is automatically reduced (i) annually over the term of the Dryer Agreement and (ii) if GEC purchases greater than a specified number of clothes dryers in a given period;
16. as the Dryer Agreement is a "fixed price" contract, Camco bears the risk of commodity price and foreign exchange fluctuations which are adverse to Camco and garners the benefit of commodity price and foreign exchange fluctuations which are favourable to Camco;

17. in contemplation of the Offer, the Filer negotiated a memorandum of understanding with GEC providing that if the Offer is successful, the pricing arrangements under the Dryer Agreement will be amended from a "fixed price" arrangement to a "hybrid price" arrangement combining a mixture of "fixed price" and "cost plus" pricing, and certain other consequential amendments will be effected. Specifically:

- (a) the term of the new Dryer Agreement will be ten years;
- (b) effective January 1, 2005 (and as independently previously agreed to between GEC and Camco) the annual price reductions and volume rebates under the Dryer Agreement will be eliminated;
- (c) a target "total contribution margin" will be established for the clothes dryers for ensuing years below which all of the economic benefit will accrue to Camco (as a subsidiary of the Filer) and above which GEC and Camco (as a subsidiary of the Filer) will share the economic benefit;
- (d) Camco (as a subsidiary of the Filer) and GEC will co-operate to achieve productivity gains in the production of clothes dryers by Camco;
- (e) Camco (as a subsidiary of the Filer) will be entitled to increase prices to GEC of clothes dryers in connection with adverse commodity price and foreign exchange fluctuations;
- (f) Camco (as a subsidiary of the Filer) will be entitled to a price increase in each of 2006 and 2007 for clothes dryers; and
- (g) GEC's current contractual restriction against the Filer directly selling its products in Canada will be eliminated;

18. if the Dryer Agreement becomes a "hybrid price" contract, Camco (as a subsidiary of the Filer) will not solely bear the risk of adverse commodity price and foreign exchange fluctuations and Camco (as a subsidiary of the Filer) will share with GEC some of the benefits of favourable commodity price and foreign exchange fluctuations;

19. in addition to the changes to the Dryer Agreement outlined above, the memorandum of understanding also contemplates (i) the staged elimination of certain technology fees currently paid to GEC by Camco that are also currently paid to GEC by the Filer, (ii) the staged elimination of trademark licensing fees currently paid to GEC by

Camco that are also currently paid to GEC by the Filer, and (iii) that Camco (as a subsidiary of the Filer) will become the exclusive export distributor and/or sales representative for products of GEC and the Filer that are exported from the United States and Latin America into Canada;

- 20. the memorandum of understanding would generally align the terms of the Dryer Agreement with the "cost plus" supply arrangements currently in place between GEC and the Filer;
- 21. the entering into of the memorandum of understanding was a condition to the Filer and Bidco proceeding with the Offer and the measures contemplated thereby are essential elements to the Filer's business plan for Camco going forward;
- 22. the terms of the memorandum of understanding will be described in the take-over bid circular mailed to the holders of Shares in connection with the Offer;
- 23. the Filer believes that the memorandum of understanding reflects commercially reasonable terms and expects that, barring significant fluctuations in applicable commodity prices and foreign exchange rates and absent any unforeseen contingencies or events, the memorandum of understanding will be economically neutral to GEC; and
- 24. the Filer believes that had the Offer been effected two years ago and the memorandum of understanding implemented at that time, given the generally unfavourable movement of commodity prices and foreign exchange rates over that period as they relate to Camco and its business, that GEC would have derived no economic benefit from the implementation of the memorandum of understanding and that the economic impact on Camco of the adverse movements in commodity prices and foreign exchange rates would have been lessened.

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.

"Paul M. Moore"

"Robert W. Davis"

2.1.13 American Express Canada Credit Corporation and American Express Canada Credit Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Canadian subsidiary of MJDS-eligible U.S. issuer permitted to issue medium term notes using a short form prospectus with U.S. issuer acting as credit supporter – Relief granted from prospectus requirements to incorporate by reference the materials required by Form NI 44-101F3, subject to certain conditions, including the filing under the issuer's SEDAR profile of alternative financial disclosure in respect of the issuer and other disclosure documents filed by the credit supporter with the U.S. Securities and Exchange Commission – Relief granted from insider reporting requirements and insider profile requirements, subject to certain conditions.

Applicable Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 121(2)(a)(ii).

Applicable National Instruments

National Instrument 44-101 Short Form Prospectus Distributions and Form 44-101F3 Short Form Prospectus.
National Instrument 44-102 Shelf Distributions.
National Instrument 55-102 System for Electronic Disclosure by Insiders.
National Instrument 71-101 The Multijurisdictional Disclosure System.

July 29, 2005

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA,
ONTARIO, QUEBEC, NEW BRUNSWICK, NOVA
SCOTIA,
PRINCE EDWARD ISLAND 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
AMERICAN EXPRESS CREDIT CORPORATION (Amex
Credit USA)

AND

AMERICAN EXPRESS CANADA
CREDIT CORPORATION
(Amex Credit Canada and together with Amex Credit
USA, the Filers)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filers be exempt from the following requirements contained in the Legislation:

- (a) the requirement under the Legislation that Amex Credit USA, as a person or company guaranteeing non-convertible debt securities issued by an issuer (i) be a reporting issuer with a twelve month reporting history and (ii) have a current annual information form (**AIF**) (collectively (i) and (ii), the **Eligibility Relief**), in order to permit Amex Credit Canada to issue guaranteed non-convertible debt securities pursuant to a short form base shelf prospectus and any applicable prospectus supplements and pricing supplements;
- (b) the requirement under the Legislation that Amex Credit Canada incorporate by reference certain documents and financial information of Amex Credit Canada in the Prospectus (as defined below) and any Future Prospectus (as defined below) (the **Prospectus Disclosure Relief**);
- (c) the requirement under the Legislation that Amex Credit USA, as an insider of Amex Credit Canada, file insider reports with the Decision Makers (the **Insider Reporting Relief**); and
- (d) the requirement under the Legislation that Amex Credit USA, as an insider of Amex Credit Canada, file insider profiles with the Decision Makers (the **Insider Profile 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 otherwise set forth herein.

Representations

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

1. Amex Credit USA is incorporated under the laws of the State of Delaware and was incorporated in 1962. Its principal executive offices are located at One Christina Centre, 301 N. Walnut Street, Suite 1002, Wilmington, Delaware, 19801-2919, USA.
2. Amex Credit USA is a wholly-owned subsidiary of American Express Travel Related Services Company, Inc. (TRS), which itself is a wholly-owned subsidiary of American Express Company.
3. Amex Credit USA is the direct beneficial owner of all of the issued and outstanding voting securities of Amex Credit Canada.
4. Amex Credit USA is primarily engaged in the business of financing most non-interest-bearing charge cardmember receivables arising from the use of various American Express cards in the United States and in designated currencies outside the United States. Amex Credit USA also purchases certain interest-bearing and discounted revolving credit and extended payment plan receivables and lines of credit and loans.
5. Amex Credit USA has non-convertible debt securities outstanding with an **Approved Rating** (as defined in National Instrument 44-101 – *Short Form Prospectus Distributions (NI 44-101)*).
6. Amex Credit USA has a class of securities registered under Section 12(b) of the United States *Securities Exchange Act of 1934* (the **1934 Act**).
7. Amex Credit USA has filed with the United States Securities and Exchange Commission (the **SEC**) all filings required to be made with the SEC under the 1934 Act during the last 12 calendar months.
8. Amex Credit USA is not registered or required to be registered as an investment company under the United States *Investment Company Act of 1940*, as amended.
9. Amex Credit USA is not an issuer formed and operated for the purpose of investing in commodity future contracts, commodity futures, related products or a combination of them.
10. Amex Credit USA is not a reporting issuer or the equivalent in any of the Jurisdictions.
11. Amex Credit Canada is a wholly-owned subsidiary of Amex Credit USA and is an unlimited liability company incorporated under the laws of the province of Nova Scotia on April 15, 2004. Its

principal executive offices are located at 101 McNabb Street, Markham, Ontario L3R 4H8.

12. Amex Credit Canada is not a reporting issuer or the equivalent in any of the Jurisdictions.
13. Amex Credit Canada does not currently intend to issue any securities other than non-convertible debt that has an Approved Rating, securities issued to Amex Credit USA or an affiliate of Amex Credit USA or debt securities issued to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions.
14. Amex Credit Canada meets the eligibility requirements set out in Section 13.4 (2) of National Instrument 51-102 – *Continuous Disclosure Obligations (NI 51-102)* and is therefore exempt from the requirements of NI 51-102, Multilateral Instrument 52-109 – *Certification of Disclosure in Issuers Annual and Interim Filings (MI 52-109)*, Multilateral Instrument 52-110 – *Audit Committees (MI 52-110)* and National Instrument 58-101 – *Disclosure of Corporate Governance Practices (NI 58-101)*.
15. Amex Credit Canada proposes to file a short form base shelf prospectus together with applicable prospectus supplements and pricing supplements in each of the Jurisdictions (the **Prospectus**) pursuant to NI 44-101 and National Instrument 44-102 – *Shelf Distributions (NI 44-102)* (NI 44-101 together with NI 44-102, the **Shelf Requirements**) in order to issue medium term notes in an aggregate principal amount of up to C\$3.5 billion (the **Proposed Offering**) and may in the future file additional short form base shelf prospectuses together with applicable prospectus supplements and pricing supplements in each of the Jurisdictions (the **Future Prospectuses** and together with the Prospectus, the **Prospectuses** and each a **Prospectus**) in respect of the issuance by Amex Credit Canada of additional medium term notes from time to time (the **Future Offerings** and together with the Proposed Offering, the **Offerings** and each an **Offering**). All medium term notes issued by Amex Credit Canada pursuant to the Proposed Offering and any Future Offering (collectively, the **Notes**) will have an Approved Rating.
16. Amex Credit USA satisfies the criteria set forth in Section 3.1 of National Instrument 71-101 – *The Multi-jurisdictional Disclosure System (NI 71-101)* and is eligible to use the multi-jurisdictional disclosure system (**MJDS**) described therein for the purpose of distributing Approved Rating non-convertible debt securities in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure.

17. If Amex Credit Canada were incorporated under United States law, it would be permitted under Section 3.2 of NI 71-101 to effect a direct offering of the Notes in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure so long as Amex Credit USA fully and unconditionally guarantees payment of principal and interest due under such securities.
- (A) the most recent annual report on Form 10-K of Amex Credit USA filed with the SEC;
- (B) all quarterly reports on Form 10-Q of Amex Credit USA filed with the SEC in respect of the financial year following the year that is the subject of Amex Credit USA's most recently filed annual report on Form 10-K;
18. Amex Credit Canada is ineligible to issue Notes by way of short form base shelf prospectus under NI 44-101 and NI 44-102 as Amex Credit USA (as credit supporter of the Notes) is not a reporting issuer with a 12 month reporting issuer history in any province or territory of Canada and neither Amex Credit Canada nor Amex Credit USA has (or will have) a current AIF.
- (C) all current reports on Form 8-K of Amex Credit USA filed with the SEC in respect of the financial year following the year that is the subject of Amex Credit USA's most recently filed annual report on Form 10-K;
19. In connection with the Proposed Offering and any Future Offering:
- (a) Prior to filing a Prospectus, Amex Credit USA will cause to be filed with the Decision Makers, in electronic format through SEDAR (as defined in National Instrument 13-101) under Amex Credit Canada's SEDAR profile to the extent not already filed, the following documents filed by Amex Credit USA under Sections 13 and 15(d) of the 1934 Act:
- (i) the most recent annual report on Form 10-K of Amex Credit USA filed with the SEC;
- (ii) all quarterly reports on Form 10-Q of Amex Credit USA filed with the SEC in respect of the financial year following the year that is the subject of Amex Credit USA's most recently filed annual report on Form 10-K; and
- (iii) all current reports on Form 8-K of Amex Credit USA filed with the SEC in respect of the financial year following the year that is the subject of Amex Credit USA's most recently filed annual report on Form 10-K;
- (b) Each Prospectus will be prepared and filed with the Decision Makers in accordance with the Shelf Requirements, with the disclosure required by:
- (i) Item 12.1 of Form 44-101F3 of NI 44-101 (**Form 44-101F3**) being addressed by incorporating by reference in each Prospectus:
- (ii) Item 12.2 of Form 44-101F3 being addressed by incorporating by reference the following documents filed with the SEC subsequent to the date of the particular Prospectus for so long as the particular Prospectus is in effect:
- (A) any annual reports on Form 10-K of Amex Credit USA filed with the SEC;
- (B) any quarterly reports on Form 10-Q of Amex Credit USA filed with the SEC;
- (C) any current reports on Form 8-K of Amex

Credit USA filed with the SEC; and

Canada except to the extent set forth therein.

- (D) any material change reports of Amex Credit Canada filed with the Decision Makers;
- (c) Amex Credit USA will fully and unconditionally guarantee the payments to be made by Amex Credit Canada under the Notes, as stipulated in the terms of the Notes or in an agreement governing the rights of holders of the Notes, such that it entitles the holders of the Notes to receive payment from Amex Credit USA as contemplated in the definition of "designated credit support securities" contained in Section 13.4 of NI 51-102;
- (d) Any Notes issued by Amex Credit Canada pursuant to any Offering will have an Approved Rating;
- (e) Amex Credit USA will sign each Prospectus of Amex Credit Canada as credit supporter;
- (f) Each Prospectus of Amex Credit Canada will include, directly or through incorporation by reference, all material disclosure regarding Amex Credit Canada and Amex Credit USA;
- (g) Amex Credit USA will undertake to file with the Decision Makers, in electronic format through SEDAR under Amex Credit Canada's SEDAR profile, the following documents that it files under Sections 13 and 15(d) of the 1934 Act: the items referenced in paragraph 19(a) above and any annual report on Form 10-K filed with the SEC, any quarterly report on Form 10-Q filed with the SEC and any current report on Form 8-K filed with the SEC until such time as the Notes are no longer outstanding;
- (h) Amex Credit USA satisfies the criteria set forth in Section 3.1 of NI 71-101 and is eligible to use the MJDS described therein for the purpose of distributing approved rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure; and
- (i) Each Prospectus will state that purchasers of the Notes will not receive separate continuous disclosure information regarding Amex Credit

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.

Eligibility Relief and Prospectus Disclosure Relief

The decision of the Decision Makers under the Legislation is that, in connection with any Offering (which, for greater certainty, includes the Proposed Offering and any Future Offerings), the Eligibility Relief and Prospectus Disclosure Relief is granted provided that:

- (a) Each of Amex Credit Canada and Amex Credit USA, as applicable, complies with paragraph 19 above;
- (b) Amex Credit Canada complies with all of the requirements and procedures set out in NI 44-101 and NI 44-102, except as varied in this decision or as permitted by NI 44-102;
- (c) Amex Credit USA continues to satisfy the criteria set forth in Section 3.1 of NI 71-101 (or any applicable successor provision or instrument) and remains eligible to use the MJDS described therein (or any successor instrument) for the purpose of distributing Approved Rating non-convertible debt in Canada based on compliance with United States prospectus requirements with certain additional Canadian disclosure;
- (d) Amex Credit USA remains the direct or indirect beneficial owner of all of the voting securities of Amex Credit Canada; and
- (e) The Eligibility Relief and Prospectus Disclosure Relief will cease to be effective upon (but only to the extent that) amendments to NI 44-101 and NI 44-102 (as applicable) come into force which would have substantially the same effect as the Eligibility Relief and Prospectus Disclosure Relief provided for herein.

"Charlie MacCready"
Assistant Manager, Corporate Finance
Ontario Securities Commission

Insider Reporting Relief

The further decision of the Decision Makers under the Legislation is that, with respect to the voting securities of

Decisions, Orders and Rulings

Amex Credit Canada, the Insider Reporting Relief is granted provided that:

- (a) Amex Credit USA remains the direct or indirect beneficial owner of all of the voting securities of Amex Credit Canada;
- (b) Amex Credit USA remains a SEC MJDS issuer (as defined in Section 13.4 of NI 51-102);
- (c) Amex Credit Canada has not issued any securities other than (i) designated credit support securities, (ii) securities issued to Amex Credit USA or an affiliate of Amex Credit USA or (iii) debt securities issued to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions;
- (d) Amex Credit USA does not have direct or indirect beneficial ownership, control or direction over any securities of Amex Credit Canada other than the voting securities of Amex Credit Canada; and
- (e) Each of Amex Credit Canada and Amex Credit USA, as applicable, complies with the conditions of paragraph 19 above.

“Paul M. Moore”
Commissioner
Ontario Securities Commission

“Harold P. Hands”
Commissioner
Ontario Securities Commission

Insider Profile Relief

The further decision of the Decision Makers under the Legislation is that, with respect to the voting securities of Amex Credit Canada, the Insider Profile Relief is granted provided that:

- (a) Amex Credit USA remains the direct or indirect beneficial owner of all of the voting securities of Amex Credit Canada;
- (b) Amex Credit USA remains a SEC MJDS issuer (as defined in Section 13.4 of NI 51-102);
- (c) Amex Credit Canada has not issued any securities other than (i) designated credit support securities, (ii) securities issued to Amex Credit USA or an affiliate of Amex Credit USA or (iii) debt securities issued to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions;

- (d) Amex Credit USA does not have direct or indirect beneficial ownership, control or direction over any securities of Amex Credit Canada other than the voting securities of Amex Credit Canada; and
- (e) Each of Amex Credit Canada and Amex Credit USA, as applicable, complies with the conditions of paragraph 19 above.

“Charlie MacCready”
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.14 Lonmin Investments Canada Inc. - MRRS Decision

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., s. 83.

September 2, 2005

IN THE MATTER OF

**THE SECURITIES LEGISLATION OF
ALBERTA, ONTARIO, QUEBEC, NEW BRUNSWICK,
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
LONMIN INVESTMENTS CANADA INC. (the Filer)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is deemed to have ceased to be a reporting issuer (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 was formed under the *Canada Business Corporation Act* upon the amalgamation of Southern Platinum Corp. ("SPC") and Lonmin Investments Canada Inc. on August 1, 2005;
2. The head office of the Filer is located in Toronto, Ontario;
3. SPC was a reporting issuer in each of the Jurisdictions and in British Columbia and Saskatchewan prior to August 1, 2005 and the Filer became a reporting issuer on August 1, 2005 in each of the Jurisdictions and in British Columbia and Saskatchewan as it was formed as a result of the amalgamation of a reporting issuer with another company;
4. the Filer has filed a notice under British Columbia Instrument 11-502 Voluntary Surrender of Reporting Issuer Status to voluntarily surrender its reporting issuer status in British Columbia; such notice became effective August 10, 2005;
5. the Filer ceased to be a reporting issuer in Saskatchewan on August 1, 2005 pursuant to SK General Ruling/Order 52-904 Certain Issuers Ceasing to be Reporting Issuers in Reorganizations and Take-over Bids;
6. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
7. no securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 Marketplace Operation;
8. the Filer has no plans to seek public financing by offering its securities in Canada;
9. the Filer is in technical default of its obligation to file and deliver its interim financial statements for the period ended June 30, 2005 but is not otherwise in default of any of its obligations under the Legislation as a reporting issuer; and
10. the Filer is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada where it is currently a reporting issuer.

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.

“Wendell S. Wigle, QC”

“David L. Knight, FCA”

2.1.15 Canadian Financial Income Fund et al.- MRRS Decision

Headnote

Exemption from the self-dealing prohibition in paragraph 118(2)(a) of the Securities Act (Ontario). Portfolio manager exempted from provision prohibiting knowingly causing any investment portfolio managed by it to invest in any issuer in which a “responsible person” (as defined in the Act) is an officer and/or director unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase, subject to conditions including review by an independent advisory board.

Statutes Cited

Securities Act, R.S.O. 1990 c. S.5, as am.,s. 118(2)(a).

September 2, 2005

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

AND

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

AND

**IN THE MATTER OF
CANADIAN FINANCIAL INCOME FUND (the “Fund”)**

AND

**CLAYMORE INVESTMENTS, INC. AND
MFC GLOBAL INVESTMENT MANAGEMENT
(CANADA),
A DIVISION OF ELLIOTT & PAGE LIMITED**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions has received an application from Claymore Investments, Inc. (the “Manager”) and MFC Global Investment Management (Canada), a division of Elliott & Page Limited (“MFC Global”, and together with the Fund and the Manager, the “Filers”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that:

- the provision prohibiting a portfolio manager from causing any investment portfolio managed by it to invest in any issuer in which a “responsible person” as defined in the Legislation, or an associate of a responsible person, is an officer or director unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained before the purchase;

shall not apply to investments made by MFC Global in securities of Manulife Financial Corporation (“**Manulife**”) and other affiliates of Manulife (collectively, the “**Manulife Securities**”) for the investment portfolio of the Fund (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 Decisions 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 Filers:

The Fund

1. The Fund is an investment trust established under the laws of the Province of Ontario. The principal office of the Fund and the Manager is located in Toronto, Ontario.
2. The Manager is a corporation established under the federal laws of Canada and is registered as an adviser in Ontario in the categories of investment counsel and portfolio manager.
3. Units of the Fund (the “**Units**”) are offered to the public in each of the provinces and territories of Canada (the “**Offering**”) pursuant to a prospectus dated July 27, 2005. The Fund is not in default under the Legislation.
4. The investment objectives of the Fund are: (i) to maximize total return for holders of Units (“**Unitholders**”), consisting of distributions and capital appreciation; and (ii) to provide Unitholders with a stable stream of monthly cash distributions.
5. To achieve its investment objectives, the Fund will invest the net proceeds of the Offering in a diversified and actively managed portfolio comprised primarily of common shares, preferred

shares, corporate bonds and income trust units of issuers in the Canadian financial sector.

6. As disclosed in the Fund’s prospectus, the investment restrictions of the Fund provide, among other things, that:
 - (a) Not more than 25% of the assets of the Fund (determined at the time of purchase) will be invested in the securities of any one issuer; and
 - (b) The Fund will not own more than 10% of the outstanding equity securities of an issuer or purchase the securities of an issuer for the purpose of exercising control over management of that issuer.

MFC Global

7. The Manager, on behalf of the Fund, has retained MFC Global to act as the investment advisor of the Fund.
8. MFC Global is a division of Elliott & Page Limited, (“EPL”). EPL is a corporation incorporated under the laws of Ontario. The principal office of EPL is located in Toronto, Ontario. EPL is registered as an adviser in Ontario in the categories of investment counsel and portfolio manager and is registered under the equivalent categories in the other Jurisdictions except Newfoundland and Labrador.
9. In 1982, EPL was acquired by North American Life Assurance Company, which is now The Manufacturers Life Insurance Company (“MLIC”). Manulife holds all of the outstanding shares of MLIC and therefore, EPL is an indirect wholly-owned subsidiary of Manulife.
10. Certain directors and/or officers of EPL who are, or may be, “responsible persons” in respect of the Fund, are or may be officers and/or directors of Manulife or its affiliates (the “**Related Officers and Directors**”). The Related Officers and Directors will not participate in the formulation of, or generally have access prior to implementation to, the day to day investment decisions made by MFC Global on behalf of the Fund.
11. All Related Officers and Directors will not provide investment advice to the Fund. Furthermore, no trading officer of EPL who will provide portfolio management services to the Fund is under the direct supervision of a Related Officer or Director in respect of the provision of such portfolio management services.
12. All Related Officers and Directors who have access to material information in relation to Manulife that has not been generally disclosed (an “**Access Person**”) are subject to Manulife’s

written policies including Manulife's Code of Business Conduct and Ethics and/or MFC Global's Code of Ethics, which, among other things, prohibit Access Persons from engaging in any trading of Manulife Securities while the trading window is closed or while the Access Person is in possession of undisclosed material information in relation to Manulife.

Proposed Investments by the Fund in Manulife Securities

13. Manulife, the indirect parent company of EPL, is one of the leading life insurance based financial services organizations in Canada.
14. MFC Global believes that it would be in the best interests of the Unitholders of the Fund for the Fund to be permitted to invest in Manulife Securities, in keeping with the investment objectives, strategies and restrictions of the Fund.
15. Because the Units of the Fund are being offered to the public through a syndicate of investment dealers and, upon closing of the Offering, will be listed for trading on the Toronto Stock Exchange, it is impractical to obtain the written consent of each Unitholder to the investment by MFC Global in Manulife Securities.
16. The Manager has appointed an advisory board (the "**Independent Advisory Board**"), which will review the Fund's purchases, sales and continued holdings of Manulife Securities to ensure that these investment decisions: have been made free from any influence by Manulife, have not taken into account any consideration relevant to Manulife or any associate or affiliate of Manulife, and do not cause the portfolio of the Fund to exceed the investment concentration limits for the Fund for any one issuer.
17. In reviewing the Fund's purchases, sales and continued holdings of Manulife Securities, the Independent Advisory Board will take into account the best interests of the Unitholders and no other factors.
18. All fees and expenses of the Independent Advisory Board incurred in connection with its duties with respect to the Fund will be paid by the Fund.
19. In the absence of the Requested Relief, because it is impractical to obtain the consent of Unitholders, MFC Global would be prohibited from investing in Manulife Securities on behalf of the Fund because certain directors and/or officers of EPL who are or may be "responsible persons" in respect of the Fund, are or may be officers and/or directors of Manulife or its affiliates.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the authority 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 Manager has appointed an Independent Advisory Board to review the Fund's purchases, sales and continued holdings of Manulife Securities;
2. The Independent Advisory Board has at least three members, and every member of the Independent Advisory Board will be independent of Manulife, the Manager, MFC Global and EPL, and any associate or affiliate of Manulife, the Manager, MFC Global and EPL.

A member of the Independent Advisory Board is not independent if the member has a direct or indirect material relationship with the Filers, or an entity related to the Filers. A material relationship is any relationship that a reasonable person would consider might interfere with the exercise of the member's independent judgement of regarding conflicts of interest facing the Filers;
3. The trust agreement of the Fund prescribes the duties and standard of care of the Independent Advisory Board and the Independent Advisory Board has been provided with a copy of this Decision;
4. The members of the Independent Advisory Board exercise their powers and discharge their duties honestly, in good faith and in the best interests of Unitholders and, in doing so, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;
5. The Fund does not relieve the members of the Independent Advisory Board from liability for losses that arises out of a failure to satisfy the standard of care set out in paragraph 4 above;
6. The Fund does not indemnify the members of the Independent Advisory Board against legal fees, judgments and amounts paid in settlement as a result of a breach of the standard of care set out in paragraph 4 above;
7. The Fund does not incur the cost of any portion of liability insurance that insures a member of the Independent Advisory Board for a liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph 4 above;

8. The cost of any indemnification or insurance coverage paid for by the Manager, MFC Global, EPL or any other investment adviser of the Fund, or any associate or affiliate of the Manager, MFC Global, EPL or any other investment adviser of the Fund, to indemnify or insure the members of the Independent Advisory Board in respect of a loss that arises out of a failure to satisfy the standard of care set out in paragraph 4 above is not paid either directly or indirectly by the Fund;
9. Prior to effecting a purchase pursuant to this Decision, the Manager has in place written policies and procedures to ensure that there is compliance with the conditions of this Decision;
10. The Manager will ensure that there is compliance with the conditions of this Decision;
11. The Independent Advisory Board reviews the Fund's purchases, sales and continued holdings of Manulife Securities on a regular basis, but not less frequently than once every calendar quarter;
12. The Independent Advisory Board forms the opinion, after reasonable inquiry, that the Decision made on behalf of the Fund by MFC Global to purchase, sell or continue to hold Manulife Securities was, and continues to be, in the best interests of the Fund and:
- (a) represents the business judgement of MFC Global, uninfluenced by considerations other than the best interests of the Fund,
 - (b) was made free from any influence by Manulife and without taking into account any consideration relevant to Manulife or any associate or affiliate of Manulife, and
 - (c) does not exceed the limitations of the applicable legislation;
13. The determination made by the Independent Advisory Board pursuant to paragraph 12 above is included in detailed written minutes provided to MFC Global not less frequently than quarterly;
14. Within 30 days after the end of each quarter in which MFC Global purchases or sells Manulife Securities on behalf of the Fund, a Filer will file on SEDAR:
- (a) a report disclosing:
 - (i) the date of each purchase and sale,
 - (ii) the volume weighted average price paid or received for the Manulife Securities by the Fund on a given date, and
- (iii) whether a purchase, sale or equity position was determined by the Independent Advisory Board to not comply with paragraph 12 above and, if so, why the purchase, sale or equity position was either completed, continued or not liquidated notwithstanding the Independent Advisory Board's determination;
- (b) a certificate of MFC Global certifying that:
- (i) at the time of each trade the trade represented the business judgement of MFC Global uninfluenced by considerations other than the best interest of the Fund and was, in fact, in the best interests of the Fund,
 - (ii) the trades were made free from any influence by Manulife or any affiliate or associate thereof and without taking any consideration relevant to Manulife 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 Manulife Securities; and
- (c) a certificate by each member of the Independent Advisory Board certifying that after reasonable inquiry the member formed the opinion that the policies and procedures referred to in paragraph 9 above are adequate and effective to ensure compliance with this Decision and that the decision made on behalf of the Fund by MFC Global to purchase Manulife Securities for the Fund and the purchase by the Fund:
- (i) was made in compliance with the conditions of this Decision;
 - (ii) represented the business judgment of MFC Global uninfluenced by considerations other than the best interests of the Fund; and
 - (iii) was, in fact, in the best interests of the Fund;
15. The Independent Advisory Board advises the Decision Makers in writing of:

- (a) any determination by it that paragraph 12 has not been satisfied with respect to any purchase, sale or holding of Manulife Securities,
 - (b) any determination by it that any other condition of this Decision has not been satisfied,
 - (c) any action it has taken or proposes to take following the determinations referred to above, and
 - (d) any action taken, or proposed to be taken, by the Manager or MFC Global in response to the determinations referred to above;
16. The existence, purpose, duties and obligations of the Independent Advisory Board, the names of its members, whether and how they are compensated by the Funds, and the fact that they are independent are disclosed:
- (a) in the prospectus of the Fund, and
 - (b) on the Manager's internet website; and
17. The Decision, as it relates to the Jurisdiction of a Decision Maker will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with investment fund governance in a manner that conflicts with or makes inapplicable any provision of this Decision.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.1.16 StarPoint Energy Trust and APF Energy Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – relief from the registration and prospectus requirements in connection with a business combination involving two income trusts.

Applicable Statutory Requirements

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25, 53, 74(1).

Citation: StarPoint Energy Trust et al, 2005 ABASC 471

June 7, 2004

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, MANITOBA, ONTARIO, QUÉBEC,
NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR,
PRINCE EDWARD ISLAND, NORTHWEST TERRITORIES,
YUKON AND NUNAVUT (THE JURISDICTIONS)**

AND

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

AND

**IN THE MATTER OF STARPOINT ENERGY TRUST
AND APF ENERGY TRUST
(COLLECTIVELY, THE FILERS)**

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from StarPoint Energy Trust (StarPoint) and APF Energy Trust (APF) for a decision under the securities legislation of the Jurisdictions (the Legislation) that certain trades in trust units of StarPoint (Starpoint Units) issued in connection with a business combination (the Business Combination) and certain trades in trust units of APF (APF Units) are exempt from the dealer registration requirements and the prospectus requirements of the Legislation.
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (the System):
 - 2.1 the Alberta Securities Commission is the principal regulator for this application; and
 - 2.2 this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the Decision).

Interpretation

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

Representations

4. This decision is based on the following facts represented by StarPoint and APF to the Decision Makers:

- 4.1 StarPoint
 - 4.1.1 is an open-ended, unincorporated investment trust formed under the laws of the Province of Alberta on December 6, 2004 (the StarPoint Trust Indenture);
 - 4.1.2 has its head office in Calgary, Alberta; and
 - 4.1.3 has been a reporting issuer or the equivalent under the Legislation, if applicable, since January 7, 2005.
- 4.2 APF
 - 4.2.1 is an open-ended, unincorporated investment trust formed under the laws of the Province of Alberta on October 10, 1996;
 - 4.2.2 has its head and principal office in Calgary; and
 - 4.2.3 has been a reporting issuer or its equivalent under the Legislation, if applicable, since December 17, 1996.
- 4.3 The StarPoint Units and the APF Units are listed on the Toronto Stock Exchange.
- 4.4 To effect the Business Combination, StarPoint, StarPoint Energy Ltd. (SPL), APF and APF Energy Inc. (APF Energy) entered into a combination agreement dated April 13, 2005 (the Combination Agreement).
- 4.5 Pursuant to the Business Combination, StarPoint will purchase from APF all of the assets of APF and will assume the liabilities and obligations of APF in exchange for the issuance by StarPoint to APF of StarPoint Units. The aggregate number of StarPoint Units to be issued to APF will be based on an exchange ratio of 0.63 per APF Unit issued and outstanding as of the closing date specified in the Combination Agreement, which is expected to be June 17, 2005 but in any event will be no later than July 31, 2005.
- 4.6 The APF Units (other than the one APF Unit which StarPoint will subscribe for prior to completion of the Business Combination) will be redeemed by APF in exchange for StarPoint Units, which will be distributed to the APF Unitholders in accordance with the exchange ratio referred to in section 4.5.
- 4.7 Application has been made to the Toronto Stock Exchange to list the StarPoint Units to be issued pursuant to the Business Combination.
- 4.8 StarPoint and APF are unable to rely on the exemptions from the Registration and Prospectus Requirements of the Legislation of the Jurisdictions to effect the trades of StarPoint Units to be completed in connection with the Business Combination because the Business Combination is to be effected pursuant to the Combination Agreement rather than pursuant to a statutory procedure.
- 4.9 At a meeting (the APF Meeting) to be held on a date mutually agreed upon by StarPoint and APF, the holders of APF Units will be asked to approve the Business Combination, which will require the approval of at least 66% of the votes cast by APF Unitholders present in person or by proxy.
- 4.10 An information circular prepared in connection with the APF Meeting will be delivered to APF Unitholders containing or incorporating by reference:
 - 4.10.1 prospectus level disclosure regarding the business and affairs of StarPoint and APF;
 - 4.10.2 a detailed description of the Business Combination;
 - 4.10.3 pro forma information of StarPoint after giving effect to the Business Combination; and
 - 4.10.4 a fairness opinion prepared by APF's financial advisor with respect to the Business Combination.

Decision

- 5. 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.

6. The Decision of the Decision Makers pursuant to the Legislation is that:
- 6.1 the Registration and Prospectus Requirements shall not apply to the trades or distributions of StarPoint Units and, except in Québec, APF Units pursuant to the Business Combination provided that:
- 6.1.1 at the time of the trade or distribution each of StarPoint and APF are a reporting issuers or the equivalent in Québec and a jurisdiction listed in Appendix B of Multilateral Instrument 45-102 *Resale of Securities* (MI 45-102) and is not in default of any requirements of the Legislation;
- 6.1.2 the Business Combination is described in an information circular (the Information Circular) in the required form;
- 6.1.3 the Information Circular is delivered to each APF Unitholder; and
- 6.1.4 the Business Combination is approved by at least 66% of the votes cast by APF Unitholders present in person or represented by proxy at the meeting to approve the Business Combination; and
- 6.2 the first trade or alienation in StarPoint Units issued in connection with the Business Combination is a distribution or primary distribution to the public unless:
- 6.2.1 except in Québec, the conditions set out in subsection 2.6(3) of MI 45-102 are satisfied, and
- 6.2.2 in Québec:
- 6.2.2.1 at the time of the alienation, StarPoint is and has been a reporting issuer in Québec for the four months preceding the alienation;
- 6.2.2.2 no unusual effort is made to prepare the market or to create a demand for the securities;
- 6.2.2.3 no extraordinary commission or consideration is paid to a person or company in respect of the alienation; and
- 6.2.2.4 if the seller is an insider of StarPoint, the seller has no reasonable grounds to believe that StarPoint is in default of any requirement of the Legislation in Québec.

"Glenda A. Campbell", Q.C.
Vice Chair
Alberta Securities Commission

"Stephen R. Murison"
Vice Chair
Alberta Securities Commission

2.2 Orders

2.2.1 Regional Municipality of Halton - s. 74(1)

Headnote

Application for relief from registration requirements under section 25(1) of the Securities Act (Ontario) and relief from section 206(1) of the Regulations, for a municipal government proposing to engage in pooling of assets with other municipalities for common investments, subject to investment restrictions under the Municipal Act.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am.
Municipal Act, S.O. 2001, c. 25.

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., s.206(1).

August 30, 2005

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

AND

IN THE MATTER OF
ONTARIO REGULATION 1015,
R.R.O. 1990, AS AMENDED (the REGULATION)

AND

IN THE MATTER OF
THE REGIONAL MUNICIPALITY OF HALTON

ORDER
(Section 74(1) of the Act)

UPON the application (the **Application**) of the Regional Municipality of Halton (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to section 74(1) of the Act exempting the Applicant from section 25(1) of the Act, and an order pursuant to section 211 of the Regulation, exempting the Applicant from section 206(1) of the Regulation,

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

AND UPON the Applicant having represented to the Commission as follows:

1. The Applicant is a municipal corporation incorporated by the Province of Ontario in 1974.
2. The Applicant is an upper-tier municipality which covers the geographic area of four lower-tier municipalities: the City of Burlington, the Town

of Halton Hills, the Town of Milton and the Town of Oakville.

3. Section 418(1) of the *Municipal Act* (Ontario), 2001, S.O. 2001, c. 25, as amended (the **Municipal Act**) allows a municipality to invest money that it does not require immediately in securities (**Eligible Investments**) prescribed by O. Reg. 438/97, as amended (the **Municipal Regulation**), which are predominantly fixed-income investments that are traded over-the-counter.
4. The Applicant currently employs a proprietary trader (the **Trader**) to invest its surplus funds in Eligible Investments. As an employee of the Applicant, the Trader is not registered as a dealer or adviser under the Act.
5. Pursuant to section 420 of the Municipal Act, the Applicant wishes to enter into an investment management agreement (the **Agreement**) with one or more municipalities incorporated in Ontario (collectively, the **Participating Municipalities**).
6. Under the terms of the Agreement, (i) the Applicant and each of the Participating Municipalities will pool their surplus funds (the **Pooled Assets**) for investment purposes and will adopt the same investment policy and investment objectives (the **Policy**), (ii) the Trader will invest the Pooled Assets in accordance with the Policy and the Municipal Regulation, (iii) each of the Participating Municipalities will pay a nominal management fee to the Applicant to cover certain expenses incurred by the Applicant in connection with the management of the Pooled Assets, and (iv) the Trader will continue to be employed by the Applicant and will report to an investment committee comprised of representatives appointed by the Applicant and each of the Participating Municipalities.
7. In managing the Pooled Assets the Applicant will be trading in Eligible Investments which form part of the Pooled Assets and could be considered to be (a) carrying on business or holding itself out as carrying on the business of advising a Participating Municipality as to the investing in or the buying or selling of securities and (b) engaged in the business of trading in securities as an agent for a Participating Municipality, thereby necessitating registration pursuant to Section 25(1) of the Act.
8. The Applicant will be a "market intermediary" for the purposes of Section 204(1) of the Regulations.
9. As a market intermediary, the Applicant cannot rely on those exemptions from the Registration

Requirements which are not available to a market intermediary: (a) pursuant to section 206 of the Regulation, the registration exemption for municipal corporations in section 35(1)(3) of the Act; and (b) pursuant to section 3.4 of Commission Rule 45-501 – *Exempt Distributions (Rule 45-501)*, the exemption for trades to accredited investors in section 2.3 of Rule 45-501. Consequently, the Applicant would be prohibited from trading in Eligible Investments which form part of the Pooled Assets and from advising the Participating Municipalities as contemplated by the Agreement.

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

IT IS ORDERED that pursuant to subsection 74(1) of the Act, that the Applicant is exempt from the requirement to register under section 25(1) of the Act, in connection with its investment advisory activities engaged in by Agreement on behalf of the Participating Municipalities,

IT IS ALSO ORDERED pursuant to section 211 of the Regulations, that the Applicant is exempt from subsection 206(1) of the Regulations in connection with trades in Eligible Investments which form part of the Pooled Assets.

“Paul M. Moore”
Commissioner

“M. Theresa McLeod”
Commissioner

2.2.2 XE Capital Advisers, LLC - s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario) – relief from the adviser registration requirements of subsection 22(1)(b) of the CFA granted to a non-resident adviser in respect of advising certain mutual funds, non-redeemable investment funds and similar investment vehicles established outside of Canada in respect of trades in commodity futures contracts and commodity futures options principally traded on commodity futures exchanges outside Canada and cleared through clearing corporations outside Canada, subject to certain terms and conditions.

Statutes Cited:

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1)(b) and 80.

Securities Act, R.S.O. 1990, c. S.5, as am. – Rule 35-502 – Non Resident Advisers, s. 7.10

**IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, CHAPTER C.20, AS AMENDED (the CFA)
AND**

**IN THE MATTER OF
XE CAPITAL ADVISERS, LLC**

**ORDER
(Section 80 of the CFA)**

UPON the application (the **Application**) of XE Capital Advisers, LLC (the **Applicant**) to the Ontario Securities Commission (the **Commission** or **OSC**) for an order pursuant to section 80 of the CFA that the Applicant and its directors, officers, partners, members and employees acting on its behalf as advisers (collectively, the **Representatives**), be exempt, for a period of three years, from the registration requirements of section 22(1)(b) of the CFA in respect of advising certain mutual funds and non-redeemable investment funds and similar investment vehicles established outside of Canada in respect of trades in commodity futures contracts and commodity futures options principally traded on commodity futures exchanges outside of Canada and cleared through clearing corporations outside of Canada;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a limited liability company organized under the laws of the State of Delaware in the United States. The Applicant may also include affiliates of, or entities organized by, the Applicant which may subsequently execute and submit to the Commission a verification certificate confirming the truth and accuracy of the

- information set out in this Application with respect to that particular Applicant.
2. The Applicant serves as investment advisor for the Arche Fund, Ltd. and may, in the future, provide advice to certain other mutual funds, non-redeemable investment funds and similar investment vehicles (the **Funds**) which are or may be established outside of Canada in respect of trades in commodity futures contracts and commodity futures options traded on commodity futures exchanges located primarily outside of Canada and cleared through clearing corporations located primarily outside of Canada.
 3. The Applicant is not registered in any capacity under the CFA or the *Securities Act* (Ontario) (the **OSA**).
 4. The Applicant is currently registered as an investment adviser under the U.S. *Investment Advisers Act of 1940*, as amended, and is currently exempt from registration with the U.S. Commodity Futures Trading Commission and is not subject to the rules of the U.S. National Futures Association.
 5. The Applicant is, or in the future may be, the investment advisor for the Funds. As the investment advisor for the Funds, the Applicant is or will be responsible for providing certain administrative services, investment advice and other investment management services to the Funds.
 6. The Applicant and the Representatives, where required, are or will be registered or licensed or are or will be entitled to rely on appropriate exemptions from such registrations or licences to provide advice to the Funds pursuant to the applicable legislation of the Applicant's principal jurisdiction.
 7. The Funds do not have any current intention of becoming reporting issuers in Ontario or in any other Canadian jurisdiction.
 8. There is presently no rule under the CFA that provides an exemption from the adviser registration requirement in paragraph 22(1)(b) of the CFA for a person or company acting as an adviser in respect of commodity futures options and commodity futures contracts that is similar to the exemption from the adviser registration requirement in clause 25(1)(b) of the OSA for acting as an adviser (as defined in the OSA) in respect of securities that is provided under section 7.10 (Privately Placed Funds Offered Primarily Abroad) of Rule 35-502 – *Privately Placed Funds Offered Primarily Abroad* (**Rule 35-502**).
 9. As would be required under section 7.10 of Rule 35-502, the securities of the Funds are, or will be:
 - (i) primarily offered outside of Canada;
 - (ii) only distributed in Ontario through one or more registrants under the OSA; and
 - (iii) distributed in Ontario in reliance upon an exemption from the prospectus requirements of the OSA.
 10. Securities of the Funds will be offered only to a small number of Ontario residents who qualify as an "accredited investor" under OSC Rule 45-501 - *Exempt Distributions*.

AND UPON being satisfied that it would not be prejudicial to the public interest for the Commission to grant the exemption requested on the basis of the terms and conditions proposed;

IT IS ORDERED pursuant to section 80 of the CFA that the Applicant and the Representatives are not subject to the requirements of section 22(1)(b) of the CFA in respect of their advisory activities in connection with the Funds, for a period of three years, provided that:

 - (a) the Applicant, where required, is or will be registered or licensed, or is or will be entitled to rely on appropriate exemptions from such registrations or licences to provide advice to the Funds pursuant to the applicable legislation of their principal jurisdiction;
 - (b) the Funds invest, or may in the future invest, in commodity futures contracts and commodity futures options principally traded on commodity futures exchanges outside of Canada and cleared through clearing corporations located outside of Canada;
 - (c) securities of the Funds are or will be offered primarily outside of Canada and securities of the Funds will only be distributed in Ontario through Ontario registered dealers, in reliance on an exemption from the prospectus requirements of the OSA and upon an exemption from the adviser registration requirement of the OSA under section 7.10 of Rule 35-502;
 - (d) prospective investors who are Ontario residents will receive disclosure that includes:
 - (i) a statement that there may be difficulty enforcing legal rights against the Funds or the Applicant advising the Funds because they are resident outside of Canada and all or substantially all of their assets

- are situated outside of Canada;
and
- (ii) a statement that the Applicant advising the Funds is not registered with or licensed by any securities regulatory authority in Canada and, accordingly, the protections available to clients of a registered adviser will not be available to purchasers of securities of the Funds.
- (e) any Applicant whose name does not specifically appear in this Order and who proposes to rely on the exemption granted under this Order, shall, as a condition to relying on such exemption, have executed and filed with the Commission a verification certificate referencing this Order and confirming the truth and accuracy of the Application with respect to that particular Applicant.

“Wendell S. Wigle”
Commissioner

“David L. Knight”
Commissioner

2.2.3 Everock Inc. - 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 C.S.5, AS AMENDED (THE “ACT”)**

AND

**IN THE MATTER OF
EVEROCK INC.**

**ORDER
(Section 144)**

WHEREAS the securities of Everock Inc. (“**Everock**”) have been subject to a cease trade order (the “**Ontario CTO**”) of the Ontario Securities Commission (the “**Commission**”) pursuant to paragraph 2 of subsection 127(1) of the Act, issued on February 24, 2005 and extended March 8, 2005, directing that trading in securities of Everock cease until the Ontario CTO is revoked by the Director;

AND WHEREAS Everock has applied to the Commission pursuant to section 144 of the Act (the “**Application**”) for a revocation of the Ontario CTO;

AND WHEREAS Everock has represented to the Commission that:

1. Everock was incorporated by Articles of Incorporation dated September 27, 1999 under the laws of the Province of Ontario under the name Digital Cybernet Corporation. Everock changed its name to Canadian Everock Explorations Inc., pursuant to Articles of Amendment dated November 20, 2000. Subsequently, Everock changed its name to Everock Inc.
2. Everock is a reporting issuer under the act and has been a reporting issuer in Ontario since October 15, 1999. The Everock is not a reporting issuer or the equivalent in any other jurisdiction in Canada.
3. The authorized capital of Everock consists of an unlimited number of common shares (“**Common Shares**”) of which 29,623,287 Common Shares are issued and outstanding. Other than the Common Shares, Everock has no securities (including debt securities) outstanding.

4. The Common Shares are not listed or quoted on any exchange or market. The Common Shares were previously quoted on the CDN System under the symbol "DICY".
5. The Ontario CTO was issued due to the failure of Everock to file and deliver audited annual financial statements for the year ended September 30, 2004 (the "September 2004 Statements"). Subsequently, Everock failed to file unaudited interim financial statements for the first and second quarters for the fiscal year 2005 (the "Interim Statements").
6. Except for the Ontario CTO, Everock is not, to its knowledge, in default of any of the requirements of the Act or the rules and regulations made there under, other than the following:
 - a. Everock failed to file the September 2004 Statements when due; and
 - b. Everock failed to file the Interim Statements;
7. The September 2004 Statements and the Interim Statements were not filed in a timely manner with the Commission or sent to the shareholders of Everock because Everock was inactive and did not have the funds necessary to prepare and mail such statements.
8. The September 2004 Statements and the unaudited financial statements of Everock for the three-month periods ending March 31, 2005 and December 31, 2004 were filed with the Commission on SEDAR on April 11, 2005.
9. Everock is not considering and is not involved in any discussion relating to a reverse take-over transaction or a similar transaction.

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

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

IT IS ORDERED, pursuant to section 144 of the Act, that the Ontario CTO be revoked.

John Hughes
Manager, Corporate Finance
Ontario Securities Commission

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Sarwat Roohi Khan

August 29, 2005

**IN THE MATTER OF AN APPLICATION
FOR REGISTRATION OF SARWAT ROOHI KHAN**

**OPPORTUNITY TO BE HEARD BY THE DIRECTOR
UNDER SUBSECTION 26(3) OF THE SECURITIES ACT**

Date: August 29, 2005

Director: David M. Gilkes
Manager, Registrant Regulation
Capital Markets Branch

Submissions: Les Daiter For Ontario Securities Commission staff
Sarwat Khan For herself

Overview

1. This decision relates to the application of Ms. Khan (also referred to as the **Applicant**) for registration as a Scholarship Plan Dealer Salesperson for Children's Education Funds Inc. (**CEF**). Ontario Securities Commission (**OSC**) staff has recommended that the Director refuse to grant registration.

Background

2. Ms. Khan was registered as a Scholarship Plan Dealer Salesperson under the *Securities Act* (the **Act**) sponsored by USC Education Savings Plans Inc. (**USC**) from February 24, 1999 until her termination effective May 10, 2005.

3. Ms. Khan was terminated for cause by USC. On May 16, 2005 OSC staff received a transfer request for Ms. Khan's registration from USC to CEF via the National Registration Database (**NRD**).

4. On June 20, 2005 OSC staff sent Ms. Khan a letter by way of registered mail, notifying her of Staff's recommendation that the request for the transfer of her registration to CEF be refused.

5. On June 29, 2005 staff received a letter from Ms. Khan indicating that she wished to exercise her right for an Opportunity to be Heard (**OTBH**) by the Director. Subsection 26(3) of the Act states:

(3) Refusal – The Director shall not refuse to grant, renew, reinstate or amend registration or impose terms and conditions thereon without giving the applicant an opportunity to be heard.

6. The OTBH was conducted through written submissions made by OSC staff and Ms. Khan.

Submissions

7. OSC staff noted five incidents that led to the recommendation to refuse to grant registration to Ms. Khan. The reasons were:

- i. A client complaint from a husband and wife by the names of Nair Mahmood and Irfana Nasir was received by USC on April 19, 2005. Mr. Mahmood and Ms. Nasir complained that Ms. Khan had forged their signatures and submitted a scholarship plan enrolment form without their knowledge or consent. Substantial evidence has been collected to substantiate this complaint;

- ii. In 2002 an unusual amount of returned mail from enrolment applicants serviced by Ms. Khan prompted an investigation by USC. USC uncovered that Ms. Khan was altering or not fully completing mailing addresses on enrolment applications. This resulted in delays to the subscribers receiving the terms and conditions of their agreement. As a result of this activity, Ms. Khan was placed under close supervision by USC;
- iii. In 2004 Ms. Khan launched a website at www.sarwatkhan.com/aboutus.html, prior to receiving USC's approval. During the investigation that followed, USC discovered that Ms. Khan had not disclosed that she held a level 1 insurance license since November 2001. On January 28, 2004, Staff received a completed form 33-109F5 – *Change of Registration Information*, disclosing Ms. Khan's insurance license; and
- iv. Throughout 2004 and the early part of 2005 Ms. Khan paid for and had several television advertisements aired without USC's approval. During the ensuing investigation, Ms. Khan stated that the commercials had not aired since the fall of 2004. However, according to USC, the commercials were seen on air as recently as March and April of 2005.

8. The first reason contains a serious allegation relating to Ms. Khan's sales practices. OSC staff investigated this allegation and found that Mr. Mahmood's recollection of the events leading to opening of a scholarship plan for his son is very different to Ms. Khan's submission.

9. Ms. Khan submitted that Ms. Nasir asked Ms. Khan to open a plan for their son, Yasir. In his complaint to USC, Mr. Mahmood stated that they did not want to start another plan (they had two plans for their other children) but Ms. Khan called them repeatedly for over a year. Eventually, Ms. Khan sent an enrolment form to Ms. Nasir at home. After discussing the matter with Mr. Mahmood, they did not sign the form or return it to Ms. Khan.

10. Mr. Mahmood first learned of the scholarship plan for Yasir when he saw the money withdrawn from his account on his bank statement. At this time he contacted USC and made a complaint. USC sent him a copy of the enrolment form submitted by Ms. Khan and he noted that the serial number on that form was different than the one that had been sent to their home. USC asked Mr. Mahmood to file a written complaint.

11. Ms. Khan admitted to completing the enrolment form for Yasir based on information including signatures from an enrolment form previously completed by Mr. Mahmood and Ms. Nasir. She submitted the form with the knowledge that Mr. Mahmood and Ms. Nasir had not signed the document.

12. The other four reasons cited by OSC staff reveal that Ms. Khan did not appear to understand the internal procedures and policies at USC. Her submissions in regard to these issues highlight this weakness. This lack of understanding also raises questions about USC's training practices.

Suitability for Registration

13. A registrant is in a position to perform valuable services to the public, both in the form of direct services to individual investors and as part of the larger system that provides the public benefits of fair and efficient capital markets. A registrant also has a corresponding capacity to do material harm to individual investors and the public at large.

14. Determining whether an applicant should be registered is an important component of the work undertaken by OSC staff to protect investors and foster confidence in the capital markets. This point was made in the *Mithras* decision that reads in part:

... the role of the Commission is to protect the public interest by removing from the capital markets -- wholly or partially, permanently or temporarily, as the circumstances may warrant -- those whose conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the integrity of those capital markets. We are not here to punish past conduct; that is the role of the courts, particularly under section 118 of the Act. We are here to restrain, as best we can, future conduct that is likely to be prejudicial to the public interest in having capital markets that are both fair and efficient. In doing so we must, of necessity, look to past conduct as a guide to what we believe a person's future conduct might reasonably be expected to be; we are not prescient, after all.

Re Mithras Management Ltd., (1990) 13 OSCB 1600

15. The standard for suitability is based on three well established criteria that have been identified by the OSC:

The [Registrant Regulation] section administers a registration system which is intended to ensure that all Applicants under the Securities Act and the Commodity Futures Act meet appropriate standards of integrity, competence and financial soundness ...

Ontario Securities Commission, Annual Report 1991, Page 16

16. The meanings of the criteria for the purposes of determining suitability for registration are not defined in Ontario securities legislation but OSC staff consider:

- **integrity** includes honesty and good faith, particularly in dealings with clients, and compliance with Ontario securities law;
- **competence** includes prescribed proficiency and knowledge of the requirements of Ontario securities law; and
- **financial soundness** is an indicator of a firm's capacity to fulfill its obligations and can be an indicator of the risk that an individual will engage in self-interested activities at the expense of clients.

Decision and Reasons

17. There are significant differences between the descriptions of events surrounding the enrolment of Yasir Mahmood in a scholarship plan. However, there is agreement that Ms. Khan submitted a scholarship plan enrolment form with false signatures on it. This clearly demonstrates a lack of integrity by the Applicant.

18. The other four issues raised by OSC staff all relate to the competency of Ms. Khan. Not collecting the appropriate information and completing the forms correctly for clients, not informing USC and the OSC that she had received an insurance licence and not complying with USC policies and procedures relating to promotional materials.

19. Her lack of competency led her to feel that she was "being victimized by staff at Compliance Department at USCI." The submissions indicate that Ms. Khan did not understand certain requirements and responsibilities that accompany the position she held.

20. Having reviewed all the information provided to me, I find that the Applicant has not demonstrated the high standards of competency and of integrity required of a professional in the securities industry. Therefore, I refuse to grant the Applicant registration as a Scholarship Plan Dealer Salesperson.

"David M. Gilkes"

3.2 Court Decisions, Orders and Rulings

3.2.1 Richtree Inc., Re (Ont. S.C.J. [Commercial List])

RICHTREE INC., RE

IN THE MATTER OF
THE COMPANIES' CREDITORS ARRANGEMENT ACT,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF
A PLAN OF COMPROMISE OR ARRANGEMENT OF RICHTREE INC.
AND
RICHTREE MARKETS INC.

Ontario Superior Court of Justice [Commercial List]

Lax J.

Heard: December 8, 2004
Judgment: January 26, 2005
Docket: 04-CL-5584

Counsel: Edmond F.B. Lamek for Applicant, Richtree Inc.

Michael Weinczok for Catalyst Fund General Partner Inc.

Kelley McKinnon, Alexandra S. Clark, J.H. Grout for Respondent, Ontario Securities Commission

Lax J.:

1 Richtree Inc. is a reporting issuer in Ontario and in several other Canadian jurisdictions. It brings this motion requesting an exemption by way of extension from the requirement to file its audited financial statements and other continuous disclosure documents with the Ontario Securities Commission (the "OSC") and the equivalent regulatory authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Newfoundland and Labrador and Nova Scotia. Following submissions, I dismissed the motion with reasons to follow. These are the reasons.

Background

2 At the time of the motion, Richtree had filed an Application with the Superior Court of Justice, Commercial List, and received creditor protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 ("CCAA"). This proceeding is ongoing.

3 On November 24, 2004, it made an Application under the Mutual Reliance Review System for Exemptive Relief Applications (the "MRRS System") for an exemption from the obligation to meet its filing requirements with the OSC. The MRRS System permits reporting issuers to request exemptions from multiple Canadian securities regulators with a single application. As Richtree had appointed the OSC as the principal regulator, its staff had primary carriage of the Application for Exemption. The exemptions sought were exemptions from the filing with the OSC the 2005 Q1 Interim Financial Statements and the 2005 Q1 Management's Discussion and Analysis by December 8, 2004; and, the 2004 Annual Financial Statements, the 2004 Management's Discussion and Analysis and the 2004 Annual Information Form by December 10, 2004.

4 Shortly before the formal filing of the Application for Exemption, OSC staff informed Richtree that they would not recommend that the OSC grant the exemption. On December 1, 2004, OSC staff confirmed its recommendation and also informed Richtree that staff of the other regulators would also recommend that their securities commissions refuse the request for exemption. The OSC staff offered to convene a joint hearing before a panel of the OSC, with the other jurisdictions participating by conference, or a hearing before the OSC if the other jurisdictions agreed to abide by the decision of the OSC. Richtree refused the hearing and brought this motion on December 7, 2004, which was the day before its first filings were due.

Analysis

5 Richtree concedes that the OSC has statutory jurisdiction to grant an exemption to a reporting issuer: *Securities Act*, R.S.O. 1990, c. S-5, s. 80. However, it submits that the court has inherent jurisdiction to grant this relief consistent with its discretionary powers under section 11 of the CCAA to accomplish the goal of facilitating the restructuring of a debtor company. It points to

examples of stays in the nature of "tolling provisions". These are frequently granted in Initial CCAA Orders and constrain creditors or third parties from exercising rights so as to provide the necessary stability for the debtor company to restructure its affairs. It submits that the court has a variety of discretionary powers arising from its inherent jurisdiction to make orders to do justice between the parties and also to do what practicality demands. For this proposition, it relies on dicta of Farley J. in *Royal Oak Mines Inc., Re* (1999), 7 C.B.R. (4th) 293 (Ont. Gen. Div. [Commercial List]) where he said at p.296:

... In light of the very general framework of the CCAA, judges must rely upon inherent jurisdiction to deal with CCAA proceedings. However, inherent jurisdiction is not limitless if the legislative body has not left a functional gap or vacuum, then inherent jurisdiction should not be brought into play. The same limitations are applicable to a Court's use of a discretion granted by statute. I appreciate that there may have been some blurring of distinction among discretion, inherent jurisdiction and general jurisdiction (including the common law facility). This combination is implicitly recognized in *Baxter Student Housing Ltd. v. College Housing Co-operative Ltd.* (1975), 57 D.L.R. (3d) 1 in Dickson J's analysis of inherent jurisdiction at pp. 4-5. ...

6 In *Baxter Student Housing Ltd. v. College Housing Co-operative Ltd.* [1975 CarswellMan 3 (S.C.C.)], Dickson J. emphasized that inherent jurisdiction does not empower a judge to negate an unambiguous expression of the legislature. Neither may it be exercised to conflict with a statute or rule. It is a special and extraordinary power to be exercised only sparingly and in a clear case and usually to maintain the authority and integrity of the court process.

7 The concept of "inherent jurisdiction" within CCAA proceedings is discussed in the recent decision of the British Columbia Court of Appeal in *Skeena Cellulose Inc., Re* (2003), 43 C.B.R. (4th) 187 (B.C. C.A.), at 211- 212. The court concludes that when one analyzes cases such as *Royal Oak Mines Inc., Re*, as well as others referred to by Farley J. such as *Westar Mining Ltd., Re*, [1992] 6 W.W.R. 331 (B.C. S.C.), the court's use of the term "inherent jurisdiction", is a misnomer. In these cases, the courts are exercising a statutory discretion given by the CCAA rather than their inherent jurisdiction. This is an important distinction, which Farley J. recognizes in *Royal Oak Mines Inc., Re* in the passage quoted and in his reference to the decision of the Supreme Court of Canada in *Baxter*.

8 I agree with the analysis in *Skeena Cellulose* that when a court grants a stay of proceedings under section 11 or approves a plan of arrangement under section 6, the court is not exercising a power that arises from its nature as a Superior Court, but rather is exercising the discretion granted to it under the broad statutory regime of the CCAA. The relief that Richtree requests whether under the CCAA or the *Securities Act* is discretionary. The question that arises then is whether the statutory discretion granted to a court under the CCAA can be exercised in the face of section 80 of the *Securities Act*, which provides that it is the Commission that may grant or refuse the exemptions sought.

9 The answer is no. There is no provision of the CCAA that either addresses or contemplates an application to the court for exemption from the filing requirements of the *Securities Act*. The doctrine of paramountcy has been acknowledged to apply where the exercise of a court's discretion under the CCAA conflicts with the mandatory provisions of provincial legislation, see for example, *Smoky River Coal Ltd., Re* (1999), 12 C.B.R. (4th) 94 (Alta. C.A.), at 115; *Loewen Group Inc., Re* (2001), 32 C.B.R. (4th) 54 (Ont. S.C.J. [Commercial List]), at 58 However, it is worth noting that in neither case was it necessary to invoke the paramountcy doctrine. Here, as in the cases referred to, there is no inconsistency between federal and provincial law. The doctrine of paramountcy does not apply.

10 Further, where a provincial statute is given exclusive jurisdiction to determine a matter, the court's discretionary power under the CCAA cannot be used to override it. Hence, a broad receivership power under federal bankruptcy legislation confers no authority on a bankruptcy court to determine whether a receiver that carries on the business of a debtor is a successor employer. This is within the exclusive jurisdiction of the Ontario Labour Relations Board: *GMAC Commercial Credit Corp.-Canada v. TCT Logistics Inc.* (2004), 238 D.L.R. (4th) 677 (Ont. C.A.). On this point, the court was unanimous.

11 Richtree relies on Orders made in CCAA proceedings in *Slater Steel Corp., Re* [2004 CarswellOnt 5498 (Ont. C.A.)] and *Air Canada* where the court granted extensions of time for calling an annual general meeting of shareholders. This is commonly done in CCAA proceedings. It is quite a different thing to relieve a reporting issuer from providing timely and accurate financial information to members of the public where, as here, the company's shares continue to trade. At the time of its application for exemption from filing requirements, Slater's shares had been delisted from the Toronto Stock Exchange and were no longer trading. Further, the OSC, as lead regulator, had granted Slater a filing exemption, which is recited in the Order of May 5, 2004.

12 Richtree submits that the court should defer to the opinion of the directors of the company who are attempting to achieve the best results they can for the company and all of its stakeholders. I agree that the task of the directors is to focus their attention on assisting Richtree with its restructuring. However, the proper forum for debating the effect of the filing requirements on Richtree is not on this motion, but at the OSC. The legislature has decided that it is the proper forum for balancing the interests of the company and its stakeholders on the one hand and the interests of members of the public on the other. I conclude that the court has no jurisdiction under the CCAA to grant the exemptions sought.

13 Having said this, I wish to make some comments about the reasons that the Richtree directors have come to court. The company does not plan to comply with its filing requirements and the directors have two concerns. The only evidence before the court is a solicitor's affidavit, which deposes in paragraph 2:

... I understand that Richtree's directors are concerned that they could be required under applicable securities laws to notify the boards of any other public companies on which they serve or may in the future serve, of such filing requirement defaults. Moreover, I understand that Richtree's directors are concerned that they might be viewed as having acquiesced in a deliberate breach by Richtree of securities law and corporate legislation and thereafter suffer damage to their respective reputations.

14 As to the first concern, the Richtree directors are already required to disclose that they have been directors of a company that has made a plan of arrangement under the CCAA. Specifically, the rules of the Toronto Stock Exchange require directors to disclose this on a Personal Information Form for all companies seeking to list, or that currently list their shares for trading on the TSX.

15 The sole consequence of Richtree's failure to meet the filing requirements is that the company will be placed on the OSC's Default List. There is no requirement under Ontario securities law to disclose that an individual has been a director of a company that has been placed on the Default List. Although the OSC does place companies that are under CCAA protection on the Default List, there is no evidence that this has caused any harm to Richtree or indeed to other companies currently on the list, or to their directors.

16 As to the second concern, I was informed that the Richtree directors, or at least some of them, are on several boards, and that this raises concerns for them about their reputations as directors of these boards or other boards they may be invited to join. I find this to be a disquieting submission. As directors of Richtree and as directors of any other boards on which they may now or in the future serve, they have fiduciary duties that require them to act honestly and in good faith with a view to the best interests of the corporation. These duties are paramount. Reputational concerns of a personal nature play no role in assessing the alleged harm that may flow to a director from being a member of a board whose company is a defaulting issuer.

17 The purpose of section 11 of the CCAA is to provide the court with a discretionary power to restrain conduct against a debtor company so as to permit it to continue in business during the arrangement period: see, *Quintette Coal Ltd. v. Nippon Steel Corp.* (1990), 2 C.B.R. (3d) 303 (B.C. C.A.), at 312. As observed there, the power is discretionary and therefore is to be exercised judicially.

18 Companies under CCAA protection are not immunized from complying with regulatory regimes. During a CCAA proceeding, directors are not immunized from carrying out their responsibilities or relieved of their obligations to serve the company and its stakeholders diligently. The order that is sought has nothing to do with Richtree's restructuring process. It is intended to grant the directors personal protection to their reputations. This is neither contemplated by section 11, nor are the directors entitled to this protection. Even if the court had the jurisdiction to grant the relief sought, I would not do so as this is an improper and injudicious exercise of the court's discretion under the CCAA.

19 For these reasons, the motion was dismissed. The OSC does not seek costs.

Motion dismissed.

Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke

No updates for the week of September 1 to September 7, 2005.

4.2.1 Temporary, Permanent & Rescinding Management 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
*Brainhunter Inc.	18 May 05	31 May 05	31 May 05	11 Aug 05	
ACE/Security Laminates Corporation	06 Sept 05	19 Sept 05			
HMZ Metals Inc.	24 Aug 05	06 Sept 05	06 Sept 05		

*Previously not reported in the Bulletin

4.2.2 Outstanding 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
ACE/Security Laminates Corporation	06 Sept 05	19 Sept 05			
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	24 Aug 05	06 Sept 05	06 Sept 05		
Hollinger Canadian Newspapers, Limited Partnership	21 May 04	01 Jun 04	01 Jun 04		
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04		
Hollinger International	18 May 04	01 Jun 04	01 Jun 04		
Kinross Gold Corporation	01 Apr 05	14 Apr 05	14 Apr 05		
Rex Diamond Mining Corporation	04 Jul 05	15 Jul 05	15 Jul 05		
Thistle Mining Inc.	05 Apr 05	18 Apr 05	18 Apr 05		
TS Telecom Ltd	08 Aug 05	19 Aug 05	19 Aug 05		
Xplore Technologies Corp.	04 Jul 05	15 Jul 05	15 Jul 05		

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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 SecuritiesSource (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	Purchasev	Security	Total Pur. Price (\$)	# of Securities
26-Aug-2004 to 30-Jun-2005	246 Purchasers	01 Communique Laboratory Inc. - Units	2,347,890.00	390,030.00
11-Aug-2005 to 17-Aug-2005	3 Purchasers	Advanced Energy Industries, Inc. - Shares	196,985.89	20,203.00
29-Aug-2005	Jim & Sylvia McGovern Stuart Macgregor	Allon Therapeutics Inc. - Common Shares	131,250.00	125,000.00
04-Aug-2005	3 Purchasers	ALESCO Preferred Funding VII, Ltd. - Preferred Shares	35,148,000.00	29,000.00
29-Jul-2005	4 Purchasers	Au Martinique Silver Inc. - Common Share Purchase Warrant	58,324.00	583,240.00
31-Aug-2005	Udith E. Brodie	Bariview Investment Corporation - Common Shares	100,000.00	100.00
24-Aug-2005	12 Purchasers	Big Sky Energy Corporation - Units	7,200,000.00	7,200,000.00
25-Aug-2005	Pierre de Laplante Paul Legace	Blackdog Resources Ltd. - Units	15,000.00	75,000.00
24-Aug-2005	9 Purchasers	Burmis Energy Inc. - Common Shares	2,142,300.00	579,000.00
24-Aug-2005	ACE Canada	Canadian Auto Retail Lease Trust No. 6 - Promissory note	1,000,000,000.00	1.00
23-Sep-2005	5 Purchasers	CareVest First Mortgage Investment Corporation - Preferred Shares	254,125.00	257,125.00
23-Aug-2005	Keith Cowan	CareVest Second Mortgage Investment Corporation - Preferred Shares	5,000.00	5,000.00
16-Aug-2005	63 Purchasers	Cathay Forest Products Inc. - Units	5,172,782.00	9,405,058.00
15-Aug-2005	3 Purchasers	Channel Resources Ltd. - Units	235,999.80	786,666.00
18-Aug-2005	Chrysalis CPC Co- Investment Limited Partnership	Chrysalis Capital II Corporation - Common Shares	250,000.00	1,250,000.00
17-Aug-2005	18 Purchasers	Constellation Copper Corporation - Special Warrants	6,666,499.80	7,407,222.00
24-Aug-2005	Business Development Bank of Canada	Cyrium Technologies Incorporated - Common Shares	500,000.00	962,022.00

Notice of Exempt Financings

24-Aug-2005	5 Purchasers	DEPFA ACS Bank - Notes	125,000,000.00	125,000,000.00
19-Aug-2005	8 Purchasers	Etruscan Resources Inc. - Units	3,699,999.00	2,740,740.00
24-Aug-2005	Amarnath Resources Limited	Excalibur Limited Partnership II - Limited Partnership Units	2,000,000.00	40.00
01-Sep-2005	9 Purchasers	G2 Resources Inc. - Units	470,800.00	1,177,000.00
17-Aug-2005	ITW Canada	GMO Developed World Equity Investment Fund PLC - Units	70,020.52	2,442.00
12-Aug-2005	7 Purchasers	Golden Cariboo Resources Ltd. - Units	181,999.92	758,333.00
29-Aug-2005	3 Purchasers	Golden Cariboo Resources Ltd. - Units	59,040.00	246,000.00
24-Aug-2004 to 30-Jun-2005	163 Purchasers	GWLIM Canadian Growth Fund - Units	1,345,578.00	182,152.00
26-Aug-2004 to 30-Jun-2005	166 Purchasers	GWLIM Canadian Mid Cap Fund - Units	938,178.00	159,916.00
25-Aug-2004 to 30-Jun-2005	309 Purchasers	GWLIM Corporate Bond Fund - Units	2,094,302.00	406,370.00
26-Aug-2004 to 30-Jun-2005	86 Purchasers	GWLIM US Mid Cap Fund - Units	752,044.00	117,984.00
18-Aug-2005	Robert A. Bondy	Hornby Bay Exploration Limited - Flow-Through Shares	52,500.00	70,000.00
25-Aug-2005	Mark Faibish	Indicator Minerals Inc. - Flow-Through Shares	5,000.00	20,000.00
25-Aug-2005	Dio Innamorato	Indicator Minerals Inc. - Units	23,000.00	100,000.00
22-Aug-2005	21 Purchasers	JumpTV.com, Inc. - Shares	666,306.00	37,017.00
22-Aug-2005	CMP 2005 Resources Limited Partnership Canadian Dominion Resources 2005 Limited Partnership	Junex Inc. - Units	750,200.00	484,000.00
15-Jul-2005 to 16-Jul-2005	73 Purchasers	KidsFutures Inc. - Units	4,147,756.00	1,471,756.00
15-Aug-2005	11 Purchasers	Kingwest Avenue Portfolio - Units	242,870.00	8,837.00
25-Aug-2004 to 30-Jun-2005	148 Purchasers	LLIM Canadian Bond Fund - Units	4,443,403.00	571,481.00
26-Aug-2004 to 30-Jun-2005	355 Purchases	LLIM Income Plus Fund - Units	5,582,418.00	913,319.00

Notice of Exempt Financings

26-Aug-2004 to 30-Jun-2005	97 Purchasers	LLIM US Equity Fund - Units	680,911.00	124,240.00
26-Aug-2004 to 30-Jun-2005	113 Purchasers	LLIM US Growth Sectors Fund - Units	1,271,139.00	285,575.00
25-Aug-2005	3 Purchasers	Lodgepole Energy No. 1 Limited Partnership - Units	231,000.00	23,100.00
02-Jul-2004 to 30-Jun-2005	490 Purchasers	Mackenzie Maxxum Dividend Fund - Units	127,680,695.84	10,069,937.00
05-Jul-2004 to 30-Jun-2005	127 Purchasers	Mackenzie Select Managers Canada Fund - Units	470,190.85	94,386.00
09-Sep-2004 to 30-Jun-2005	103 Purchasers	Mackenzie Select Managers Far East Capital Class - Units	5,518,723.40	472,410.00
14-Mar-2004 to 30-Jun-2005	The Canada Life Assurance Company	Mackenzie Sentinel Corporate Bond Fund - Units	75,000.00	7,463.00
06-Jul-2004 to 30-Jun-2005	99 Purchasers	Mackenzie Universal American Growth Capital Class Series S - Units	577,572.38	112,182.00
01-Sep-2004 to 30-Jun-2005	364 Purchasers	Mackenzie Universal Canadian Resource Fund Series S - Units	59,357,771.08	3,452,576.00
26-Aug-2004 to 30-Jun-2005	139 Purchasers	Mackenzie Universal Emerging Markets Capital Class - Units	1,299,068.80	125,293.00
02-Jul-2004 to 30-Jun-2005	148 Purchasers	Mackenzie Universal Global Future Fund - Units	877,413.84	223,278.00
02-Mar-2004 to 30-Jun-2005	50 Purchasers	Mackenzie Universal International Stock Fund - Units	2,582,897.36	266,339.00
02-Jul-2004 to 30-Jun-2005	94 Purchasers	Mackenzie Universal Precious Metals Fund - Units	5,559,430.22	405,358.00
02-Jul-2004 to 30-Jun-2005	195 Purchasers	Mackenzie Universal U.S. Growth Leaders Fund - Units	1,325,995.94	535,687.00
19-Aug-2005	Robert Margeson	Magenta II Mortgage Investment Corporation - Shares	340,000.00	34,000.00
11-Jul-2005	RBC Dominion Securities Inc.	MBS Trust - Trust Units	8,477,028.98	691,184.00
22-Aug-2005	Stewart Investments Inc.	Medtrade Products Limited - Shares	55,080.00	459.00
24-Aug-2005	Hood Brother Holdings Inc.	Medworxx Inc. - Common Shares	0.96	1.00

Notice of Exempt Financings

24-Aug-2005	GrowthWorks Commercialization Fund Ltd.	Medworxx Inc. - Debentures	625,000.00	1.00
22-Aug-2005	York Trafalgar Properties Inc.	Minterra Resources Corp. - Units	15,000.00	100,000.00
31-Aug-2005	Business Development Bank of Canada Axis Investment Fund Inc.	NETISTIX TECHNOLOGIES CORPORATION - Debentures	750,000.00	750,000.00
24-Aug-2005	VentureLink Fund Inc. Gus-Kan Inc.	Performance Plants Inc. - Promissory note	375,000.00	375,000.00
23-Aug-2005	31 Purchasers	Prairie Schooner Energy Inc. - Receipts	23,546,700.00	1,539,000.00
25-Aug-2005	9 Purchasers	Priveq III Limited Partnership - Limited Partnership Units	30,000,000.00	30,000.00
25-Aug-2005	Priveq III GP Inc.	Priveq III Limited Partnership - Units	40.00	0.00
02-Jul-2004 to 30-Jun-2005	428 Purchasers	Quadrus AIM Canadian Equity Growth Fund - Units	10,284,760.98	788,160.00
06-Jul-2004 to 30-Jun-2005	395 Purchasers	Quadrus Laketon Fixed Income Fund - Units	103,034,113.87	17,300,518.00
26-Aug-2004 to 30-Jun-2005	253 Purchasers	Quadrus Templeton Canadian Equity Fund - Units	1,214,097.87	221,306.00
24-Aug-2004 to 30-Jun-2005	312 Purchasers	Quadrus Templeton International Equity Fund - Units	2,926,009.34	744,547.00
02-Jul-2004 to 30-Jun-2005	468 Purchasers	Quadrus Trimark Balanced Fund - Units	39,646,645.46	4,055,468.00
30-Aug-2004 to 30-Jun-2005	78 Purchasers	Quadrus Trimark Global Balanced Fund - Units	1,722,828.31	166,964.00
19-Aug-2005	Nursing Homes and Related Industries Pension Plan	Real Assets U.S. Social Equity Index Fund - Units	51,168.00	7,023.00
19-Aug-2005	3 Purchasers	Shift Networks Inc. - Common Share Purchase Warrant	45,000.00	450,000.00
22-Aug-2005	Gundyco ITF Mark A. Dumanowski Geoff Waterman	Silverwing Energy Inc. - Flow-Through Shares	27,500.00	11,000.00
15-Jul-2005	Harmony Americas Samll Cap Equity	Skeena Resources Limited - Units	200,000.00	500,000.00
23-Aug-2005	MACRO Trust	SMART Trust - Notes	917,576.70	1.00
24-Aug-2005	19 Purchasers	Southern Cross Resources Inc. - Common Shares	3,000,001.00	3,157,895.00

Notice of Exempt Financings

24-Aug-2005	15 Purchasers	Southern Cross Resources Inc. - Flow-Through Shares	3,000,029.00	2,727,300.00
23-Aug-2005	Strategic Advisors Corp.	St Andrew Goldfields Ltd - Common Shares	21,472.00	268,400.00
23-Aug-2005	4 Purchasers	St Andrew Goldfields Ltd - Flow-Through Shares	599,996.00	9,999,955.00
19-Aug-2005	8 Purchasers	Syscan International Inc. - Units	103,000.00	257,500.00
15-Aug-2005	Gary Saifer	Trez Capital Corporation - Units	118,260.00	118,260.00
12-Aug-2005	Gary Saifer	Trez Capital Corporation - Units	117,910.00	117,910.00
05-Aug-2005	Carol E. Allison-Burra	Trident Global Opportunities Fund - Units	166,597.88	1,488.00
26-Aug-2005	13 Purchasers	UrAsia Energy (B.V.I.) Ltd. - Receipts	3,306,885.00	2,204,590.00
05-Aug-2005	MMV Financial Inc.	Veris Health Sciences Inc. - Option	1.00	1.00
28-Jul-2005 to 04-Aug-2005	3 Purchasers	Veris Health Sciences Inc. - Warrants	0.00	200,000.00
29-Aug-2005	4 Purchasers	Wyn Developments Inc. - Common Shares	72,000.00	200,000.00

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Chapter 9

Legislation

9.1.1 Amendments to Ontario Regulation 1015

ONTARIO REGULATION

made under the

SECURITIES ACT

Amending Reg. 1015 of R.R.O. 1990

(General)

Note: Regulation 1015 has previously been amended. Those amendments are listed in the [Table of Regulations – Legislative History Overview](#) which can be found at www.e-Laws.gov.on.ca.

1. Clause (b) of the definition of “finance company” in subsection 1 (2) of Regulation 1015 of the Revised Regulations of Ontario, 1990 is revoked and the following substituted:

- (b) distributes its securities in Ontario, without filing a prospectus in respect thereof, in reliance on subsection 2.35 (2) of National Instrument 45-106 *Prospectus and Registration Exemptions*,

.

2. Subsection 69 (2) of the Regulation is revoked.

3. Sections 71 to 78 of the Regulation are revoked.

4. Subsection 101 (1) of the Regulation is amended by striking out “section 148 is applicable” and substituting “section 3.8 of National Instrument 45-106 *Prospectus and Registration Exemptions* applies”.

5. Section 137 of the Regulation is revoked.

6. Section 148 of the Regulation is revoked.

7. Sections 150 and 151 of the Regulation are revoked.

8. (1) Clauses (d) and (d.1) of the definition of “COATS security” in section 152 of the Regulation are revoked and the following substituted:

- (d) a security of a private issuer as defined in subsection 2.4 (1) of National Instrument 45-106 *Prospectus and Registration Exemptions*,
- (d.1) a security that, under subsection 2.13 (1), 2.20 (1), 2.21 (1), 2.34 (2), 2.35 (1), 2.36 (2), 2.37 (1) or 2.38 (1) of National Instrument 45-106 *Prospectus and Registration Exemptions*, is exempt from registration,
- (d.2) a security that, under subsection 2.4 (1), 2.5 (1) or 2.6 (1) or (2) of Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*, is exempt from registration,
- (d.3) a security that is exempt from registration by virtue of section 8.3 of Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*, or

(2) Clause (d.2) of the definition of “COATS security” in section 152 of the Regulation, as made by subsection (1), is amended by adding “or” at the end.

(3) Clause (d.3) of the definition of “COATS security” in section 152 of the Regulation, as made by subsection (1), is revoked.

9. Clause 154 (1) (c) of the Regulation is revoked and the following substituted:

- (c) a trade made in reliance on an exemption set out in section 2.3, 2.7, 2.8, 2.10 or 2.15 of National Instrument 45-106 *Prospectus and Registration Exemptions*.

10. Clause (i) of the definition of “designated institution” in subsection 204 (1) of the Regulation is revoked and the following substituted:

- (i) a company or person, other than an individual, that is an accredited investor as defined in section 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions*,

11. Section 206 of the Regulation is revoked.

12. Subsection 230 (1) of the Regulation is revoked and the following substituted:

- 1) This Part does not apply to any trading, purchasing of or advising with respect to securities referred to,
- (a) in subsection 2.4 (1), 2.5 (1) or 2.6 (1) or (2) of Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*; or
- (b) in subsection 2.13 (1), 2.20 (1), 2.21 (1), 2.34 (2), 2.35 (1), 2.36 (2), 2.37 (1) or 2.38 (1) of National Instrument 45-106 *Prospectus and Registration Exemptions*.

13. Forms 24, 25 and 26 of the Regulation are revoked.

14. (1) Subject to subsection (2), this Regulation comes into force on the day that the rule made by the Ontario Securities Commission on June 14, 2005 entitled “National Instrument 45-106 *Prospectus and Registration Exemptions*” comes into force.

(2) Subsections 8 (2) and (3) come into force on the later of,

- (a) December 1, 2005; or
- (b) the day that subsection (1) comes into force.

Made by:

ONTARIO SECURITIES COMMISSION

“Susan Wolburgh Jenah”
Susan Wolburgh Jenah, Vice-Chair

“Paul M. Moore”
Paul M. Moore, Vice-Chair

Date made: June 29, 2005

I certify that I have approved this Regulation.

“Gerry Phillips”
Minister of Government Services

Date approved: August 26, 2005

Note: The rule made by the Ontario Securities Commission on June 14, 2005 entitled “National Instrument 45-106 *Prospectus and Registration Exemptions*” comes into force on September 14, 2005.

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Arctic Glacier Income Fund
Principal Regulator - Manitoba

Type and Date:

Preliminary Short Form Prospectus dated September 6, 2005
Mutual Reliance Review System Receipt dated September 6, 2005

Offering Price and Description:

\$50,062,500.00 - 4,450,000 Units
Price: \$11.25 per Unit

Underwriter(s) or Distributor(s):

TD Securities Inc.
Wellington West Capital Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.

Promoter(s):

-

Project #829550

Issuer Name:

Calloway Real Estate Investment Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Shelf Prospectus dated September 6, 2005
Mutual Reliance Review System Receipt dated September 6, 2005

Offering Price and Description:

\$2,000,000,000.00 Debt Securities
Units and Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #829564

Issuer Name:

Cameco Corporation
Principal Regulator - Saskatchewan

Type and Date:

Preliminary Short Form Prospectus dated September 1, 2005
Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

\$300,000,000.00 - 4.7% Senior Unsecured Debentures,
Series C due September 16, 2015

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Scotia Capital Inc.

Promoter(s):

-

Project #828790

Issuer Name:

Capital Teamsoft Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary CPC Prospectus dated August 31, 2005
Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

Minimum Offering: \$500,000.00 or 2,500,000 Common
Shares
Maximum Offering: \$1,000,000.00 or 5,000,000 Common
Shares

Price: \$0.20 per Common Share

Underwriter(s) or Distributor(s):

Union Securities Ltd

Promoter(s):

Gus Berdebes

Project #828278

Issuer Name:

Fairway Short Duration Diversified Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated August 30, 2005
Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

\$* (Maximum) - * Units

Price: \$10.00 per Unit

Minimum Purchase: 100 Units

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

CIBC World Markets Inc.

TD Securities Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Desjardins Securities Inc.

First Associates Investments Inc.

HSBC Securities (Canada) Inc.

Dundee Securities Corporation

Wellington West Capital Inc.

MGI Securities Inc.

Richardson Partners Financial Ltd.

Promoter(s):

Fairway Capital Management Corp.

Project #828811

Issuer Name:

Fidelity Canadian Money Market Fund

Fidelity ClearPath 2005 Fund

Fidelity ClearPath 2010 Fund

Fidelity ClearPath 2015 Fund

Fidelity ClearPath 2020 Fund

Fidelity ClearPath 2025 Fund

Fidelity ClearPath 2030 Fund

Fidelity ClearPath 2035 Fund

Fidelity ClearPath 2040 Fund

Fidelity ClearPath 2045 Fund

Fidelity ClearPath Income Fund

Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated August 31, 2005

Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

Series A, B, C, D, F, O, S and T Units

Underwriter(s) or Distributor(s):

Fidelity Investments Canada Limited

Fidelity Investments Canada Limited

Promoter(s):

Fidelity Investments Canada Limited

Project #828265

Issuer Name:

Middlefield Equal Sector Income Fund

Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated September 2, 2005

Mutual Reliance Review System Receipt dated September 2, 2005

Offering Price and Description:

Maximum \$ * (* Units)

Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

RBC Dominion Securities Inc.

BMO Nesbitt Burns Inc.

Scotia Capital Inc.

TD Securities Inc.

National Bank Financial Inc.

HSBC Securities (Canada) Inc.

Canaccord Capital Corporation

Wellington West Capital Inc.

Desjardins Securities Inc.

Dundee Securities Corporation

First Associates Investments Inc.

Raymond James Ltd.

Acadian Securities Incorporated

Berkshire Securities Inc.

Middlefield Capital Corporation

Research Capital Corporation

Promoter(s):

Middlefield Group Limited

Middlefield Sector Management Limited

Project #829052

Issuer Name:

Scott's Real Estate Investment Trust

Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated August 31, 2005

Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

\$*-* Units

Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

CIBC World Markets Inc.

Genuity Capital Markets

RBC Dominion Securities Inc.

Desjardins Securities Inc.

Canaccord Capital Corporation

Promoter(s):

Scott's Restaurants Inc.

Project #828600

Issuer Name:

Summit Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated September 2, 2005

Mutual Reliance Review System Receipt dated September 2, 2005

Offering Price and Description:

\$100,050,000.00 - 4,350,000 Units

Price: \$23.00 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
Trilon Securities Corporation
Desjardins Securities Inc.

Promoter(s):

-

Project #829116

Issuer Name:

Sustainable Production Energy Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated August 30, 2005
Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

Maximum \$* (* Trust Units)

Price: \$10.00 per Trust Unit

Minimum Purchase: 100 Trust Units

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
First Associates Investments Inc.
Raymond James Ltd.
Research Capital Corporation
Wellington West Capital Inc.
Bieber Securities Inc.
McFarlane Gordon Inc.
Computershare Investor Services Inc.

Promoter(s):

Canadian Income Fund Group Inc.
Sustainable PE Management Inc.

Project #828916

Issuer Name:

TD FundSmart Managed Aggressive Growth Portfolio
TD FundSmart Managed Aggressive Growth RSP Portfolio
TD FundSmart Managed Balanced Growth Portfolio
TD FundSmart Managed Balanced Growth RSP Portfolio
TD FundSmart Managed Income & Moderate Growth Portfolio
TD FundSmart Managed Income & Moderate Growth RSP Portfolio
TD FundSmart Managed Income Portfolio
TD FundSmart Managed Income RSP Portfolio
TD FundSmart Managed Maximum Equity Growth Portfolio
TD FundSmart Managed Maximum Equity Growth RSP Portfolio
TD Managed Aggressive Growth Portfolio
TD Managed Aggressive Growth RSP Portfolio
TD Managed Balanced Growth Portfolio
TD Managed Balanced Growth RSP Portfolio
TD Managed Income & Moderate Growth Portfolio
TD Managed Income & Moderate Growth RSP Portfolio
TD Managed Income Portfolio
TD Managed Income RSP Portfolio
TD Managed Maximum Equity Growth Portfolio
TD Managed Maximum Equity Growth RSP Portfolio
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated September 6, 2005
Mutual Reliance Review System Receipt dated September 6, 2005

Offering Price and Description:

Premium Series Units

Underwriter(s) or Distributor(s):

TD Investment Services Inc.
TD Investment Services Inc. (for Investor and Premium series units only)
TD Investment Services Inc. (for Investor and Premium series units)
TD Investment Services Inc.
TD Investment Services Inc. (for Investor series and e-series units)
TD Investment Services Inc. (for Investor series and e-Series units)

Promoter(s):

TD Asset Management Inc.

Project #829348

Issuer Name:

The Thomson Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Base Shelf Prospectus dated
September 1, 2005
Mutual Reliance Review System Receipt dated September
2, 2005

Offering Price and Description:

U.S. \$2,000,000,000.00 Debt Securities (unsecured)

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #828861

Issuer Name:

Tube City IMS Ltd.
Tube City IMS ULC
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated August 31, 2005
Mutual Reliance Review System Receipt dated September
1, 2005

Offering Price and Description:

C\$ * - * Income Participating Securities TM
Price: C\$10.00 per IPS

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Capital Corporation
Raymond James Ltd.

Promoter(s):

Mill Services Holdings LLC

Project #828222/828221

Issuer Name:

BPI American Equity Corporate Class
BPI American Equity Fund
BPI Global Equity Fund
CI Alpine Growth Equity Fund (formerly Clarica Alpine
Growth Equity Fund)
CI American Managers Corporate Class
CI American Small Companies Corporate Class
CI American Small Companies Fund
CI American Value Corporate Class
CI American Value Fund
CI Canadian Asset Allocation Fund
CI Canadian Balanced Portfolio
CI Canadian Bond Corporate Class
CI Canadian Bond Fund
CI Canadian Conservative Portfolio
CI Canadian Growth Portfolio
CI Canadian Income Portfolio
CI Canadian Investment Corporate Class
CI Canadian Investment Fund
CI Canadian Maximum Growth Portfolio
CI Canadian Small/Mid Cap Fund (formerly Clarica
Canadian Small/Mid Cap Fund)
CI Emerging Markets Corporate Class
CI Emerging Markets Fund
CI European Corporate Class
CI European Fund
CI Explorer Corporate Class
CI Explorer Fund
CI Global Balanced Portfolio
CI Global Biotechnology Corporate Class
CI Global Bond Corporate Class
CI Global Bond Fund
CI Global Boomernomics Corporate Class
CI Global Conservative Portfolio
CI Global Consumer Products Corporate Class
CI Global Corporate Class
CI Global Energy Corporate Class
CI Global Financial Services Corporate Class
CI Global Fund
CI Global Growth Portfolio
CI Global Health Sciences Corporate Class
CI Global Managers Corporate Class
CI Global Maximum Growth Portfolio
CI Global Science & Technology Corporate Class
CI Global Small Companies Corporate Class
CI Global Small Companies Fund
CI Global Value Corporate Class
CI Global Value Fund
CI International Balanced Corporate Class
CI International Balanced Fund
CI International Corporate Class
CI International Fund
CI International Value Corporate Class
CI International Value Fund
CI Japanese Corporate Class
CI Long-Term Bond Fund
CI Money Market Fund (
CI Mortgage Fund (formerly Clarica Premier Mortgage
Fund)
CI Pacific Corporate Class
CI Pacific Fund
CI Short-Term Bond Fund

CI Short-Term Corporate Class
CI Short-Term US\$ Corporate Class
CI US Money Market Fund
CI Value Trust Corporate Class
Harbour Corporate Class
Harbour Foreign Equity Corporate Class
Harbour Foreign Growth & Income Corporate Class
Harbour Fund
Harbour Growth & Income Fund
Signature Canadian Balanced Fund
Signature Canadian Income Fund
Signature Canadian Resource Corporate Class
Signature Canadian Resource Fund
Signature Canadian Small Cap Class
Signature Corporate Bond Corporate Class
Signature Corporate Bond Fund
Signature Dividend Corporate Class
Signature Dividend Fund
Signature High Income Corporate Class
Signature High Income Fund
Signature Income & Growth Corporate Class
Signature Income & Growth Fund
Signature Select Canadian Corporate Class
Signature Select Canadian Fund
Synergy American Corporate Class (formerly Synergy American Momentum Sector Fund)
Synergy American Fund (formerly Synergy American Momentum Fund)
Synergy Canadian Class (formerly Synergy Canadian Momentum Class)
Synergy Canadian Corporate Class (formerly Synergy Canadian Momentum Sector Fund)
Synergy Canadian Short-Term Income Class
Synergy Canadian Style Management Class
Synergy Canadian Value Class
Synergy Extreme Canadian Equity Fund
Synergy Extreme Global Equity Fund
Synergy Global Corporate Class (formerly Synergy Global Momentum Sector Fund)
Synergy Global Style Management Corporate Class
Synergy Tactical Asset Allocation Fund
Principal Regulator - Ontario

Type and Date:

Amendment #3 dated August 18, 2005 to Final Simplified Prospectus and Annual Information Form dated June 20, 2005

Mutual Reliance Review System Receipt dated September 6, 2005

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

CI Investments Inc.

Project #784613

Issuer Name:

Burgundy EAFE Fund
Burgundy American Equity Fund
Burgundy Balanced Income Fund
Burgundy Bond Fund
Burgundy Canadian Equity Fund
Burgundy European Equity Fund
Burgundy European Foundation Fund
Burgundy Focus Canadian Equity Fund
Burgundy Focus Equity RSP Fund
Burgundy Focus Japanese Equity Fund (formerly Burgundy Focus Japan Fund)
Burgundy Foundation Trust Fund
Burgundy Money Market Fund
Burgundy Partners' Balanced RSP Fund (formerly Burgundy Partners' RSP Fund)
Burgundy Partners' Equity RSP Fund
Burgundy Partners' Global Fund (formerly Burgundy Partners' Fund)
Burgundy Total Return Bond Fund
Burgundy U.S. Money Market Fund

Type and Date:

Final Simplified Prospectuses dated July 26, 2005

Received on August 31, 2005

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Burgundy Asset Management Ltd.
Burgundy Asset Management Ltd.

Promoter(s):

Burgundy Asset Management Ltd.

Project #802961/798587

Issuer Name:

Canadian Helicopters Income Fund
Principal Regulator - Quebec

Type and Date:

Final Prospectus dated August 31, 2005

Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

\$100,779,610.00 - 10,077,961 Units

Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
HSBC Securities (Canada) Inc.

Promoter(s):

Canadian Helicopters Limited

Project #811234

Issuer Name:

Capital Desbog inc.
Principal Regulator - Quebec

Type and Date:

Final Prospectus dated August 29, 2005
Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

Minimum Offering: \$1,250,000.00 or 2,500,000 units
Maximum Offering: \$3,500,000.00 or 7,000,000 units
Price: \$0.50 per unit
Minimum Subscription: \$1,000.00 or 2,000 units
Additional Subscriptions: \$100.00 or 200 units

Underwriter(s) or Distributor(s):

Jones, Gable & Company Ltd

Promoter(s):

Gerald Desourdy

Project #798724

Issuer Name:

Clarington Core Portfolio (Formerly Clarington Canadian Core Portfolio)

Clarington Canadian Bond Fund
Clarington Money Market Fund
Clarington Short-Term Income Class of Clarington Sector Fund Inc.

Clarington Canadian Dividend Fund

Clarington Canadian Income Fund

Clarington Canadian Income Fund II

Clarington Diversified Income Fund

Clarington Global Income Fund

Clarington Income Trust Fund

Clarington U.S. Dividend Fund

Clarington Canadian Balanced Fund

Clarington Canadian Equity Class of Clarington Sector Fund Inc.

Clarington Canadian Equity Fund

Clarington Canadian Growth & Income Fund

Clarington Canadian Resources Class of Clarington Canadian Resources Inc.

Clarington Canadian Small Cap Fund

Clarington Canadian Value Fund

Clarington Navellier U.S. All Cap Fund

Clarington Global Equity Class of Clarington Sector Fund Inc.

Clarington Global Equity Fund

Clarington Global Small Cap Fund

Principal Regulator - Ontario

Type and Date:

Amended and Restated Simplified Prospectuses and Annual Information Forms dated August 26, 2005, amending and restating the Simplified Prospectuses and Annual Information Forms dated June 28, 2005
Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

ClaringtonFunds Inc.

ClaringtonFunds Inc.

Promoter(s):

Clarington Sector Fund Inc.

Project #787914

Issuer Name:

Cowansville Capital Inc.
Principal Regulator - Quebec

Type and Date:

Final Prospectus dated August 26, 2005
Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

Maximum \$5,000,000.00 (10,000,000 Units)
Minimum \$3,000,000 (6,000,000 Units)
Common Shares and Common Share Purchase Warrants
at \$0.50 per Unit

Underwriter(s) or Distributor(s):

Desjardins Securites Inc.

Promoter(s):

-

Project #813397

Issuer Name:

EnCana Corporation
Principal Regulator - Alberta

Type and Date:

Final Shelf Prospectus dated August 31, 2005
Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

\$1,000,000,000.00 - Medium Term Notes

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Merrill Lynch Canada Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.

Promoter(s):

-

Project #822456

Issuer Name:

Great Canadian Gaming Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated August 31, 2005
Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

3,703,704 Common Shares Issuable on Exercise of
3,703,704 Special Warrants
\$75,000,006.00

Underwriter(s) or Distributor(s):

Sprott Securities Inc.
TD Securities Inc.
GMP Securities Ltd.
HSBC Securities (Canada) Inc.
Versant Partners Inc.
Pacific International Securities Inc.
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #820827

Issuer Name:

IA Canadian Conservative Equity Fund
IA Crystal Enhanced Index America Fund
IA Diversified Monthly Income Fund
IA Dividend Growth Fund
R American Fund
R Asian Fund
R Balanced Fund
R Bond Fund
R Canadian Growth Fund
R Canadian Leaders Fund
R Canadian Smaller Companies Fund
R Dividend Income Fund
R European Fund
R Global Growth Fund
R Global Value Fund
R High Yield Bond Fund
R Life & Health Fund
R Money Market Fund
R Monthly Income Balanced Fund
Principal Regulator - Quebec

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated August 26, 2005
Mutual Reliance Review System Receipt dated September 2, 2005

Offering Price and Description:

Series A, B, F & I Units @ Net Asset Value

Underwriter(s) or Distributor(s):

BLC Financial Services Inc.
BLC Services Financiers Inc.
BLC Financial Services Inc.

Promoter(s):

Industrial Alliance Fund Management Inc.

Project #811765

Issuer Name:

La Quinta Resources Corporation
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated August 29, 2005
Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

Minimum Offering: 2,560,000 Units @ \$0.25
Maximum Offering: 3,200,000 Units @ \$0.25
Flow-through Shares Minimum Offering: 1,280,000 Flow-through Shares @ \$0.25
Maximum Offering: 1,600,000 Flow-through Shares @ \$0.25

Underwriter(s) or Distributor(s):

Wolverton Securities Ltd.

Promoter(s):

Glen R. Watson
Project #801684

Issuer Name:

Lawrence Payout Ratio Trust II
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated August 30, 2005
Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

Maximum \$150,000,000.00 (15,000,000 units)

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Richardson Partners Financial Ltd.
Canaccord Capital Corporation
Desjardins Securities Inc.
Raymond James Ltd.
Wellington West Capital Inc.
First Associates Investment Inc.
GMP Securities Ltd.

Promoter(s):

Lawrence Asset Management Inc.
Project #808155

Issuer Name:

Mackenzie Universal Financial Services Capital Class
(now Mackenzie Maxxum Global Explorer Capital Class)
of Mackenzie Financial Capital Corporation
Principal Regulator - Ontario

Type and Date:

Amendment #5 dated August 29, 2005 to Final Simplified Prospectus and Annual Information Form dated September 30, 2004
Mutual Reliance Review System Receipt dated September 2, 2005

Offering Price and Description:

Series A, F, I, O and R Shares
Underwriter(s) or Distributor(s):

-

Promoter(s):

Mackenzie Financial Corporation
Project #689035

Issuer Name:

Mackenzie Fixed Income Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated August 29, 2005 to Final Simplified Prospectus and Annual Information Form dated February 4, 2005
Mutual Reliance Review System Receipt dated September 1, 2005

Offering Price and Description:

Series O Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

Mackenzie Financial Corporation
Project #726556

Issuer Name:

PEYTO Energy Trust
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated August 31, 2005
Mutual Reliance Review System Receipt dated August 31, 2005

Offering Price and Description:

\$152,750,000.00 - 5,000,000 Units
Price: \$30.55 per Unit

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
FirstEnergy Capital Corp.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Haywood Securities Inc.
Raymond James Ltd.
Peters & Co. Limited

Promoter(s):

-

Project #821469

Issuer Name:

Royal Bank of Canada
Principal Regulator - Quebec

Type and Date:

Final Shelf Prospectus dated September 1, 2005
Mutual Reliance Review System Receipt dated September 2, 2005

Offering Price and Description:

\$5,000,000,000.00 - Debt Securities (Subordinated
Indebtedness)

First Preferred Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #825077

Issuer Name:

Symmetry Registered Fixed Income Pool
Principal Regulator - Ontario

Type and Date:

Amendment #3 dated August 29, 2005 to Final Simplified
Prospectus and Annual Information Form dated February 4, 2005
Mutual Reliance Review System Receipt dated September 2, 2005

Offering Price and Description:

Series A, F, I, O and W Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

Mackenzie Financial Corporation
Project #728993/726599

Issuer Name:

TTM Resources Inc.
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated August 31, 2005
Mutual Reliance Review System Receipt dated September 6, 2005

Offering Price and Description:

Offering: \$2,000,000.00 - 5,000,000 Shares

Price: \$0.40 per Share

Underwriter(s) or Distributor(s):

Bolder Investment Partners, Ltd.

Promoter(s):

W.K. Crichy Clarke

Project #785636

Issuer Name:

USC Family Group Education Savings Plan
USC Family Single Student Education Savings Plan
USC Family Multiple Student Education Savings Plan
USC Horizon Education Savings Plan
USC Family Multiple Student Education Savings Plan
USC Horizon Education Savings Plan
USC Family Group Education Savings Plan
USC Family Single Student Education Savings Plan
USC Family Single Student Education Savings Plan
USC Family Multiple Student Education Savings Plan
USC Horizon Education Savings Plan
USC Family Group Education Savings Plan
USC Horizon Education Savings Plan
USC Family Group Education Savings Plan
USC Family Single Student Education Savings Plan
USC Family Multiple Student Education Savings Plan
Principal Regulator - Ontario

Type and Date:

Final Prospectuses dated August 30, 2005
Mutual Reliance Review System Receipt dated September 6, 2005

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

The International Scholarship Foundation
Project #801592,801614,801628/801604

Issuer Name:

Equal Sector Income Fund
Principal Jurisdiction - Ontario

Type and Date:

Preliminary Prospectus dated July 29th, 2005
Withdrawn on September 6th, 2005

Offering Price and Description:

\$ * - * Units

Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Scotia Capital Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Canaccord Capital Corporation
Dundee Securities Corporation
First Associates Investments Inc.
Wellington West Capital Inc.
RBC Dominion Securities Inc.

Promoter(s):

RBC Dominion Securities Inc.

Project #812178

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	American Century Global Investment Management Inc.	International Adviser (Investment Counsel and Portfolio Manager)	August 31, 2005
New Registration	Intrepid Equity Finance Ltd.	Limited Market Dealer	September 6, 2005
Change in Category	Kidsfutures Investments Inc.	From: Scholarship Plan Dealer To: Mutual Fund Dealer & Scholarship Plan Dealer	August 31, 2005
Change in Category	BMO Harris Investment Management Inc.	From: Investment Counsel & Portfolio Manager To: Investment Counsel & Portfolio Manager & Commodity Trading Manager & Commodity Trading Counsel	September 2, 2005

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American Express Canada Credit Corporation		HMZ Metals Inc.	
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American Express Canada Credit Corporation		Hollinger Canadian Newspapers, Limited Partnership	
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