

The Ontario Securities Commission

OSC Bulletin

February 17, 2006

Volume 29, Issue 7

(2006), 29 OSCB

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

The Ontario Securities Commission

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Published under the authority of the Commission by:

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2075 Kennedy Road
Toronto, Ontario
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The OSC Bulletin is published weekly by Carswell, under the authority of the Ontario Securities Commission.

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

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

| | |
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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

FEBRUARY 17, 2006

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

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

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

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| Susan Wolburgh Jenah, Vice-Chair | — | SWJ |
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| Robert W. Davis, FCA | — | RWD |
| Harold P. Hands | — | HPH |
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| Mary Theresa McLeod | — | MTM |
| Carol S. Perry | — | CSP |
| Robert L. Shirriff, Q.C. | — | RLS |
| Suresh Thakrar, FIBC | — | ST |
| Wendell S. Wigle, Q.C. | — | WSW |

SCHEDULED OSC HEARINGS

February 21, 2006 **Fulcrum Financial Group Inc., Secured Life Ventures Inc., Zephyr Alternative Power Inc., Troy Van Dyk and William L. Rogers**

2:30 p.m.

s. 127 and 127.1

G. Mackenzie in attendance for Staff

Panel: PMM

February 23, 2006 **James Patrick Boyle, Lawrence Melnick and John Michael Malone***

10:00 a.m.

s. 127 and 127.1

February 27, 2006
9:00 a.m.

Y. Chisholm in attendance for Staff

Motion Hearing

Panel: PMM/RWD

* Malone settled December 22, 2005

February 27, 2006 **Jose L. Castaneda**

10:00 a.m.

s.127

T. Hodgson in attendance for Staff

Panel: WSW

February 28, 2006 **Maitland Capital Ltd., Allen Grossman, Hanouch Ulfan, Leonard Waddingham, Ron Garner, Gord Valde, Marianne Hyacinthe, Diana Cassidy, Ron Catone, Steven Lanys, Roger McKenzie, Tom Mezinski, William Rouse and Jason Snow**

9:30 a.m.

s.127 & 127.1

D. Ferris in attendance for Staff

Panel: PMM

March 1 and 2, 2006 **Richard Ochnik and 1464210 Ontario Inc.**

10:00 a.m.

s. 127 and 127.1

M. Britton in attendance for Staff

Panel: PMM/RWD/DLK

Notices / News Releases

| | | | |
|--|--|---|--|
| March 2 and 3, 2006 10:00 a.m. | Christopher Freeman s. 127 and 127.1 P. Foy in attendance for Staff Panel: SWJ/CSP | March 9, 2006 10:00 a.m. | Portus Alternative Asset Management Inc., Portus Asset Management Inc. Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg s.127 & 127.1 M. MacKewn in attendance for Staff Panel: TBA |
| March 3, 2006 10:00 a.m. | Philip Services Corp., Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey, Colin Soule*, Robert Waxman and John Woodcroft s. 127 K. Manarin in attendance for Staff Panel: PKB/ST * Settled November 25, 2005 | March 30, 2006 10:00 a.m. | Mega-C Power Corporation, Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited S. 127 T. Hodgson in attendance for Staff Panel: TBA |
| March 6-10, 2006 (except Tuesday) April 10-28, 2006 (except Tuesdays and not Good Friday April 14) May 1-12; 17-19; 24-26, 2006 (except Tuesdays) June 12-19; 26-30, 2006 (except Tuesdays) 10:00 a.m. | Philip Services Corp., Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey, Colin Soule*, Robert Waxman and John Woodcroft s. 127 K. Manarin in attendance for Staff Panel: PMM/RWD/DLK * Settled November 25, 2005 | April 3, 5 to 7, 2006 10:00 a.m. April 4, 2006 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: TBA |
| March 7, 2006 2:30 p.m. | Olympus United Group Inc. s.127 M. MacKewn in attendance for Staff Panel: PMM | June 26, 2006 10:00 a.m. June 27, 2006 2:30 p.m. June 28- | Universal Settlement International Inc. s. 127 & 127.1 Y. Chisholm in attendance for Staff Panel: TBA |
| March 7, 2006 2:30 p.m. | Norshield Asset Management (Canada) Ltd. s.127 M. MacKewn in attendance for Staff Panel: PMM | July 31, 2006 10:00 a.m. | Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton s. 127 J. Cotte in attendance for Staff Panel: TBA |

| | | | |
|---|---|---|--|
| October 16, 2006 to November 10, 2006 10:00 a.m. | James Patrick Boyle, Lawrence Melnick and John Michael Malone* s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: TBA * Malone settled December 22, 2005 | TBA | Joseph Edward Allen, Abel Da Silva, Chateram Ramdhani and Syed Kabir s.127 J. Waechter in attendance for Staff Panel: RLS/ST/DLK |
| TBA | Yama Abdullah Yaqeen s. 8(2) J. Superina in attendance for Staff Panel: TBA | <u>ADJOURNED SINE DIE</u> Global Privacy Management Trust and Robert Cranston Andrew Keith Lech S. B. McLaughlin | |
| TBA | Cornwall <i>et al</i> s. 127 K. Manarin in attendance for Staff Panel: TBA | Livent Inc., Garth H. Drabinsky, Myron I. Gottlieb, Gordon Eckstein, Robert Topol Andrew Stuart Netherwood Rankin | |
| 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 | | |
| TBA | John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir S. 127 & 127.1 K. Manarin in attendance for Staff Panel: TBA | | |
| TBA | Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson s.127 J. Superina in attendance for Staff Panel: SWJ/RWD/MTM | | |

1.1.2 Notice of Commission Approval – IDA Amendments to Regulations 100.4C and 100.4K – Offset Positions in Canadian Debt Securities and Related Futures Contracts

THE INVESTMENT DEALERS ASSOCIATION

**AMENDMENTS TO
REGULATIONS 100.4C AND 100.4K –
OFFSET POSITIONS IN CANADIAN DEBT SECURITIES
AND RELATED FUTURES CONTRACTS**

NOTICE OF COMMISSION APPROVAL

The Ontario Securities Commission approved the amendments to IDA Regulations 100.4C and 100.4K – Offset Positions in Canadian Debt Securities and Related Futures Contracts. In addition, the British Columbia Securities Commission did not object, and the Alberta Securities Commission and the Autorité des marchés financiers approved the proposed amendments. The purpose of the amendments to Regulation 100.4C is to recognize, for regulatory purposes, the market risk reduction of Member firm offset positions in debt securities of different issuers and of different maturity bands by expanding the number of permissible offsets. The objective of the accompanying amendments to Regulation 100.4K is to keep the offsets available to Government of Canada bond futures positions consistent with those available to Government of Canada bonds. This notice replaces the notice of approval incorrectly published on August 19, 2005 at (2005) 28 OSCB 6841. A copy and description of the amendments were published on February 11, 2005, at (2005) 28 OSCB 1738. No comments were received.

1.1.3 Notice of Commission Approval – Material Amendments to CDS Rules Relating to CCP Capping

**THE CANADIAN DEPOSITORY
FOR SECURITIES LIMITED**

**MATERIAL AMENDMENTS TO CDS RULES
CENTRAL COUNTERPARTY CAPPING**

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (“OSC”) and The Canadian Depository for Securities Limited (“CDS”), the OSC approved on February 7, 2006 the amendments filed by CDS relating to Central Counterparty (CCP) Capping. The amendments replace the existing “hard” CCP Cap which prevents the use of CCP functions for new trades once certain thresholds are exceeded with a soft CCP Cap which permits CDS participants to use CCP functions for new trades by requiring additional collateral to be provided. A copy and description of these amendments was published on December 2, 2005 at (2005) 28 OSCB 9784. No comment letters were received.

1.2 Notices of Hearing

1.2.1 Philip Services Corp. et al.

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

AND

**IN THE MATTER OF
PHILIP SERVICES CORP., ALLEN FRACASSI,
PHILIP FRACASSI, MARVIN BOUGHTON,
GRAHAM HOEY, ROBERT WAXMAN
AND JOHN WOODCROFT**

NOTICE OF HEARING

TAKE NOTICE THAT the Ontario Securities Commission will hold a hearing pursuant to sections 127(1) and 127.1(1) under the *Securities Act*, R.S.O. 1990, c.S.5, as amended, at its offices on the 17th Floor, 20 Queen Street West, Toronto, Ontario, commencing on March 3, 2006 at 10:00 a.m., or as soon thereafter as the hearing can be heard;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to make an order approving the Settlement Agreement entered into by Staff of the Ontario Securities Commission and Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey and John Woodcroft;

BY REASON OF the allegations set out in the Statement of Allegations of Staff and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing; and

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

DATED at Toronto this 15th day of February, 2006.

“Daisy G. Aranha”
per: John Stevenson
A/Secretary to the Commission

1.3 News Releases

1.3.1 R. v. Felderhof

**FOR IMMEDIATE RELEASE
February 9, 2006**

TORONTO – Counsel for the Ontario Securities Commission and John Bernard Felderhof will make their final submissions in the Felderhof prosecution starting on August 21, 2006. Two weeks have been set aside for submissions to be heard at the courthouse at Old City Hall.

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

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

1.4 Notices from the Office of the Secretary

1.4.1 Maitland Capital Ltd. et al.

**FOR IMMEDIATE RELEASE
February 8, 2006**

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

AND

**IN THE MATTER OF
MAITLAND CAPITAL LTD., ALLEN GROSSMAN,
HANOUGH ULFAN, LEONARD WADDINGHAM,
RON GARNER, GORD VALDE,
MARIANNE HYACINTHE, DIANA CASSIDY,
RON CATONE, STEVEN LANYS,
ROGER MCKENZIE, TOM MEZINSKI,
WILLIAM ROUSE and JASON SNOW**

TORONTO – The Commission issued an Order today adjourning the hearing in the above noted matter to February 28, 2006 at 9:30 a.m. and extending the Temporary Order against the Respondents until February 28, 2006.

A copy of the Order is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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and Public Affairs
416-593-8120

Eric Pelletier
Manager, Media Relations
416-595-8913

For investor inquiries: OSC Contact Centre
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1-877-785-1555 (Toll Free)

1.4.2 Universal Settlements International Inc.

**FOR IMMEDIATE RELEASE
February 13, 2006**

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

AND

**IN THE MATTER OF
UNIVERSAL SETTLEMENTS INTERNATIONAL INC.**

TORONTO – The Commission issued an Order today in the above named matter, adjourning the commencement of the hearing to Monday, June 26, 2006 at 10:00 a.m. The hearing is scheduled to take place over a period of five days commencing at 10:00 a.m., but for Tuesday, June 27, 2006 when the hearing will commence at 2:30 p.m.

A copy of the Order is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

1.4.3 Philip Services Corp. et al.

FOR IMMEDIATE RELEASE
February 15, 2006

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

AND

IN THE MATTER OF
PHILIP SERVICES CORP., ALLEN FRACASSI,
PHILIP FRACASSI, MARVIN BOUGHTON,
GRAHAM HOEY, ROBERT WAXMAN
AND JOHN WOODCROFT

TORONTO – The Commission issued a Notice of Hearing today for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey and John Woodcroft. The hearing will be held on March 3, 2006 at 10:00 a.m. in the Large Hearing Room on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.4 James Patrick Boyle, Lawrence Melnick and
John Michael Malone - ss. 127, 127.1

FOR IMMEDIATE RELEASE
February 15, 2006

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

AND

IN THE MATTER OF
JAMES PATRICK BOYLE, LAWRENCE MELNICK
AND JOHN MICHAEL MALONE
(Sections 127 and 127.1)

TORONTO – The Commission issued an Order today scheduling the motion in respect of section 129.1 of the Act for Thursday, February 23 and Monday, February 27, 2006 in the above named matter.

A copy of the Order is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Nelson Resources Limited - s. 83

Headnote

Section 83 of the Securities Act – Issuer ceased to exist as a separate corporate entity upon merger – All outstanding shares of Issuer were cancelled – Issuer deemed to have ceased to be a reporting issuer.

Applicable Ontario Statutory Provisions

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

February 1, 2006

Stikeman Elliott LLP

4300 Bankers Hall West
888 – 3rd Street S.W.
Calgary, Alberta
T2P 5C5

Attention: Martin B. Mix

Dear Sirs / Mesdames:

**Re: Nelson Resources Limited (the “Applicant”)
Application to cease to be a reporting issuer
under the securities legislation of Ontario**

Caspian Investments Resources Ltd. has applied on behalf of the Applicant as the Applicant’s amalgamation/merger successor, to the Ontario Securities Commission (the “Commission”) for a decision under s.83 of the *Securities Act* (Ontario) (the “Act”) to be deemed to have ceased to be a reporting issuer in Ontario.

Caspian Investments Resources Ltd., as amalgamation/merger successor of the Applicant, has represented to the Commission 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 securities legislation of Ontario as a reporting issuer,

The Director is satisfied that it would not be prejudicial to the public interest to grant the requested relief and orders that the Applicant is deemed to have ceased to be a reporting issuer under the Act.

“Erez Blumberger”
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.2 Growthworks Commercialization Fund Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption from paragraphs 5.1(f) and 5.5(1)(b) of NI 81-102 to permit a series of shares issued by an LSIF to pool its assets with those of another series of the fund at a certain date in the future without securityholder and regulatory approval.

Rules Cited

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.5.

January 17, 2006

**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
GROWTHWORKS COMMERCIALIZATION FUND LTD.
(THE FUND)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of Ontario, Saskatchewan, Alberta and British Columbia (the **Jurisdictions**) has received an application from the Fund for a decision under NI 81-102 that the Fund be exempt from paragraphs 5.1(f) and (g) and paragraph 5.5(1)(b) of NI 81-102 to permit the Series 1, 06 Series and any other series of its Class A shares issued after the date of this decision (each a **Series**) to pool their assets among Series at a future date without the requirement to obtain the prior approval of securityholders or prior approval of the securities regulatory authority or regulator (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 Fund:

1. The Fund is a corporation incorporated under the Canada Business Corporations Act by articles of incorporation dated May 13, 2004, having its registered office in Toronto, Ontario.
2. The Fund is registered as a labour-sponsored venture capital corporation under the *Income Tax Act* (Canada), as a labour-sponsored investment fund corporation under the *Community Small Business Investment Funds Act* (Ontario), and is an approved fund under the *Labour-sponsored Venture Capital Corporations Act* (Saskatchewan). As such, the Fund will invest in small and medium sized Canadian businesses with the objective of achieving long term capital appreciation.
3. The Fund has also given notice to the Ministry of Finance (Ontario) of its intention to issue shares as a research oriented investment fund in 2005 and 2006 (and expects to do so for future years as well). As such, it is anticipated that the Fund will primarily invest in early stage research oriented companies.
4. GrowthWorks WV Management Ltd. (the **Manager**) is the manager of the Fund under a management contract. The Manager is part of the GrowthWorks group of companies and is a wholly-owned subsidiary of GrowthWorks Ltd.
5. The Canadian Federation of Labour, the sponsor of the Fund, formed and organized the Fund.
6. The authorized capital of the Fund consists of:
 - (a) an unlimited number of Class A shares, issuable in series, which are widely held,
 - (b) an unlimited number of Class B Shares, all of which are held by the sponsor of the Fund, and
 - (c) an unlimited number of Class C shares, all of which are held by the Manager to provide a “participating” or “carried” interest in the venture investments of the Fund.
7. The Fund is a mutual fund under applicable securities legislation. The Fund is currently a reporting issuer or equivalent in the Jurisdictions.

- The Fund's securities are not listed on any exchange.
8. The Fund distributes, or will distribute, its Class A shares in Series in the Jurisdictions under a long form prospectus (the **Prospectus**). To date, the Fund has issued Series 1 shares and 06 Series shares by way of Prospectuses dated January 12, 2005 and December 14, 2005, respectively.
9. The Prospectus of each Series of Class A Shares of the Fund discloses, or will disclose, the investment objectives, investment strategies and risks of investing in Class A Shares. All Series have, or will have, the same investment objectives, investment strategies, and cost structure.
10. The Fund's board of directors (the **Board**) has adopted, and is expected to continue in the future to adopt, a dividend policy in respect of each Series of Class A Shares. The policy is to pay cash dividends during a period of approximately three years after the offering period of each Series that total about 25% of the purchase price of the Series. Each year (until determined otherwise by the Board), a new Series of Class A Shares will be offered under the Prospectus.
11. To permit implementation of the dividend policy, yet gain the risk mitigation benefit of broader portfolio diversification, the Prospectus for the Fund's 06 Series shares sets out the following asset allocation rules (the **Asset Allocation Rules**):
- The venture and non-venture investments made with the capital raised from the sale of a particular Series will be allocated solely to that Series during the period ending on March 1st of the third calendar year after the RSP season the Series was first offered in (the "Separate Pool End Date").
 - Once the Separate Pool End Date has passed for a Series, the venture and non-venture investments previously solely allocated to that Series will be pooled with the assets of all other Series Shares that have passed their Separate Pool End Dates and be allocated among those Series in proportion to their relative net asset values."
12. Because each Series is referable to a separate pool of assets for a period of three years, each Series is technically to be considered a separate mutual fund for the purposes of NI 81-102 (based on the interpretation provision in subsection 1.3(1) thereof).

13. Unless the Requested Relief is granted, the change in the allocation of assets to a Series that occurs after the Separate Pool End Date will technically be considered a merger of separate mutual funds and will require the Fund to comply with the securityholder and regulatory approval provisions in paragraphs 5.1(f) and (g) and 5.5(1)(b) of NI 81-102.

Decision

Each of the Decision Makers is satisfied that the test contained in NI 81-102 that provides the Decision Makers with the jurisdiction to make the decision has been met.

The decision of the Decision Makers under NI 81-102 is that the Requested Relief is granted provided that:

- (a) the Prospectus under which a Series is distributed includes substantially the disclosure set out in paragraph 11 regarding Asset Allocation Rules, and
- (b) the investment objective of the Fund or any Series does not change without the prior approval of securityholders of the Fund or Series, as the case may be.

"Leslie Byberg"
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.3 BNS Split Corp. II - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – split-share corporation exempt from delivering annual financial statements and from preparing annual management report of fund performance as only operated for one week prior to fiscal year end.

Rules Cited

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 4.2, 5.1.

January 17, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, BRITISH COLUMBIA, ALBERTA,
SASKATCHEWAN, MANITOBA, QUEBEC,
NEW BRUNSWICK, NOVA SCOTIA,
NEWFOUNDLAND AND LABRADOR, 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
BNS SPLIT CORP. II
(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 (the “Legislation”) of the Jurisdictions for:

- an exemption from the requirement contained in section 5.1(2)(a) of National Instrument 81-106 *Investment Fund Continuous Disclosure* (“NI 81-106”) to deliver to its shareholders annual financial statements for the period from incorporation to September 22, 2005; and
- an exemption from the requirement contained in section 4.2 of NI 81-106 to file a management report of fund performance (“MRFP”) for the period from incorporation to September 22, 2005, as would otherwise be required pursuant to applicable Legislation (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. In this decision:

“BNS Shares” means the portfolio of common shares of The Bank of Nova Scotia held by the Filer;

“Capital Shares” means the 8,750,000 class A capital shares of the Filer distributed pursuant to the Prospectus;

“Prospectus” means the final prospectus of the Filer dated September 15, 2005;

“Initial Financial Statements” means the financial statements of the Filer for the period from incorporation to September 22, 2005; and

“Preferred Shares” means the 4,375,000 class A preferred shares of the Filer distributed pursuant to the Prospectus.

Representations

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

1. The Filer was incorporated under the laws of the Province of Ontario on February 28, 2005. The fiscal year end of the Filer is September 22. The Filer filed the Prospectus with the securities regulatory authority in each of the provinces and territories of Canada pursuant to which the distribution of Capital Shares and Preferred Shares was completed on September 22, 2005. The Filer carried on no relevant business activity from its date of incorporation until filing the Prospectus.
2. The Filer is a passive investment company whose principal undertaking is the holding of the BNS Shares in order to generate fixed cumulative preferential distributions for the holders of the Preferred Shares and to enable the holders of Capital Shares to participate in any capital appreciation in the BNS Shares after payment of administrative and operating expenses of the Filer. The sole purpose of the Filer is to provide a vehicle through which different investment objectives with respect to participation in the BNS Shares may be satisfied.
3. Pursuant to the requirements of the Legislation, and subject to any relief obtained pursuant to this

application, the Filer would be required to (i) prepare and file in the Jurisdictions and deliver to its shareholders the Initial Financial Statements and (ii) prepare and file in the Jurisdictions an MRFP for the same period.

4. The Prospectus included an audited balance sheet of the Filer as at September 15, 2005. As such, the financial position of the Filer as at September 22, 2005 was substantially reflected in the balance sheet contained in the Prospectus.
5. The benefit to be derived by the shareholders of the Filer from receiving the Initial Financial Statements would be minimal in view of (i) the short period from the date of the Prospectus, September 15, 2005, to the fiscal year end, September 22, 2005; (ii) the balance sheet contained in the Prospectus; and (iii) the nature of the minimal business carried on by the Filer.
6. The expense to the Filer of sending to its shareholders the Initial Financial Statements would not be justified in view of the benefit to be derived by the shareholders from receiving such statements.
7. The Filer will audit its financial statements for the period ended September 22, 2005.
8. The limited activities of the Filer for the period from February 28, 2005 to September 22, 2005 do not provide meaningful information for the purposes of the preparation of an MRFP.
9. For example, in respect of certain MRFP requirements, Form 81-106F1 requires a discussion of how changes to the investment fund over the financial year affected the overall level of risk associated with an investment in the investment fund, a summary of the results of operations of the investment fund for the financial year in which the management discussion of fund performance pertains, a discussion of the recent developments affecting the investment fund, a discussion of any transactions involving related parties to the investment fund, disclosure of selected financial highlights for the investment fund and a summary of the investment fund's portfolio as at the end of the financial year of the investment fund to which the MRFP pertains. Given the minimal business carried on by the Filer and the fact that the Filer filed its Prospectus seven days prior to its fiscal year end, no disclosure on these and other items required to be disclosed by Form 81-106F1 could be meaningfully provided in the MRFP.

Maker with the jurisdiction to make the Decision has been met.

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

- (i) the Initial Financial Statements are filed and posted for viewing on SEDAR and www.scotiamanagedcompanies.com;
- (ii) the Filer send a copy of such Initial Financial Statements to any shareholder of the Filer who so requests;
- (iii) the Filer will prepare an MRFP for the period ended March 22, 2006 in accordance with Form 81-106F1, except that it will also include financial highlights as required by Part B, Item 3 of Form 81-106F1; and
- (iv) the Filer will deliver the MRFP referred to in (iii) to each of its securityholders, as if section 18.5 of NI 81-106 applied.

"Leslie Byberg"
Manager, Investment Funds
Ontario Securities Commission

Decision

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

2.1.4 Ameritrade Holding Corporation and Ameritrade Services Company, Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption from the dealer registration requirement and the prospectus requirements granted to permit the two US-based applicants and their agents to deal with the individuals referred to in section 2.1 of National Instrument 35-101 -- Conditional Exemption from Registration for United States Broker-Dealers and Agents provided that those dealings are conducted in accordance with all terms and conditions of National Instrument 35-101, except for the requirement the two filers have no office or physical presence in any jurisdiction of Canada.

Applicable Provision

National Instrument 35-101 -- Conditional Exemption from Registration for United States Broker-Dealers and Agents, s. 2.1.

January 27, 2006

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

AND

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

AND

**IN THE MATTER OF
AMERITRADE HOLDING CORPORATION (AHC) AND
AMERITRADE SERVICES COMPANY, INC. (ASCI),
(collectively Ameritrade Group or 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**) for an exemption from the dealer registration requirement and the prospectus requirements of the Legislation so as to permit the Filers and their agents to deal with the individuals (**NI 35-101 Clients**) referred to in section 2.1 of National Instrument 35-101 -- *Conditional Exemption from Registration for United States Broker-Dealers and Agents (NI 35-101)* provided that such dealings are conducted in accordance with all terms and conditions of NI 35-101 save and except for the requirement the Filers have no office or

physical presence in any jurisdiction of Canada (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 (the **Principal Regulator**), 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 Filers:

1. On July 26, 2002 the Decision Maker in each of the Jurisdictions granted a decision under the Legislation which exempted TD Waterhouse Investor Services, Inc. (**TDW**) and its agents from the registration requirement and the prospectus requirements contained in the Legislation so as to permit TDW and its agents to deal with NI 35-101 Clients provided that such dealings are conducted in accordance with all terms and conditions of NI 35-101 save and except for the requirement that TDW has no office or physical presence in any jurisdiction of Canada (as amended on August 5, 2005, the **Decision**).
2. TDW obtained the Decision so that it would be permitted to deal with NI 35-101 Clients using call centre operations it has located in London, Ontario.
3. Pursuant to a definitive agreement between AHC and The Toronto-Dominion Bank (**TD Bank**) among others, (the **Acquisition Agreement**), AHC will acquire only the U.S. retail brokerage business of TD Bank by acquiring all of the outstanding shares of TD Waterhouse Group, Inc. (**TDWG**) including its subsidiaries, TDW and TD Waterhouse Canadian Call Center Inc. (**TDWCCC**), (the **Acquisition**).
4. AHC is a corporation formed under the laws of the State of Delaware. ASCI is a Corporation formed under the laws of the State of Delaware and is a wholly owned subsidiary of AHC. Their head offices are located at 4211 South 102nd Street, Omaha, Nebraska.
5. TDW is a corporation incorporated under the laws of the State of New York, and is registered as a broker-dealer with the U.S. *Securities and*

- Exchange Commission* (the **SEC**). TDWCCC is a corporation incorporated under the federal laws of Canada.
6. After the Acquisition, AHC will be the indirect owner of TDW and TDWCCC.
 7. The Acquisition is expected to close on or about January 24, 2006.
 8. On the date of closing of the Acquisition, TD Bank will enter into a Call Centre Services Agreement with the Ameritrade Group (**Call Centre Agreement**) whereby TD Bank will agree to provide certain call centre services as described therein (**Call Centre Services**) to the Ameritrade Group from a call centre located in London, Ontario.
 9. Such Call Centre Services will be provided to the Ameritrade Group until September 30, 2006, or upon the termination of the Call Centre Agreement (the **Termination Date**). If the parties to the Call Centre Agreement agree to terminate the Call Centre Agreement at a date later than September 30, 2006, Ameritrade Group shall notify the Principal Regulator, otherwise the Termination Date for the purposes of this decision shall be September 30, 2006.
 10. Pursuant to the Call Centre Agreement, representatives of Ameritrade Group will consist of employees, subcontractors, agents and other third parties of, or appointed by, TD Bank who will provide the Call Centre Services in Ontario and who are either in direct communication with the customers of Ameritrade Group, or are line supervisors (the **Ameritrade Representatives**). Also pursuant to the Call Centre Agreement, the Ameritrade Representatives will be dedicated solely to providing Call Centre Services to Ameritrade Group only and will not be utilized to provide services to any other entity or business
 11. The Ameritrade Representatives will be dedicated to answering phone calls from clients who are not resident in Canada (**Non-Canadian Clients**) and NI 35-101 Clients.
 12. Within the call centre located in London, Ontario, the Ameritrade Group's call centre operations will be operated in accordance with all applicable rules established by various U.S. regulatory authorities including all applicable rules established by the SEC and the New York Stock Exchange (**NYSE**), and will continue to be subject to the same procedures that apply to TDW's existing U.S. business. The Ameritrade Group's call centre operations will be examined at least annually by representatives from Ameritrade Group's compliance staff, and will be supervised by one or more properly qualified individuals acceptable to the NYSE.
 13. Ameritrade Representatives will continue to comply with all registration and other requirements of applicable U.S. securities legislation in respect of trades conducted with, or on behalf of, Non-Canadian Clients.
 14. Ameritrade Group will not establish accounts for, or trade securities with, or on behalf of, persons or companies who are resident in Canada except to the extent that TDW and its agents now conduct trading in Canada in accordance with dealer registration and prospectus exemptions that are available pursuant to NI 35-101.
 15. Within the call centre located in London, Ontario, the Ameritrade Group's call centre operations will be an opaque presence, inaccessible to any person or company other than Non-Canadian Clients and NI 35-101 Clients who direct inquiries to Ameritrade Group.
 16. The OSC has issued a ruling and order pursuant to subsections 74(1) of the *Securities Act* (Ontario) (the **Act**) providing that:
 - (a) the Ameritrade Representatives working in the London Call Centre shall not be subject to the requirements of paragraph 25(1)(a) of the Act where the Ameritrade Representatives act on behalf of Ameritrade Group in respect of trades in securities with or on behalf of Non-Canadian Clients provided that the Ameritrade Representatives Comply with all registration and other requirements of applicable securities legislation in the U.S.; and
 - (b) Ameritrade Group shall not be subject to the requirements of paragraph 25(1)(a) of the Act with respect to trading conducted by it in securities with or on behalf of Non-Canadian Clients conducted through the call centre located in London, Ontario, subsequent to the Acquisition, provided that:
 - (i) an Ameritrade Representative acts on behalf of Ameritrade Group in respect of such trading;
 - (ii) Ameritrade Group complies with all registration and other requirements of applicable securities legislation in the U.S.; and
 - (c) this ruling shall be in effect until the Termination Date.

Decision

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

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

- (a) such dealings are conducted in accordance with all terms and conditions of NI 35-101 save and except for the requirement that the Filers have no office or physical presence in any jurisdiction of Canada;
- (b) the only office or physical presence that the Filers have in Canada is their operations within the call centre located in London, Ontario; and
- (c) this Decision shall be in effect until the Termination Date.

“Paul M. Moore”

“Suresh Thakrar”

2.1.5 Fidelity Investments Canada Limited and Fidelity Funds - MRRS Decision

Headnote

MRRS exemption granted from requirement contained in section 2.8 of NI 81-102 to permit Fidelity funds to use certain floating rate notes as cash cover subject to certain conditions.

Rules Cited

National Instrument 81-102 - Mutual Funds, s. 2.8.

December 28, 2005

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

AND

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

AND

**IN THE MATTER OF
FIDELITY INVESTMENTS CANADA LIMITED
AND
THE FIDELITY FUNDS**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the “**Decision Maker**”) in each of the Jurisdictions has received an application (the “**Application**”) from Fidelity Investments Canada Limited (the “**Fidelity**”) and mutual funds that are or will be managed by Fidelity (the “**Fidelity Funds**”), for a decision under the securities legislation (the “**Legislation**”) of the Jurisdictions providing an exemption under section 19.1 of National Instrument 81-102 – *Mutual Funds* (“**NI 81-102**”) from the requirements in section 2.8 (“**Section 2.8**”) of NI 81-102 (the “**Requested Relief**”) such that the Fidelity Funds can use certain floating rate notes to meet the cash cover requirements in Section 2.8.

Under the Mutual Reliance Review System for Exemptive Relief Applications (“**MRRS**”),

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

Interpretation

Terms defined in NI 81-102 have the same meaning in this decision as in NI 81-102, and defined terms contained in National Instrument 14-101 – *Definitions* have the same meaning in this decision unless they are defined in this decision.

Representations

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

1. The Fidelity Funds are or will be mutual funds established under the laws of the Province of Ontario. Fidelity is a corporation amalgamated under the laws of the Province of Ontario. Fidelity is or will be the manager and promoter of each of the Fidelity Funds.
2. The Fidelity Funds are or will be reporting issuers under the securities laws of each of the provinces and territories of Canada.
3. The Fidelity Funds may use specified derivatives as part of their investment strategies and are therefore subject to the cash cover requirements under Section 2.8.
4. The current definition of “cash cover” in NI 81-102 includes:
 - (a) commercial paper that has a term to maturity of 365 days or less and an approved credit rating and that was issued by a person or company other than a government or permitted supranational agency; and
 - (b) cash equivalent that is an evidence of indebtedness with a remaining term to maturity of 365 days or less, and that is issued, or fully and unconditionally guaranteed as to principal and interest, by government entities that are listed in the definition of “cash equivalent” as defined in NI 81-102.
5. The purpose of the cash cover requirement in NI 81-102 is to limit a mutual fund from leveraging its assets when using certain specified derivatives under section 2.8 and to ensure that the mutual fund is in a position to meet its obligations on the settlement date.
6. Floating rate evidences of indebtedness, also known as floating rate notes (FRNs), are debt securities issued by the federal or provincial governments, Crown corporations or other corporations and other entities with floating interest rates that reset periodically, usually every 30 to 90 days. However, the term to maturity of FRNs can be more than 365 days.
7. Fidelity proposes to meet the cash cover requirement in section 2.8 of NI 81-102 by investing in FRNs that have a remaining term to maturity of more than 365 days and with interest rates that reset no longer than every 185 days.
8. Fidelity submits that the use of FRNs as cash cover can enhance the return of the Fidelity Funds without reducing the quality of “cash cover” for the purposes of specified derivatives.
9. For the purposes of money market funds (as defined in NI 81-102) meeting the 90 days dollar-weighted average term to maturity, the term of a floating rate evidence of indebtedness is the period remaining to the date of the next rate setting.
10. There is considered to be minimal interest rate risk associated with FRNs as floating interest rates generally reset on a short term basis, such as every 30 days to 90 days. Credit risk aside, if a FRN resets every 365 days, then the interest rate risk of the FRN is about the same as a fixed rate instrument with a term to maturity of 365 days.
11. Further, financial instruments that meet the current “cash cover” requirement have low credit risk. The current “cash cover” requirements provide that evidences of indebtedness of issuers, other than government agencies, must have approved credit ratings. As a result, if the issuer of FRNs is an entity other than a government agency, the FRNs will have an approved credit rating as required in NI 81-102.
12. FRNs that are subject to the conditions of this exemption have substantially the same investment risk profile as the commercial paper and cash equivalents that are currently permitted as cash cover in NI 81-102 but with longer exposure.
13. FRNs will have adequate liquidity and will otherwise meet the requirement for derivative transactions carried out in accordance with Section 2.8.

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 such that the Fidelity Funds can use the FRNs to meet the cash cover requirements in Section 2.8 provided that

- (a) the floating interest rates of the FRNs reset no longer than every 185 days;

- (b) the FRNs are floating rate evidences of indebtedness with the principal amounts of the obligations that will continue to have a market value of approximately par each time the rate of interest to be paid to the holders of the evidences of indebtedness is set;
- (c) if the FRNs are issued by a person or company other than a government or permitted supranational agency, the FRNs must have an approved credit rating as defined in NI 81-102;
- (d) if the FRNs are issued by a government or permitted supranational agency, the FRNs have their principal and interest fully and unconditionally guaranteed by
 - i. the government of Canada or the government of a jurisdiction in Canada, or
 - ii. the government of the United States of America, the government of one of the states of the United States of America, the government of another sovereign state or a permitted supranational agency, if, in each case, the FRNs have an approved credit rating; and
- (e) the FRNs meet the definition of "conventional floating rate debt instrument" in section 1.1 of NI 81-102.

"Leslie Byberg"
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.6 Canadian Medical Discoveries Fund Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – approval of a change in control of manager as a result of sale of management and abridgement of the 60 day notice requirement to 31 days.

Rules Cited

National Instrument 81-102 Mutual Funds, ss. 5.5(2), 5.8(1).

January 20, 2006

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

AND

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

AND

**IN THE MATTER OF
CANADIAN MEDICAL DISCOVERIES FUND INC. AND
CANADIAN MEDICAL DISCOVERIES FUND II INC. (the
"Funds")
AND IMPAX CAPITAL CORP. (the "Filer")**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (each, a "Decision Maker", and together, the "Decision Makers") in each of the Jurisdictions has received an application from the Filer dated December 22, 2005 (the "Application") for a decision under the securities legislation of the Jurisdictions (the "Legislation") for:

- (i) approval pursuant to subsection 5.5(2) of National Instrument 81-102 – *Mutual Funds* ("NI 81-102") for a change of control of Medical Discovery Management Corporation ("MDMC"), the manager of the Funds; and
- (ii) an abridgement, pursuant to section 19.1 of NI 81-102, from the 60 day notice period required by subsection 5.8(1) of NI 81-102 (the "Notice Requirement").

Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the Ontario Securities Commission is the principal regulator for the 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 otherwise defined in this decision.

Representations

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

- 1. MDMC is the manager of two mutual funds: Canadian Medical Discoveries Fund Inc. ("CMDF") and Canadian Medical Discoveries Fund II Inc. ("CMDF II") (together, the "Funds").
- 2. The Funds are registered as labour sponsored investment fund corporations under the *Community Small Business Investment Act* (Ontario). CMDF is also registered as a labour sponsored venture capital corporation under the *Income Tax Act* (Canada). CMDF II is prescribed as a labour-sponsored venture capital corporation under the *Income Tax Act* (Canada). CMDF has been approved as a qualifying fund pursuant to the *Labour-sponsored Venture Capital Corporations Act* (Saskatchewan).
- 3. CMDF is a reporting issuer, where such status exists, in the Jurisdictions except for the three territories. CMDF II is a reporting issuer, where such status exists, in the Jurisdictions, except for the provinces of Saskatchewan, New Brunswick and Nova Scotia.
- 4. MDMC is currently owned and controlled by MDS Capital Corp. (the "Seller"), a private corporation incorporated under the laws of the Province of Ontario. Impax intends to acquire all of the issued and outstanding shares of MDMC from the Seller (the "Transaction") pursuant to a share purchase agreement dated December 14, 2005. The Transaction is scheduled to close forthwith after the expiry of the notice period under subsection 5.8(1) of NI 81-102.
- 5. A notice regarding the change of control of MDMC was mailed to shareholders of the Funds on December 20, 2005.
- 6. The principals of the Filer have a strong track record in managing investment funds, particularly labour sponsored investment funds.

- 7. The Seller, which is the current investment advisor to the Funds, has agreed as part of the Transaction to continue to serve as an investment advisor to MDMC and the Funds for a minimum of 60 days after the closing and up to a maximum of 120 days after the closing to assist with the orderly transition of responsibilities to the Filer and its affiliates.
- 8. The Filer is of the view that there will be no material adverse changes to the Funds as a result of the change of control of MDMC. Few, if any, changes to the investment portfolios of the Funds are possible during a 30 or 60 day period given the nature of the venture capital investment portfolio maintained by the Funds.

Decision

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

- (a) the change of control of MDMC is approved pursuant to subsection 5.5(2) of NI 81-102; and,
- (b) an exemption from the Notice Requirement is granted provided that:
 - (i) securityholders of the Funds are given at least 31 days notice of the change of control;
 - (ii) no changes are made to the portfolio management operations of the Funds during the 60 day period following the giving of notice of the change in control to the securityholders of the Funds; and
- (c) the approval and exemption provided herein is subject to compliance with all applicable provisions of NI 81-102.

"Leslie Byberg"
Manager, Investment Funds Branch

2.1.7 Diversified Dividend Growth Split Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – subdivided offering exempted from certain requirements of National Instrument 81-102 Mutual Funds since issuer is fundamentally different from a conventional mutual fund.

Rules Cited

National Instrument 81-102 Mutual Funds, ss. 2.6(a), 3.3, 10.3, 10.4(1), 12.1(1), 14.1.

January 16, 2006

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

AND

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

AND

**IN THE MATTER OF
DIVERSIFIED DIVIDEND GROWTH SPLIT INC.**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application (the Application) from Diversified Dividend Growth Split Inc. (the Company) for a decision under National Instrument 81-102 *Mutual Funds* (NI 81-102) that the following sections of NI 81-102 (collectively the NI 81-102 Requirements) will not apply to the Company with respect to the Capital Shares and Preferred Shares proposed to be issued by the Company as described in a preliminary prospectus dated December 14, 2005 (the Preliminary Prospectus):

- (a) subsection 2.6(a), which prohibits a mutual fund from borrowing cash or providing a security interest over any of its portfolio assets except in compliance with subsection 2.6(a);
- (b) section 3.3, which prohibits a mutual fund or its securityholders from bearing the costs of incorporation, formation or initial organization of a

mutual fund, or of the preparation and filing of any preliminary simplified prospectus;

- (c) section 10.3, which requires that the redemption price of a security of a mutual fund to which a redemption order pertains shall be the net asset value of a security of that class, or series of class, next determined after the receipt by the mutual fund of the order;
- (d) subsection 10.4(1), which requires that a mutual fund shall pay the redemption price for securities that are the subject of a redemption order within three business days after the date of calculation of the net asset value per security used in establishing the redemption price;
- (e) subsection 12.1(1), which requires a mutual fund that does not have a principal distributor to complete and file a compliance report, and accompanying letter of the auditor, in the form and within the time period mandated by subsection 12.1(1); and
- (f) section 14.1, which requires that the record date for determining the right of securityholders of a mutual fund to receive a dividend or distribution by the mutual fund shall be calculated in accordance with section 14.1.

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 Company:

The Company

1. The Company was incorporated under the *Business Corporations Act* (Ontario) on December 14, 2005.
2. The Company will make offerings to the public (the Offerings) on a best efforts basis, of class A capital shares (the Capital Shares) and class A preferred shares (the Preferred Shares) pursuant to a final prospectus (the Final Prospectus) in respect of which the Preliminary Prospectus has

- already been filed with the securities regulatory authority in each of the Provinces of Canada.
3. The Capital Shares and the Preferred Shares will be listed for trading on the Toronto Stock Exchange (the TSX). An application requesting conditional listing approval will be made by the Company to the TSX.
4. The Company is a passive investment company whose principal investment objective is to invest in a portfolio of equity shares (the Portfolio Shares) of 16 publicly listed issuers, namely: The Bank of Nova Scotia, Canadian Imperial Bank of Commerce, National Bank of Canada, Royal Bank of Canada, Great-West Lifeco Inc., Manulife Financial Corporation, Sun Life Financial Inc., Power Corporation of Canada, Power Financial Corporation, IGM Financial Inc., Loblaw Companies Limited, George Weston Limited, Canadian National Railway Company, Brookfield Properties Corporation, Metro Inc., and SNC-Lavalin Group Inc. in order to generate fixed cumulative preferential distributions for holders of the Company's Preferred Shares, and to allow the holders of the Company's Capital Shares to participate in capital appreciation of the Portfolio Shares after payment of administrative and operating expenses of the Company and funding of any portion of the Preferred Share Dividend Amount. Holders of Capital Shares are entitled to receive any dividends that the Board of Directors of the Company may declare.
5. The expenses incurred in connection with the Offerings (the Expenses of the Offerings), being the costs of the incorporation, formation and initial organization of the Company, including the preparation and filing of the Preliminary Prospectus and the Final Prospectus, will be borne by the Company.
6. The net proceeds of the Offerings (after deducting the agents' fees, the Expenses of the Offerings, the interest paid by the Company under the credit facility described in paragraph 7 below, and other expenses relating to the acquisition of the Portfolio Shares) will be used by the Company to fund the purchase of Portfolio Shares.
7. The Company has established a credit facility with TD Securities Inc. (TD Securities) which may be used by the Company to purchase the Portfolio Shares and which will be repaid in full on the closing of the Offerings. The maximum rate of interest payable on such credit facility will be 5.0%. To the extent that the credit facility is used, the Company will pledge Portfolio Shares as collateral for amounts borrowed thereunder.
8. Holders of Preferred Shares will be entitled to receive quarterly fixed cumulative preferential distributions targeted to a specific dollar amount
- per Preferred Share to be set out in the Final Prospectus.
9. It will be the policy of the Company to hold the Portfolio Shares and to not engage in any trading of the Portfolio Shares, except:
- (i) to fund retractions or redemptions of Capital Shares and Preferred Shares;
 - (ii) following receipt of stock dividends on the Portfolio Shares;
 - (iii) in the event of a take-over bid for any of the Portfolio Shares;
 - (iv) if necessary, to fund any shortfall in the distribution on Preferred Shares;
 - (v) to meet obligations of the Company in respect of liabilities including extraordinary liabilities; or
 - (vi) certain other limited circumstances as described in the Preliminary Prospectus.
10. Preferred Share distributions will be funded primarily from the dividends received on the Portfolio Shares and, if necessary, any shortfall will be funded with proceeds from the sale of Portfolio Shares.
11. The record date for the payment of Preferred Share distributions, Capital Share dividends or other distributions of the Company will be set in accordance with the applicable requirements of the TSX.
12. The Capital Shares and Preferred Shares may be surrendered for retraction at any time. Retraction payments for Capital Shares and Preferred Shares will be made on the Retraction Payment Date (as defined in the Preliminary Prospectus) provided the Capital Shares and the Preferred Shares have been surrendered for retraction by the Valuation Date (as defined in the Preliminary Prospectus). While the Company's Unit Value (as defined in the Preliminary Prospectus) is calculated weekly, the retraction price for the Capital Shares and the Preferred Shares will be determined based on the Unit Value in effect as at the Valuation Date.
13. The retraction payments for the Capital Shares and Preferred Shares surrendered under the Regular Retraction or Concurrent Retraction (both as defined in the Preliminary Prospectus) will be calculated at a discount to the Unit Value of the Company on the applicable Valuation Date, in the manner described in the Preliminary Prospectus.
14. Any Capital Shares and Preferred Shares outstanding on a date approximately five years

from the closing of the Offerings, which date will be specified in the Final Prospectus, will be redeemed by the Company on such date.

Decision

Each of the Decision Makers is satisfied that the test contained in NI 81-102 that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers is that an exemption is granted from the NI 81-102 Requirements, as follows:

- (a) subsection 2.6(a), to enable the Company to establish a credit facility with TD Securities that may be used by the Company to purchase the Portfolio Shares and to provide a security interest over its assets, as stated in paragraph 7 above, provided that the credit facility is repaid immediately following the closing of the Offerings;
- (b) section 3.3, to permit the Company to bear the Expenses of the Offerings;
- (c) section 10.3, to permit the Company to calculate the retraction price for the Capital Shares and Preferred Shares in the manner described in the Preliminary Prospectus and on the applicable Valuation Date as defined in the Preliminary Prospectus;
- (d) subsection 10.4(1), to permit the Company to pay the retraction price for the Capital Shares and Preferred Shares on the Retraction Payment Date as defined in the Preliminary Prospectus;
- (e) subsection 12.1(1), to relieve the Company from the requirement to file the prescribed compliance reports; and
- (f) section 14.1, to relieve the Company from the requirement relating to the record date for the payment of dividends or other distributions, provided that it complies with the applicable requirements of the TSX.

"Leslie Byberg"
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.8 GMAC Commercial Mortgage Securities of Canada, Inc./GMAC titres hypothécaires commerciaux du Canada Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – s. 83 of *Securities Act* (Ontario) – Issuer has only one security holder – Issuer deemed to cease to be a reporting issuer under applicable securities laws.

Applicable Legislative Provisions

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

February 1, 2006

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

AND

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

AND

**IN THE MATTER OF
GMAC COMMERCIAL MORTGAGE SECURITIES
OF CANADA, INC./GMAC TITRES HYPOTHÉCAIRES
COMMERCIAUX DU CANADA INC.**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland and Labrador and New Brunswick (collectively, the "Jurisdictions") has received an application from GMAC Commercial Mortgage Securities of Canada, Inc./GMAC titres hypothécaires commerciaux du Canada Inc. (the "Filer") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the Filer be deemed to have ceased to be a reporting issuer under the Legislation.

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

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

1. The Filer was incorporated under the laws of Canada on March 25, 2002 and is a special purpose corporation wholly-owned by GMAC Commercial Mortgage of Canada, Limited ("GMACCM").
2. All of the outstanding securities of GMAC, including debt securities, are beneficially owned, directly or indirectly, by GMACCM. Therefore, GMAC's outstanding securities, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the Jurisdictions and fewer than 51 security holders in Canada.
3. The head office of the Filer is located in Toronto, Ontario.
4. The financial year-end of the Filer is December 31.
5. The Filer filed a short form prospectus (the "Prospectus") dated July 30, 2002 with the securities regulatory authorities in each of the provinces and territories of Canada for the issuance of approximately \$210,187,000 aggregate principal amount of Mortgage Pass-Through Certificates, Series 2002-FL1 (the "Issued Certificates") and received receipts for the Prospectus from the securities regulatory authorities in each of the provinces and territories of Canada.
6. The Filer is a reporting issuer, or the equivalent, in each of the provinces and territories of Canada that provides for a reporting issuer regime, other than British Columbia, and to its knowledge is currently not in default of any applicable requirements under the Legislation except:
 - (a) the requirement to file MD&A within 60 days of September 30, 2005;
 - (b) the requirement to file an annual certificate under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings ("MI 52-109") for the fiscal year ended December 31, 2004; and
 - (c) the requirement to file an interim certificate under MI 52-109 in respect of

the interim periods ended March 31, 2005, June 30, 2005 and September 30, 2005.

7. The Filer is a "venture issuer" as defined in National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102").
8. Pursuant to an MRRS decision document dated October 16, 2002 and an order of the New Brunswick Securities Commission dated May 6, 2005 (collectively, the "Previous Decision"), the Filer is exempted, on certain terms and conditions, from the requirements of the securities legislation in the jurisdictions of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and Newfoundland and Labrador and New Brunswick concerning, *inter alia*, the preparation, filing and delivery of interim and annual financial statements.
9. The Filer has filed a notice with the applicable securities regulatory authorities or regulators pursuant to section 13(2) of NI 51-102 stating that it intends to rely on the Previous Decision to the same extent and on the same conditions as contained in the Previous Decision.
10. Pursuant to an MRRS decision document dated June 2, 2005 (the "52-109 Relief"), the Filer requested and obtained an exemption from the requirements of MI 52-109 to file annual certificates and interim certificates in those jurisdictions in which MI 52-109 was in force on such date, provided that, among other things, the Filer filed an annual certificate and an interim certificate in the form prescribed by the 52-109 Relief.
11. The Filer ultimately did not rely on the 52-109 Relief and did not file certificates in the form prescribed by the 52-109 Relief since, on June 13, 2005, the Filer redeemed \$3,465,541.89 aggregate principal amount of Issued Certificates, being all of the issued and outstanding Issued Certificates.
12. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 - *Marketplace Operation*.
13. The Filer will not be a reporting issuer or the equivalent in any Jurisdiction in Canada immediately following the Commission granting the relief requested. Effective December 26, 2005, the Filer ceased to be a reporting issuer in British Columbia under the securities legislation in that province.
14. The Filer has no current intention to seek public financing by way of an offering of securities.

Decision

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

The decision of the Decision Makers under the Legislation is that the Filer be deemed to have ceased to be a reporting issuer under the Legislation.

"Paul M. Moore"
Vice-Chair
Ontario Securities Commission

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

2.1.9 IBI Income Fund et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications — Issuer income fund and arm's length third party agreed to transfer assets of third party to issuer income fund — related party of the issuer income fund acting as a flow-through for the merger of third party business with the business of issuer income fund— involvement of flow-through related party in transaction that is otherwise an arm's length transaction triggers requirements under business combination provisions of Rule 61-501 — issuer exempt from substantive requirements of Rule 61-501 — decision subject to limited confidentiality provision.

Rules Cited

Ontario Securities Commission Rule 61-501 Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions 23 O.S.C.B. 971, as amended.

December 22, 2005

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO AND QUEBEC (THE "JURISDICTIONS")**

AND

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

AND

**IN THE MATTER OF
IBI INCOME FUND, IBI GROUP AND
IBI GROUP MANAGEMENT PARTNERSHIP
(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 security holder meeting and information circular requirements (the "Meeting and Circular Requirement"), the valuation and related disclosure requirements (the "Valuation Requirement") and the minority approval requirement (the "Minority Approval Requirement") applicable to "related party transactions" under the Legislation shall not apply to the Transactions (as defined below).

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 document unless they are defined in this decision document.

Representations

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

- 1. IBI Income Fund (the "Fund") is an unincorporated, open-ended, limited purpose trust established on July 23, 2004 under the laws of the Province of Ontario and is governed by an amended and restated declaration of trust made of the 31st day of August, 2004.
- 2. The principal and head office of the Fund is located at 230 Richmond Street West, 5th Floor, Toronto, Ontario, M5V 1V6.
- 3. The Fund is a reporting issuer in all the provinces and territories in Canada, and has been a reporting issuer since August 24, 2004.
- 4. The authorized capital of the Fund consists of an unlimited number of trust units ("Trust Units") and an unlimited number of non-participating voting units ("Non-Participating Voting Units") (the Trust Units and the Non-Participating Voting Units are referred to collectively as the "Units").
- 5. The issued and outstanding capital of the Fund consists of 5,025,778 Trust Units held by the public and 5,025,778 Non-Participating Voting Units held by IBI Group Management Partnership (the "Management Partnership").
- 6. The outstanding Trust Units of the Fund are listed for trading on the Toronto Stock Exchange under the symbol "IBG.UN".
- 7. The Fund is in compliance with all of its continuous disclosure requirements. All of the continuous disclosure materials filed by the Fund are available on the System for Electronic Document Analysis and Retrieval.
- 8. The Fund does not carry on any business directly and its activities are currently limited to holding all of the issued and outstanding notes and units of IBI Holding Trust (the "Holding Trust"), an unincorporated, open-ended, limited purpose trust established on August 24, 2004 under the laws of the Province of Ontario and governed by a

declaration of trust made as of the 24th day of August, 2004.

- 9. The Holding Trust holds 100% of the limited partnership interest in IBI Group L.P. ("IBI LP"), a limited partnership established on August 24, 2004 under the laws of the Province of Manitoba and governed by an amended and restated limited partnership agreement made as of the 31st day of August, 2004. The Holding Trust also holds all of the issued and outstanding shares of IBI GP Holdings Limited, a corporation incorporated under the laws of Canada, which is the sole beneficiary of IBI General Partner Trust, an unincorporated, limited purpose trust established on August 24, 2004 under the laws of the Province of Ontario which acts as the general partner of IBI LP.
- 10. IBI Group, a partnership established on August 24, 2004 under the laws of the Province of Ontario and governed by an amended and restated partnership agreement made as of 31st day of August, 2004, is the principal operating entity of the Fund and carries on the business of providing professional services, including planning, design, implementation, analysis of operations and other consulting services in relation to four main areas of development, being urban land, building facilities, transportation networks and systems technology.
- 11. The authorized capital of IBI Group consists of an unlimited number of class A units (the "Class A Units") and an unlimited number of class B units (the "Class B Units") (the Class A Units and the Class B Units are referred to collectively as the "Partnership Units").
- 12. IBI LP holds 5,025,778 Class A Units, which represent 50% of the outstanding Partnership Units.
- 13. The Management Partnership holds 5,025,778 Class B Units representing 50% of the outstanding Partnership Units. In addition, the Management Partnership holds 5,025,778 Non-Participating Voting Units of the Fund. The Class B Units held by the Management Partnership, together with the Non-Participating Voting Units of the Fund held by the Management Partnership, are exchangeable, commencing in 2007, subject to the Fund meeting certain financial requirements, for an equivalent number of Trust Units of the Fund.
- 14. The Management Partnership administers the business of IBI Group pursuant to an administration agreement (the "Administration Agreement") between, among others, the Management Partnership and IBI Group and provides the services of the principals of its corporate partners to IBI Group pursuant to the Administration Agreement in exchange for a fee.

15. As a result of its holdings of Non-Participating Voting Units, the Management Partnership is a “control block holder” in relation to the Fund and is, therefore, a “related party” of the Fund within the meaning of Rule 61-501. In addition, as result of Section 1.4 of Rule 61-501, a transaction entered into by IBI Group, the underlying operating entity of the Fund, is deemed to be a transaction of the Fund.
16. Daniel Arbour & Associates SENC (“DAA”) is a general partnership existing under the laws of the Province of Quebec which carries on the business of providing professional services in, among other areas, research, planning and design of urban land development, in the fields of housing, industrial uses, institutional uses and commercial uses, with an expertise in related fields of tourism and environmental considerations, principally in Quebec and China.
17. Each of IBI Group, the Fund and the Management Partnership deals at arm’s length with DAA and its partners.
18. IBI Group and DAA have reached an agreement in principle for certain transactions (the “Transactions”) pursuant to which the business of DAA will be merged with the business of IBI Group through the transfer of the Assets of DAA to IBI Group in connection with which DAA will receive, *inter alia*, certain consideration (the “Consideration”) based on a multiple of the normalized EBITDA of DAA for the 24 month period ending December 31, 2005 (“Adjusted EBITDA”). Of the Consideration, 50% of the estimated amount thereof will be payable on the closing (the “Closing”) of the Transactions, with the balance payable on the earlier of (i) the first anniversary of Closing, and (ii) January 31, 2007 (the “Second Payment Date”) following the determination of the final amount of the Consideration.
19. At the request of DAA, the Transactions are being structured so that they will be effected through the following steps.
20. The Assets will initially be conveyed to the Management Partnership in exchange for a cash payment equal to 50% of the estimated Consideration and a new general partnership interest in the Management Partnership (the “DAA Interest”) on a partially tax-deferred basis pursuant to subsection 97(2) of the *Income Tax Act* (Canada) (the “Tax Act”). For the purposes of the Tax Act, both DAA and the Management Partnership will elect a transfer price less than the fair market value of the Assets.
21. The DAA Interest will be entitled to receive 99.9999% of all capital and income received from time to time by the Management Partnership in respect of the Class C Unit of IBI Group which is described below. Any tax consequences associated with any distributions of capital or income by the Management Partnership to DAA will be allocated to DAA.
22. In addition, the DAA Interest will be entitled to receive, on an annual basis for the three-year period following the closing of the Transactions, an amount equal to 40% of the amount, if any, by which the EBITDA attributable to the DAA business exceeds the Adjusted EBITDA of the DAA business upon which the Consideration for the Assets was based (the “Annual Payment”). In the event that any of the existing partners of DAA are either admitted as partners of the Management Partnership on an individual basis or terminate the provision of their services to the merged business through the Management Partnership for any reason, the Annual Payment will be reduced by a percentage equal to the departing partner’s percentage share of the income of DAA immediately prior to the completion of the Transactions.
23. The DAA Interest will also be entitled to receive an amount equal to the base compensation payable in respect of the seven existing partners of DAA for providing the services of such partners to IBI Group through the Management Partnership (the “Base Compensation”). Again, in the event that any of the existing partners of DAA are admitted as partners of the Management Partnership on an individual basis or terminate the provision of their services to the merged business through the Management Partnership for any reason, the Base Compensation will be reduced by the amount thereof which was paid in respect of such partner.
24. The obligations of the Management Partnership to make the required payments on the DAA Interest, including the Annual Payment and the Base Compensation, will be guaranteed by IBI Group.
25. Immediately following the transfer of the Assets by DAA to the Management Partnership, the Management Partnership will transfer all of the Assets to IBI Group in exchange for a cash payment equal to 50% of the estimated Consideration and a new partnership interest in IBI Group represented by a class C unit (the “Class C Unit”). This transfer will be made on a full rollover basis pursuant to subsection 97(2) of the Tax Act (by electing a transfer price equal to the Management Partnership’s cost of the Assets). The Class C Unit will have the following entitlements:
 - (a) a priority capital entitlement to be paid in cash on the Second Payment Date the balance of the Consideration, as

- adjusted, (the "Priority Capital Entitlement"); and
- (b) a priority right to receive out of the income of IBI Group an amount calculated by applying (i) the commercial lending rate of interest, expressed as an annual rate, which IBI Group's bank lender quotes in Toronto as the reference rate of interest for the purpose of determining the rate of interest that it charges to its commercial customers for loans in Canadian funds (the "Prime Rate"), to (ii) the Priority Capital Entitlement, for the period between the Closing and the Second Payment Date.
26. IBI Group will obtain the funds to pay the 50% of the estimated Consideration which is payable on Closing by borrowing such funds (the "Loan") from the Management Partnership. The Loan will be unsecured and subordinated to IBI Group's indebtedness to its bank lender, will bear interest at the rate of interest charged by IBI Group's bank lender on IBI Group's credit facilities and will mature at the same time as IBI Group's credit facilities.
27. The Loan is a related party transaction under the Legislation but, as a loan transaction, it is not within a category of related party transactions which is subject to the Valuation Requirement. Furthermore, because the Loan will be obtained by IBI Group on reasonable commercial terms that are not less advantageous to IBI Group than if the Loan were obtained from a person or company dealing at arm's length with the Fund and is not convertible into equity or voting securities of the Fund or repayable in equity or voting securities of the Fund, it is exempt from the Minority Approval Requirement.
28. It is proposed that the payment of the Priority Capital Entitlement will be financed by a public offering (the "Offering") of Trust Units of the Fund some time during 2006 in which the Management Partnership will participate.
29. To the extent that there is an Offering, DAA will have an option, exercisable on the Second Payment Date, to convert not less than 10% and not greater than 40% of the amount to be loaned by the Management Partnership to DAA on the Second Payment Date as described in the immediately following paragraph into an interest in the Management Partnership that provides an economic return equal to that which would be obtained by holding the number of Trust Units determined by dividing the amount of the loan which is being converted (the "Conversion Interest") by the issue price of the Trust Units pursuant to the Offering. Any amount so converted would reduce the amount to be loaned by the Management Partnership to DAA on the Second Payment Date as described in the immediately following paragraph by an equal amount. The Conversion Interest may be exchanged by DAA for an aggregate number of Trust Units equal to the number determined pursuant to the immediately preceding sentence from the holdings of the Management Partnership.
30. On the Second Payment Date, following the payment by IBI Group of the Priority Capital Entitlement, pursuant to the DAA Interest, the Management Partnership will lend to DAA an amount equal to 99.9999% of the Priority Capital Entitlement less the Conversion Interest (the "DAA Loan"). The DAA Loan shall bear interest at the Prime Rate and shall be repayable on January 1, 2008. Recourse for the DAA Loan will be limited to the DAA Interest.
31. On January 1, 2008, a capital distribution will be made on the DAA Interest equal to 99.9999% of an amount equal to the Priority Capital Entitlement less the Conversion Interest and an income distribution will be made on the DAA Interest in an amount equal to 99.9999% of the total interest payable by DAA to the Management Partnership in respect of the DAA Loan, and such amounts will be set off against the principal amount of the DAA Loan and the interest payable thereon in full payment thereof.
32. IBI Group will pay to the Management Partnership an annual management fee in an amount equal to the aggregate of the Annual Payment and the Base Compensation which amount will be used by the Management Partnership to pay the Annual Payment and the Base Compensation to DAA.
33. The Management Partnership is not receiving any benefit from structuring the Transactions in this manner (other than benefits obtained through its holdings of Class B Units which also accrue on a *pro rata* basis to the holders of the Units of the Fund and the benefits that it will receive pursuant to the Loan). The Management Partnership is essentially acting as a flow-through for the benefits to be received by DAA in respect of the merger of its business with the business of IBI Group by way of the transfer of the Assets to IBI Group, indirectly through the Management Partnership.
34. The Transactions will, pursuant to the provisions of the Fund's Declaration of Trust and the partnership agreement of IBI Group dealing with interests of management in material transactions, be subject to the approval by the independent trustees of the Fund, after disclosure of the interests of the individuals who are principals of partners in the Management Partnership in the Transactions, including those who serve as trustees of the Fund.

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:

- (a) the Meeting and Circular Requirement, the Valuation Requirement and the Minority Approval Requirement under the Legislation shall not apply to the Transactions; and
- (b) this Decision be held in confidence by the Decision Makers until the earlier of:
 - (i) the public announcement of the Transactions, and
 - (ii) January 31, 2006.

“Erez Blumberger”
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.10 Deans Knight Capital Management Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemption from the take over bid requirements to treat exchangeable securities as having been exchanged into the underlying securities – target has, through a subsidiary, exchangeable securities outstanding that are exchangeable for securities of the target at the option of the holders – the exchangeable securities are the voting equivalent of the target’s securities – the exchangeable securities are exchangeable at an increased ratio in certain circumstances, however the holders of the exchangeable securities have not objected to the application – as a result of the relief being granted, the increased ratio will not be triggered – the offeror will comply with the take over bid requirements if it offers to acquire 20% or more of the target’s outstanding securities, treating the exchangeable securities as having been exchanged – the target issuer was provided with a copy of the application.

Applicable Ontario Provisions

Securities Act, R.S.O. 1990, c. S.5, ss. 90-92, 94-98, 100, 104, 105.

February 3, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK,
NOVA SCOTIA, NEWFOUNDLAND AND LABRADOR,
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
DEANS KNIGHT CAPITAL MANAGEMENT LTD. (the
Filer)**

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (collectively, the Decision Makers) in each of the Jurisdictions has received an application (the Application) from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the requirements relating to take-over bids, other than

the early warning requirements (as defined in National Instrument 62-103), (the Take-Over Bid Rules) in the Legislation not apply to the purchase of units (Units) of Menu Foods Income Fund (Menu Foods) by the Filer on behalf of accounts managed by it that, together with the securities of Menu Foods already held in those accounts, would constitute 20% of the outstanding Units (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

- 3. The decision is based on the following facts represented by the Filer:
 - 1. the Filer is a portfolio management firm whose registered office is in Vancouver, British Columbia;
 - 2. the Filer is registered as a portfolio manager (securities) in British Columbia and the Filer, or at least one of its employees, is registered as
 - (a) a portfolio manager and investment counsel in Alberta,
 - (b) a portfolio manager in Manitoba,
 - (c) an extra-provincial limited market dealer and investment counsel and portfolio manager in Ontario, and
 - (d) an advisor with an unrestricted practice (restricted customer) in Québec;
 - 3. the Filer provides portfolio and money management services to institutional, private wealth and mutual fund clients and focuses on investments in corporate bonds, income trusts and other equity securities;

- 4. Menu Foods is an unincorporated, open-ended trust whose Units trade on the Toronto Stock Exchange;
- 5. under its initial public offering, Menu Foods distributed
 - (a) Units to the public, and
 - (b) units of a limited partnership (Exchangeable Units) that are exchangeable for Units to its founders and the former shareholders of the businesses acquired by Menu Foods (the Subordinated Persons);
- 6. the Subordinated Persons received Exchangeable Units rather than Units so, among other things, they would only be entitled to receive distributions from Menu Foods after the public Unitholders received a certain level of distributions;
- 7. the Subordinated Persons also received special trust units of Menu Foods so they have the same number of voting rights in Menu Foods as they would have if they held the Units that underlie their Exchangeable Units;
- 8. once Menu Foods' achieves a certain level of distributions for a particular period, the Exchangeable Units become exchangeable into Units;
- 9. according to the annual report of Menu Foods for its fiscal year ended December 31, 2004, Menu Foods has achieved the required level of distributions to the public Unitholders and, accordingly,
 - (a) the Exchangeable Units are no longer subordinated in respect of distributions to the Units,
 - (b) monthly distributions could be made to the holders of Units and Exchangeable Units, and
 - (c) the Exchangeable Units became exchangeable into Units;
- 10. to the Filer's knowledge, the Subordinated Persons have not exchanged most of the Exchangeable Units for Units;
- 11. the Declaration of Trust of Menu Foods provides that, if
 - (a) a person acting at arm's length with the Subordinated Persons

makes a take-over bid for Units, and

- (b) not less than 25% of the Units are taken up under that bid,

the Exchangeable Units will become immediately exchangeable at a ratio equal to 110% of the exchange ratio then in effect (the Exchange Ratio) which, at the time of the initial public offering of Menu Foods, was one Unit for every Exchangeable Unit;

12. the Filer made the Subordinated Persons aware of the Application, including that the increase in the Exchange Ratio described in paragraph 11 will not be triggered by the Filer purchasing Units once this decision is issued, and none of the Subordinated Persons have objected to the Application.

Decision

4. 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.
5. The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the securities purchased on behalf of accounts managed by the Filer, together with securities of Menu Foods already held in those accounts, would not constitute 20% of the outstanding Units if all of the outstanding Exchangeable Units were exchanged for Units at the Exchange Ratio.

"Robin E. Ford"
Commissioner
British Columbia Securities Commission

2.1.11 MG Dividend & Income Fund - MRRS Decision

Headnote

MRRS - Exemption granted to an investment fund from the requirement in National Instrument 81-106 Investment Funds Continuous Disclosure to calculate its net asset value on a daily basis subject to certain conditions and requirements.

Rules Cited

National Instrument 81-106 Investment Funds Continuous Disclosure, ss. 14.2(3), 17.1.

January 31, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA,
NEW BRUNSWICK, NEWFOUNDLAND AND
LABRADOR AND YUKON TERRITORY
(the "Jurisdictions")**

AND

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

AND

**IN THE MATTER OF
MG DIVIDEND & INCOME FUND
(the "Fund")**

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 Fund for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") for an exemption from the requirement contained in section 14.2(3)(b) of National Instrument 81-106 - *Investment Fund Continuous Disclosure* ("**NI 81-106**") to calculate net asset value ("**NAV**") at least once every business day (the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications (the "**System**"):

- (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 Fund:

1. The Manager is a corporation incorporated under the laws of Ontario. It intends to establish the Fund pursuant to a declaration of trust in January or February 2006.
2. The Fund's investment objectives will be: (i) to pay monthly distributions to holders ("**Unitholders**") of Units ("**Units**") and (ii) to enhance the initial value of the Units offered by the Fund through capital appreciation of the Fund's investment portfolio (the "**Portfolio**").
3. The Fund will invest the net proceeds of its proposed offering (the "**Offering**") (and any funds borrowed pursuant to a credit facility) in a broadly-diversified portfolio of income producing equity securities initially consisting primarily of income trust securities and supplemented by dividend paying common stocks.
4. The Fund will have the ability to invest in or utilize derivatives from time to time including to offset or reduce risks associated with an investment or group of investments and to offset or reduce risks such as currency value fluctuations, commodity price fluctuations, stock market risks and interest rate changes. The Fund also will have the ability from time to time to engage in writing covered call options on securities held in the Portfolio and in writing cash covered put options. However, the Fund will not invest in or use derivatives if it will result in the Fund failing to comply with its investment restrictions regarding its status as a "unit trust" or "mutual fund trust" as defined in the *Income Tax Act* (Canada).
5. The Manager will be the trustee and manager of the Fund and will be responsible for providing or arranging for the provision of administrative services to the Fund.
6. Guardian Capital LP and Middlefield Capital Corporation (together the "**Co-Advisors**") will act as investment advisors to the Fund. It is expected that Groppe, Long & Littell will be appointed as special advisor to the Co-Advisors.
7. A bank, trust company or other custodian will act as custodian of the assets of the Fund.
8. The Units will be redeemable only on the last day of August of each year commencing in 2007 (each

a "**Valuation Date**"), at an amount that is calculated with reference to the NAV.

9. The Fund is not considered to be a "mutual fund" because the Unitholders are not entitled to receive on demand an amount computed by reference to the value of a proportionate interest in the whole or in part of the net assets of the Fund as contemplated in the definition of "mutual fund" in the Legislation. Accordingly, the Fund will be a "non-redeemable investment fund" as defined in NI 81-106.
10. Unitholders that have redeemed their Units will receive payment on or before the 15th business day following the relevant Valuation Date.
11. The Trust intends to calculate the NAV per Unit on a weekly basis on Thursday of each week (or if Thursday is not a business day, then on the immediately preceding business day), on each Valuation Date and on any other date on which the Manager elects in its discretion to calculate the NAV per Unit. The Manager will post the NAV per Unit on the internet at www.middlefield.com.
12. The Units are expected to be listed and posted for trading on the TSX and the Manager has applied to the TSX to so list the Units. This is unlike securities of a conventional mutual fund in which there is normally no such market and where, as a result, holders of such securities who wish to liquidate their holdings must cause the fund to redeem their securities. Since the Units will be listed for trading on the TSX, Unitholders will not have to rely solely on the redemption feature of the Units in order to provide liquidity for their investment.

Decision

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

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

- (a) the NAV calculation is available to the public upon request; and
 - (b) a toll-free telephone number or website is available which the public can access for this purpose;
- for so long as:
- (c) the Units are listed on the TSX; and
 - (d) the Fund calculates its NAV at least weekly.

“Leslie Byberg”
Manager, Investment Funds (Title)
Ontario Securities Commission

**2.1.12 RAG Projektgesellschaft mbH - MRRS
Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Application under Section 104(2)(c) of the Securities Act (Ontario) – Exemption from Sections 95-100 of Securities Act (Ontario) – Take-over bid in Ontario by German corporation that is not a reporting issuer in any Canadian jurisdiction – Filer acquiring limited liability company incorporated under the laws of Germany – de minimis exemption not available – Filer cannot conclusively determine how many Canadian shareholders there are because target issued bearer securities and does not maintain a share register – Evidence suggests the number of Canadian shareholders less than the de minimis threshold – Germany is not recognized by the Commission for the purposes of de minimis exemption – Commission granted relief as take-over bid conducted in accordance with the laws of Germany providing protections to target shareholders – All material provided to foreign shareholders to be provided to Ontario shareholders – All shareholders treated equally.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 93(1)(e), 95-100, 104(2)(c).

February 10, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA,
NEW BRUNSWICK AND NEWFOUNDLAND
AND LABRADOR
(the “Jurisdictions”)**

AND

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

AND

**IN THE MATTER OF
RAG PROJEKTGESELLSCHAFT mbH
(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 formal take-over bid requirements contained in the Legislation, including the provisions relating to delivery of

an offer and take-over bid circular and any notices of change or variation thereto, delivery of a directors' circular and any notices of change or variation thereto, minimum deposit periods and withdrawal rights, take-up of and payment for securities tendered to a take-over bid, disclosure, financing, restrictions upon purchases of securities, identical consideration and collateral benefits (collectively, the "Take-over Bid Requirements") shall not apply to trades made in connection with the proposed offer (the "Offer") by the Filer for the acquisition of up to 14,465,662 shares (the "Shares") of Degussa AG with registered office Düsseldorf, Germany (the "Target").

Under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"):

- (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 have the same meaning in this decision unless they are defined in this decision.

Representations

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

1. The Filer is a limited liability company incorporated under the laws of the Federal Republic of Germany. The indirect parent of the Filer, RAG Aktiengesellschaft ("RAG AG"), is a stock corporation incorporated under the laws of the Federal Republic of Germany.
2. The Filer's and RAG AG's registered office is located at Rellinghauser Str. 1-11, 45128 Essen, Germany.
3. Neither the Filer nor RAG AG is a reporting issuer or the equivalent in any of the Jurisdictions. Neither the Filer's nor RAG AG's securities are listed or quoted for trading on any Canadian stock exchange or market or anywhere else.
4. The Target is a corporation incorporated under the laws of the Federal Republic of Germany, with its Shares traded on the official market (*Amtlichen Markt*) (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and furthermore on the regulated unofficial market (*Freiverkehr*) of other German stock exchanges in Berlin-Bremen, Düsseldorf, Hamburg, Hannover, Munich and Stuttgart. The Target is a multinational company with a strong focus on specialty chemicals, and is one of the large listed companies in Germany.

5. The Target's registered office is located at Bennisgenplatz 1, D-40474 Düsseldorf, Germany.
6. The Target's issued share capital registered in the commercial register consists of 205,623,590 Shares. The Shares of the Target constitute "equity securities" for the purposes of the definition of "take-over bid" in the Legislation as applicable.
7. The Target is not a reporting issuer or equivalent in any of the Jurisdictions. The Target's securities are not listed or quoted for trading on any Canadian stock exchange or market.
8. The Filer currently holds (rounded) 50.1% of the Shares of the Target. In addition, E.ON Finanzanlagen GmbH with registered office at E.ON-Platz 1, 40479 Düsseldorf, Germany, which is controlled by E.ON AG with registered office at E.ON-Platz 1, 40479 Düsseldorf, Germany, holds (rounded) 42.86% of the Shares of the Target. E.ON Finanzanlagen GmbH and E.ON AG are corporations acting jointly with the Filer. E.ON Finanzanlagen GmbH has committed not to tender its shares to the Filer's Offer for the Target.
9. On December 19, 2005, the Filer announced its intention to make a voluntary public tender offer for the acquisition of the Shares of the Target for cash consideration. Under German law, the Offer does not qualify as a "take-over offer" as the Filer already made a take-over offer in 2002/03 and controls the Target (and hence is not acquiring control through the Offer). The Offer is directed to the entire free float (approximately 7.04%), i.e. up to 14,465,662 Shares. The Filer intends to offer €42.00 per Share of the Target in cash, implying a total offer consideration of up to €607,557,804. The implementation of the Offer and the purchase and ownership transfer agreements resulting from acceptance of the Offer are subject to satisfaction of the following conditions precedent (Offer Conditions):
 - (1) The Federal Republic of Germany and the German state of North Rhine-Westphalia must have granted approval (Official Approval) for the transaction outlined in Section 6.2 of the Offer Document (acquisition of all Shares of Target). Official Approval must be received by March 31, 2006, at the latest.
 - (2) At the end of the acceptance period the Filer holds voting rights from at least 195,342,411 Shares (95%), including (i) the Shares already held by the Filer and the persons acting jointly with the Filer (in total approximately 92.96%) or acquired in another manner before the end of the acceptance period, and (ii) the Shares for which the Offer has been effectively

accepted (and no rescission has been declared and taken effect).

10. The Offer is being made and the Offer Document reflecting the terms of the Offer is being prepared exclusively in accordance with the laws of the Federal Republic of Germany (in particular, in compliance with the German *Securities Acquisition and Takeover Act* and (*Wertpapiererwerbs- und Übernahmegesetz, WpÜG*) statutory regulations based on the WpÜG), and in accordance with the provisions of Regulation 14E of the U.S. *Securities Exchange Act of 1934* applicable to this Offer and applicable exemptions (Tier I Exemption and Tier II Exemption).
11. The Offer Document has been submitted for review to the applicable securities regulatory authority in Germany. It is expected that the Offer Document will be made available to the holders of the Shares of the Target immediately after approval by the German regulator, on January 27, 2006. In accordance with German law, the Offer Document (and an English convenience translation) will be available on the Internet at <http://www.rag.de>, and a notification regarding the publication of the Offer Document will be published in a national German newspaper also specifying where and how the shareholders may obtain a copy of the Offer Document free of charge. For further details on the publication see paragraph 13 below.
12. As permitted by German law, the Target has issued bearer securities and does not maintain a share register. Accordingly, any information about the Shares of the Target held by shareholders in Canada can only be determined on a limited enquiry basis. Based on such enquiry, the Filer believes that as of December 31, 2005 there were nine holders of Shares of the Target resident in Canada, holding in total 1,487 Shares representing approximately 0.0007% of the entire issued share capital of the Target, and approximately 0.01% of the Shares not held by the Filer and parties acting jointly with the Filer. The Filer believes that at least one of these shareholders is located in each of British Columbia, Alberta, Ontario and New Brunswick. As a result of the fact that the Target has issued bearer shares, the Filer is unable to determine conclusively where the holders of the Shares of the Target reside.
13. The Offer Document will be published on January 27, 2006, in accordance with section 14 para. 3 of the WpÜG. The German version of the Offer Document and its non-binding English convenience translation will be published on the internet at <http://www.rag.de>. In addition, an announcement regarding the publication of the German Offer Document will be published in the

Frankfurter Allgemeine Zeitung and the Börsen-Zeitung. Copies of the Offer Document and its English translation will be available free of charge at the financial print office Bowne Frankfurt GmbH, Bettinastr. 30, 60325 Frankfurt am Main, Germany (fax +49 69 971476-84), and the settlement agent Morgan Stanley Bank AG, Junghofstrasse 13-15, 60311 Frankfurt am Main, Germany (email and fax requests may be made at ragdegussa@morganstanley.com and +49 69 2166 7361). An announcement of the publication of the Offer Document and the availability of its English translation will also be made in the Wall Street Journal in the United States of America, and will indicate the above email address and fax number for requesting the Offer Document. The settlement agent, Morgan Stanley Bank AG, will provide the Custodian Banks with copies of the Offer Document to be sent to their customers. While the Filer will also publish a non-binding English convenience translation of the Offer Document, the English translation has not been reviewed by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin*), and the German Offer Document shall be the only binding offer document. Beyond that, as permitted under German law, the Filer does not expect to deliver any materials to the holders of the Shares of the Target in general (as the Target has issued bearer shares and does not maintain a share register or other record of the addresses of its shareholders). However, in the event that any material relating to the Offer is sent by the Filer generally to holders of the Shares of the Target in Germany, such material will also be sent to holders of Shares of the Target residing in the Jurisdictions (if addresses are known), along with an English translation for convenience purposes.

14. A public announcement in English in a national Canadian newspaper and in French in a newspaper that is widely circulated in Québec, made at the same time as the public announcement in the national German newspaper or as soon as practicable after issuance of this order, will specify where and how the shareholders may obtain a copy of the Offer Document or an English convenience translation free of charge. As soon as practicable after such date, the Filer will also file a copy of the Offer Document with the Decision Makers.
15. The *de minimis* take-over bid exemptions found in certain of the Jurisdictions are not available to the Filer since the bid is not being made in compliance with the laws of a jurisdiction that is recognized by the applicable Decision Makers for the purposes of the *de minimis* take-over bid exemptions. Also, because the Target does not maintain a share register, the Filer is unable to determine conclusively the number of holders of the Shares of the Target resident in each of the

Jurisdictions, or the number of Shares of the Target held by any such persons.

16. In accordance with German law (home jurisdiction of both, the Filer and the Target) and with the provisions of Rule 14d-1(c) of the U.S. *Securities Exchange Act 1934* (Tier I), the Offer treats all shareholders (including Canadian holders) equally.

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 Filer is exempt from the Take-over Bid Requirements in making the Offer to the shareholders of the Target who are resident in the Jurisdictions provided that:

- (i) the Offer and all amendments to the Offer are made in compliance with the laws of the Federal Republic of Germany,
- (ii) any material relating to the Offer that is sent by the Filer generally to the holders of the Shares of the Target in Germany will be sent by the Filer to the holders of the Shares of the Target resident in the Jurisdictions (if addresses are known) together with an English convenience translation, and
- (iii) the Filer makes a public announcement in English in a national Canadian newspaper and in French in a newspaper that is widely circulated in Québec specifying where and how holders of the Shares of the Target in the Jurisdictions may obtain a copy of the Offer Document (or an English convenience translation) free of charge, and files copies thereof with the Decision Maker in each Jurisdiction.

"Paul M. Moore"
Commissioner
Ontario Securities Commission

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

2.1.13 Merrill Lynch & Co., Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications –

Relief from application of NI 51-102 – Filer has issued both designated exchangeable securities and designated credit support securities – exemptions in sections 13.3 and 13.4 technically not available – relief granted subject to Filer meeting other conditions –

Relief from requirement in MI 52-109 that the chief executive officer and chief financial officer of Filer certify Filer's annual and interim filings – exemptions in sections 4.3 and 4.4 technically not available – relief granted subject to Filer meeting conditions of NI 51-102 relief –

Relief from requirement in NI 44-101 to incorporate by reference into a Prospectus or any Supplement (as defined in the Decision) the Non-Incorporated Exhibits (as defined in the Decision) – Non-Incorporated Exhibits typically very lengthy and incorporation by reference of such documents into a prospectus would therefore impose a disproportionately burdensome translation obligation on Filer – In lieu of the Non-Incorporated Exhibits being incorporated by reference into a prospectus, Filer will file the Non-Incorporated Exhibits, other than Non-Incorporated Exhibits that have previously been filed, as soon as practicable following the filing of such disclosure documents with the SEC – All of Filer's continuous disclosure documents except for the Non-Essential 8-Ks will continue to be filed with the Decision Makers – Non-Essential 8-Ks consist of exhibits attaching the form of securities for certain takedowns made in the U.S., the consent and opinion of counsel relating thereto, and other documentation, all of a non-financial nature, that may be required to be filed with the SEC in connection with such takedowns – Such materials also available on EDGAR – Filer to include a statement in supplements to prospectus explaining that the Filer has received exemptive relief, identifying the Decision, and explaining how investors can obtain a copy of the Decision –

Relief from the requirement in NI 33-105 that a distribution of securities of Filer be done through a specified level of independent underwriter involvement – relief granted subject to a minimum subscription amount of \$150,000, where dealer may underwrite up to 49% of offering or, where a minimum of two thirds of the offering will be made to institutional investors, up to 100% of the offering.

Applicable Legislative Provisions

National and Multilateral Instruments

National Instrument 51-102 Continuous Disclosure Obligations.

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

National Instrument 44-101 Short Form Prospectus Distributions.

National Instrument 33-105 Underwriting Conflicts.

February 14, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, 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
MERRILL LYNCH & CO., INC. ("ML&CO."),
MERRILL LYNCH & CO. CANADA, LTD.
("ML EXCHANGE") AND MERRILL LYNCH
CANADA INC. ("ML CANADA" AND TOGETHER
WITH ML&CO. AND ML EXCHANGE,
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") exempting the Filers from:

- (a) in respect of ML Exchangeco only, the application of National Instrument 51-102 - *Continuous Disclosure Obligations* ("NI 51-102"), pursuant to section 13.1 of NI 51-102, and the application of any comparable continuous disclosure requirements under the Legislation of the Jurisdictions that have not yet been repealed or otherwise rendered ineffective as a consequence of the adoption of NI 51-102 (the "Continuous Disclosure Requirements");
- (b) in respect of ML Exchangeco only, the requirement in Multilateral Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings* that the chief executive officer and chief financial officer of ML Exchangeco certify ML Exchangeco's annual and interim filings (the "Certification Requirement");
- (c) in respect of ML Exchangeco only, the requirement contained in section 12.1(2) of Form 44-101F1 - *Short Form Prospectus*, to incorporate by reference into a Prospectus and any Supplements (as defined below) thereto, the Non-Incorporated Exhibits (as defined below) (the "Incorporation by Reference Requirements"); and

- (d) the requirement contained in section 2.1 of National Instrument 33-105 - *Underwriting Conflicts* ("NI 33-105") as it relates to the requirement that the distribution of securities of ML Exchangeco, a related issuer or connected issuer of ML Canada, be done through a specified level of independent underwriter involvement (the "Independent Underwriter Requirement").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission (the "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 otherwise defined in this decision.

Representations

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

ML&Co.

1. ML&Co. was incorporated under the laws of the State of Delaware on March 27, 1973.
2. The principal office of ML&Co. is located at 4 World Financial Center, New York, New York, 10080.
3. ML&Co. is a holding company that, through its U.S. and non-U.S. subsidiaries and affiliates, provides investment, financing, advisory, insurance and related products on a global basis.
4. ML&Co.'s authorized capital consists of 25,000,000 shares of undesignated preferred stock, US\$1.00 par value per share, issuable in series, and 3,000,000,000 shares of common stock, US\$1.33⅓ par value per share ("Merrill Lynch Common Shares"). As of July 1, 2005 there were: (a) 21,000 preference shares authorized as Floating Rate Non-Cumulative Preferred Stock, Series 1; (b) 37,000 preference shares authorized as Floating Rate Non-Cumulative Preferred Stock, Series 2; (c) 43,333 preference shares authorized as 6.375% Non-Cumulative Preferred Stock, Series 3; and (d) 23,333 preference shares authorized as Floating Rate Non-Cumulative Preferred Stock, Series 4. As of October 28, 2005, there were approximately 916,189,099 common shares of ML&Co. issued and outstanding.
5. ML&Co. has securities registered under subsections 12(b) and 12(g) of the *Securities*

Exchange Act of 1934, as amended (the "1934 Act"), and is required to file reports under subsection 15(d) of the 1934 Act.

6. In June 2004, ML&Co. filed a U.S. \$18,362,988,000 shelf prospectus (the "Initial MJDS Prospectus") in the United States and Canada under *National Instrument 71-101 – The Multijurisdictional Disclosure System* ("NI 71-101") relating to the offering of debt securities, linked debt securities, index warrants, debt warrants, preferred stock, depositary shares and common stock of ML&Co. In March 2005, ML&Co. filed a U.S. \$39,390,000,000 shelf prospectus in the United States and Canada under Northbound MJDS under NI 71-101 relating to the offering of debt securities, warrants, preferred stock, depositary shares and common stock of ML&Co.
7. ML&Co. has been a reporting issuer or the equivalent thereof in British Columbia, Alberta, Saskatchewan, Manitoba, Québec and Nova Scotia since October 22, 1999 (or earlier, in the case of certain of such provinces) and became a reporting issuer or the equivalent thereof in Ontario, New Brunswick, Prince Edward Island, Newfoundland and Labrador, the Yukon Territory, the Northwest Territories and Nunavut in June 2004 when it filed the Northbound MJDS Prospectus in each of the Jurisdictions under NI 71-101 and the Jurisdictions issued an MRRS receipt for the Northbound MJDS Prospectus. ML&Co. is not on the list of defaulting reporting issuers in those provinces and territories.

ML Exchangeco

8. ML Exchangeco was incorporated under the laws of Canada on December 22, 1953 and continued under the laws of the Province of Ontario on December 28, 1983. ML Exchangeco is an indirect wholly-owned subsidiary of ML&Co.
9. The principal office of ML Exchangeco is located at 400-181 Bay Street, Toronto, Ontario, M5J 2V8.
10. ML Exchangeco is a reporting issuer in each Jurisdiction (other than those Jurisdictions which do not recognize the concept of a reporting issuer).
11. ML Exchangeco is a holding company which holds: 33% of the outstanding shares of ML Canada, a fully registered Canadian investment dealer; 63% of the outstanding voting shares of Midland Walwyn Inc. ("Midland Walwyn"); 100% of the outstanding shares of each of Merrill Lynch Capital Canada Inc., a provider of third-party loans and credit, and Merrill Lynch Financial Assets Inc. (formerly known as BULLS Offering Corporation), an issuer of publicly traded units consisting of interests in a strip bond and related call option. ML Exchangeco also operates an unsecured, short-term promissory note and commercial paper program (the "Note Program"), guaranteed by ML&Co., the proceeds

from which are used for ML Exchangeco's working capital requirements (including on-lending of funds to ML Canada) and general corporate purposes.

12. The authorized capital of ML Exchangeco consists of an unlimited number of non-voting preference shares, an unlimited number of common shares and an unlimited number of non-voting exchangeable shares (the "Exchangeable Shares"). On December 31, 2004, there were 2,507,908 non-voting preference shares, 71,878 common shares, and 9,662,448 Exchangeable Shares outstanding.
13. On March 18, 2005, ML Exchangeco gave notice pursuant to section 13.2(2) of NI 51-102 that it intended to rely on the 1998 Orders (as hereinafter defined) in respect of the continuous disclosure requirements under the Legislation from which ML&Co and ML Exchangeco were previously granted relief which are substantially similar to the NI 51-102 Requirements. ML Exchangeco first intended to rely on subsection 13.2(1) in connection with the requirement under NI 51-102 to file interim financial statements for the period ended March 31, 2004.

ML Canada

14. ML Canada was continued and amalgamated under the laws of Canada on August 26, 1998 and is an indirect wholly owned subsidiary of ML&Co. ML Canada is not a reporting issuer in any of the Jurisdictions.
15. ML Canada is registered as a dealer in the categories of "broker" and/or "investment dealer" under the Legislation of each of the Jurisdictions and is a member of the Investment Dealers Association of Canada.
16. The principal office of ML Canada is located at 400-181 Bay Street, Toronto, Ontario, M5J 2V8.

Merger Between ML&Co. and Midland Walwyn Inc.

17. In 1998 ML&Co., through its subsidiaries ML Exchangeco and Merrill Lynch Canada Holdings Company ("ML Holdings"), acquired Midland Walwyn (the "Transaction"). At the time of the Transaction, Midland Walwyn was a financial services holding company that operated a fully integrated investment dealer, Midland Walwyn Capital Inc. and other subsidiary companies, and was a reporting issuer under the *Securities Act* (Ontario) (the "OSA"). Midland Walwyn had an authorized capital that consisted of an unlimited number of first preference shares, of which 3,000,000 first preference shares were authorized as series 1, and an unlimited number of ordinary shares of Midland Walwyn (the "Midland Walwyn Ordinary Shares"). As of June 21st, 1998, there were no preference shares issued or outstanding. There were 37,571,598 Midland Walwyn Ordinary

Shares outstanding and 3,154,936 Midland Walwyn Ordinary Shares reserved, in the aggregate, for issuance in respect of outstanding options to purchase Midland Walwyn Ordinary Shares held by directors, officers and employees of Midland Walwyn and its affiliates.

18. The Transaction was effected by way of an arrangement (the "Arrangement") pursuant to section 192 of the *Canada Business Corporations Act* (the "CBCA"). Upon the Arrangement becoming effective on or about August 26, 1998, the Midland Walwyn Ordinary Shares were exchanged for either Merrill Lynch Common Shares, Exchangeable Shares or some combination thereof, based on elections made by each Midland Walwyn shareholder. As a result of the Transaction, all of the issued and outstanding Midland Walwyn Ordinary Shares were transferred to ML Exchangeco and ML Holdings, and the previous holders of Midland Walwyn Ordinary shares became holders of Merrill Lynch Common Shares, Exchangeable Shares or a combination of both.
19. The Exchangeable Shares issued in conjunction with the Transaction are associated with various rights, privileges and restrictions as between the holders, ML Exchangeco and ML Holdings. These rights, privileges and restrictions were contemplated as part of the Transaction and continue to be exercised on an ongoing basis. The following section describes these features in greater detail.

Exchangeable Shares of ML Exchangeco

20. The Exchangeable Shares are listed on the Toronto Stock Exchange under the trading symbol "MLC". The Exchangeable Shares rank senior to the non-voting preference shares and the common shares of ML Exchangeco. All of the issued and outstanding non-voting preference shares and common shares of ML Exchangeco are held indirectly by ML&Co.
21. The rights, privileges, restrictions and conditions attaching to the Exchangeable Shares (the "Exchangeable Share Provisions") provide that each Exchangeable Share will entitle the holder to dividends from ML Exchangeco payable at the same time as, and equivalent to, each dividend paid by ML&Co. on a Merrill Lynch Common Share. Subject to the overriding call right of ML Holdings referred to below in this paragraph, on the liquidation, dissolution or winding-up of ML Exchangeco, a holder of Exchangeable Shares will be entitled to receive from ML Exchangeco, for each Exchangeable Share held, an amount equal to the current market price of a Merrill Lynch Common Share, to be satisfied by delivery of one Merrill Lynch Common Share, together with all declared and unpaid dividends on each such Exchangeable Share held by the holder on any dividend record
22. date prior to the date of liquidation, dissolution or winding-up (such aggregate amount, the "Liquidation Price"). Upon a proposed liquidation, dissolution or winding-up of ML Exchangeco, ML Holdings will have an overriding call right to purchase all of the outstanding Exchangeable Shares from the holders thereof (other than ML&Co. or its affiliates) for a price per share equal to the Liquidation Price.
22. The Exchangeable Shares are non-voting (except as required by the Exchangeable Share Provisions or by applicable law) and retractable at the option of the holder at any time. Subject to the overriding call right of ML Holdings referred to below in this paragraph, upon retraction the holder will be entitled to receive from ML Exchangeco for each Exchangeable Share retracted an amount equal to the current market price of a common share of ML&Co., to be satisfied by delivery of one common share of ML&Co., together with, on the designated payment date therefor, all declared and unpaid dividends on each such retracted Exchangeable Share held by the holder on any dividend record date prior to the date of retraction (such aggregate amount, the "Retraction Price"). Upon being notified by ML Exchangeco of a proposed retraction of Exchangeable Shares, ML Holdings will have an overriding call right to purchase from the holder all of the Exchangeable Shares that are the subject of the retraction notice for a price per share equal to the Retraction Price.
23. Subject to the overriding call right of ML Holdings referred to below in this paragraph, ML Exchangeco may redeem all the Exchangeable Shares then outstanding at any time on or after January 31, 2011 (the "Redemption Date"). The board of directors of ML Exchangeco may also accelerate the Redemption Date in certain specified circumstances. Upon such redemption, a holder will be entitled to receive from ML Exchangeco for each Exchangeable Share redeemed an amount equal to the current market price of a Merrill Lynch Common Share, together with all declared and unpaid dividends on each such redeemed Exchangeable Share held by the holder on any dividend record date prior to the date of redemption (such aggregate amount, the "Redemption Price"). Upon being notified by ML Exchangeco of a proposed redemption of Exchangeable Shares, ML Holdings will have an overriding call right to purchase from the holders all of the outstanding Exchangeable Shares (other than ML&Co. or its affiliates) for a price per share equal to the Redemption Price.
24. Upon the liquidation, dissolution or winding-up of ML&Co., the Exchangeable Shares will be automatically exchanged for Merrill Lynch Common Shares pursuant to a voting and exchange trust agreement (the "Voting and Exchange Trust

Agreement") such that holders of Exchangeable Shares may participate in the dissolution of ML&Co. on the same basis as holders of Merrill Lynch Common Shares. Upon the insolvency of ML Exchangeco, holders of Exchangeable Shares may put their Exchangeable Shares to ML&Co. in exchange for Merrill Lynch Common Shares.

25. A special voting share (the "Merrill Lynch Special Voting Share") was issued to and is currently held by Computershare Trust Company of Canada (the "Trustee") for the benefit of the holders of Exchangeable Shares outstanding from time to time (other than ML&Co. and its affiliates) pursuant to the Voting and Exchange Trust Agreement. The Merrill Lynch Special Voting Share carries a number of voting rights, exercisable at any meeting of the holders of Merrill Lynch Common Shares, equal to the number of Exchangeable Shares outstanding from time to time that are not owned by ML&Co. and its affiliates.

26. Under the Voting and Exchange Trust Agreement, ML&Co. granted to the Trustee for the benefit of the holders of the Exchangeable Shares a put right (the "Optional Exchange Right"), exercisable upon the insolvency of ML Exchangeco, to require ML&Co. to purchase from a holder of Exchangeable Shares all or any part of his or her Exchangeable Shares. The purchase price for each Exchangeable Share purchased by ML&Co. will be an amount equal to the current market price of a Merrill Lynch Common Share, to be satisfied by the delivery to the Trustee, on behalf of the holder, of one Merrill Lynch Common Share, together with an additional amount equivalent to the full amount of all declared and unpaid dividends on such Exchangeable Share held by such holder on any dividend record date prior to the closing of the purchase and sale.

27. Under the Voting and Exchange Trust Agreement, upon the liquidation, dissolution or winding-up of ML&Co., ML&Co. will be required to purchase each outstanding Exchangeable Share, and each holder will be required to sell all of his or her Exchangeable Shares (such purchase and sale obligations are hereinafter referred to as the "Automatic Exchange Right") for a purchase price per share equal to the current market price of a Merrill Lynch Common Share, to be satisfied by the delivery to the Trustee, on behalf of the holder, of one Merrill Lynch Common Share, together with an additional amount equivalent to the full amount of all declared and unpaid dividends on such Exchangeable Share held by such holder on any dividend record date prior to the closing of the purchase and sale.

Potential Future Issuances by ML Exchangeco

28. ML Exchangeco currently issues the Exchangeable Shares and may also issue from time to time in the

future, the securities described at (a) through (d) below:

- (a) designated exchangeable securities (as defined in section 13.3 of NI 51-102);
- (b) designated credit support securities (as such term is defined in section 13.4 of NI 51-102);
- (c) securities issued to ML&Co. or its affiliates; and
- (d) debt securities issued to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions.

29. Without limitation to the foregoing, ML Exchangeco may offer from time to time designated credit support securities that are qualified by a short form prospectus (a "Prospectus") filed pursuant to *National Instrument 44-101 – Short Form Prospectus Distributions* ("NI 44-101") and, where such a Prospectus is a shelf prospectus, any supplement thereto (a "Supplement"). Any such securities are hereinafter referred to as the "Securities" and any such offering of Securities is hereinafter referred to as the "Offering".

30. Any Prospectus will be signed by ML Exchangeco, as issuer, ML&Co., as credit supporter, and dealers party to a dealer agreement for the Prospectus as of the date thereof. The Prospectus will include disclosure to the effect that:

- (a) ML&Co. will fully and unconditionally guarantee payment of the principal and interest of the Securities, together with any other amounts that may be due under any provisions of the trust indenture relating to the Securities;
- (b) separate continuous disclosure information relating to ML Exchangeco will not be provided to the purchasers of the Securities;
- (c) the Securities issued under the Prospectus has an approved rating (as defined below).

31. The Securities will be fully and unconditionally guaranteed by ML&Co. as to payment of principal, interest and all other amounts due thereunder. The trust indenture under which the Securities are created will provide that ML&Co. will make any payment or performance under the indenture promptly upon demand and, in any event, within 15 days of any failure by ML Exchangeco to punctually make any payment or performance in respect of the Securities. All Securities will have an "approved rating" (as defined in NI 51-102) issued by an

“approved rating organization” (as defined in NI 51-102) (an "Approved Rating").

ML&Co. Filings

32. The consolidated annual and interim financial statements of ML&Co. and its consolidated subsidiaries to be included in or incorporated by reference into the Prospectus are prepared in accordance with U.S. GAAP (as defined in *National Instrument 52-107 – Acceptable Accounting Principles, Auditing Standards and Reporting Currency* ("NI 52-107")) and otherwise comply with the requirements of U.S. law, and, in the case of ML&Co.'s consolidated annual financial statements, such financial statements are audited in accordance with U.S. GAAS (as defined in NI 52-107).
33. In connection with takedowns under ML&Co.'s base shelf prospectus in the U.S., ML&Co. is required to file with the SEC a large number of current reports on Form 8-K (the "Non-Essential 8-Ks") whose contents are comprised solely of:
- (a) exhibits attaching the form of securities for each such takedown;
 - (b) the consent and opinion of counsel relating thereto; and
 - (c) other documentation, all of a non-financial nature, that may be required to be filed with the SEC in connection with such takedowns.
34. In the present Application, in addition to the exemptive relief that the Filers are requesting be granted with respect to ML Exchangeco's obligations to incorporate by reference into a Prospectus (including for greater certainty, any Supplement thereto, if applicable) certain of ML&Co.'s continuous disclosure documents, the Filers are seeking an exemption from the requirement in section 13.2(d) of NI 51-102 as it relates to the requirement to file Non-Essential 8-K's. The Non-Essential 8-K's are publicly available on the SEC's internet website at www.sec.gov.
35. In addition to the Non-Essential 8-K's, ML&Co. may file as a current report on Form 8-K, attach as exhibits to or incorporate by reference into its annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, definitive proxy or information statements or other continuous disclosure documents filed under the 1934 Act (the "1934 Act Filings"), the following documents which would not be required to be incorporated by reference in a Canadian issuer's prospectus (each, a "Non-Incorporated Exhibit"):
- (a) contracts not made in the ordinary course of business that are material to ML&Co.,
- limited partnership agreements, indemnification and severance agreements, deferred compensation plans, stock unit and stock option plans and other stock option or award plans, and all amendments, supplements and restatements thereto (collectively, the "Material Contracts") and any underwriting agreements or voting trust agreements of ML&Co. and all amendments, supplements and restatements thereto;
- (b) plans of acquisition, reorganization, arrangement, liquidation or succession;
 - (c) articles of incorporation (or instruments corresponding thereto) and bylaws of ML&Co. and any amendments or restatements thereof;
 - (d) instruments defining the rights of security holders, including deposit agreements, rights agreements and any supplements to and amendments or restatements thereof;
 - (e) charters of committees of the ML&Co. board of directors, other than the audit committee charter;
 - (f) opinions of: (i) legal counsel as to legality of securities being registered in the U.S. indicating whether such securities will, when sold, be legally issued, fully paid and non-assessable and, if debt securities, whether they will be binding obligations of ML&Co.; and (ii) legal counsel or an independent or public or public certified accountant, or revenue rulings from the Internal Revenue Service, supporting the description of tax matters and consequences to the shareholders in certain filings of ML&Co.;
 - (g) published reports regarding matters submitted to security holders which are required to be filed with the SEC;
 - (h) manually signed powers of attorney filed with the SEC if any name is signed to a registration statement or report of ML&Co. pursuant to a power of attorney;
 - (i) indentures and supplemental indentures relating to the issuance of debt securities and forms of certificates and depositary receipts relating to securities of ML&Co.;
 - (j) current reports on Form 8-K of ML&Co. other than the Material 8-Ks (which Material 8-Ks would exclude, for greater certainty, any exhibits to the Material 8Ks

that would otherwise constitute a Non-Incorporated Exhibit); and

- (k) codes of ethics that ML&Co. voluntarily files as exhibits to its annual report on Form 10K and also posts on its website.
36. By virtue of the Non-Incorporated Exhibits being filed as current reports on Form 8-K or being attached as exhibits or being incorporated by reference into ML&Co.'s 1934 Act Filings, ML&Co. and ML Exchangeco are required to incorporate the Non-Incorporated Exhibits into a Prospectus under section 12.1(2) of Form 44-101F1.
37. The Non-Incorporated Exhibits are typically very lengthy and incorporation by reference of such documents into a Prospectus would therefore impose a disproportionately burdensome translation obligation on ML&Co. in comparison to Canadian issuers.
38. In lieu of the Non-Incorporated Exhibits being incorporated by reference into a Prospectus, ML Exchangeco will file the Non-Incorporated Exhibits, other than Non-Incorporated Exhibits that have previously been filed, as soon as practicable following the filings of such disclosure documents with the SEC and, in any event, prior to the filings of any subsequent Supplement (where applicable) with the Decision Makers.
39. A Prospectus delivered to Canadian purchasers will incorporate by reference continuous disclosure documents of ML&Co. similar to the continuous disclosure documents that would be required to be incorporated by reference by a Canadian issuer in connection with similar offerings of securities by a Canadian issuer, notwithstanding that such Prospectus will not incorporate by reference the same documents that would be incorporated by reference into a U.S. base shelf prospectus filed with the SEC pursuant to a registration statement on Form S-3.
40. All of ML&Co.'s continuous disclosure documents except for the Non-Essential 8-Ks will continue to be filed with the Decision Makers and, except for the incorporation by reference relief granted herein, will remain subject to the requirements under the Legislation. Such materials are also available on EDGAR.
41. The Filers will include a statement in each Prospectus explaining that the Filers have received exemptive relief exempting the Filers from the requirement to include certain materials in such Prospectus, identifying this Decision, and explaining how investors can obtain a copy of this Decision.

Underwriting Arrangements

42. ML Exchangeco is considered to be a "related issuer" and a "connected issuer" (as such terms are defined in NI 33-105) of ML Canada for Offerings because both ML Canada and ML Exchangeco are indirect wholly-owned subsidiaries of ML&Co.
43. ML Exchangeco proposes to offer the Securities from time to time through one of three alternative underwriting arrangements, the first being provided for in NI 33-105 and the other two being Offerings made through:
- (a) A syndicate structure pursuant to which ML Canada will act as an underwriter in respect of up to 49% of the offering (based on either the dollar value of the Offering or the total management fees for the Offering, as applicable) (a "49% Underwriting") and subject to the following conditions: (i) the minimum subscription for each subscriber under the Offering will be \$150,000; (ii) each Supplement will, to the extent not disclosed in the Prospectus, identify the independent underwriters and disclose their role in structuring and pricing the applicable Offering and in due diligence activities performed by the underwriters for the Offering; and (iii) a Prospectus (including for greater certainty, any Supplement) will contain, on the front page and in the body of such document, the information listed in Appendix C of NI 33-105 as required information for the front page and body of such document; or
 - (b) An arrangement whereby ML Canada will underwrite up to 100% of an Offering (an "ML Majority Underwriting"), subject to the following conditions: (i) the minimum subscription for each subscriber under the Offering will be \$150,000; (ii) a minimum of 66 $\frac{2}{3}$ % of the Offering will be made to institutional investors; (iii) any Supplement will, to the extent not disclosed in a Prospectus, identify the independent underwriters, if applicable, and disclose their role in structuring and pricing the applicable Offering and in the due diligence activities performed by the underwriters for the Offering; and (iv) a Prospectus will contain, on the front page and in the body of such document, the information listed in Appendix C of NI 33-105 as required information for the front page and body of such document.
44. If ML Exchangeco is offering the Securities through an ML Majority Underwriting, the initial offering price of the Securities will be determined by market

comparisons in both the secondary and primary market for such Securities at the time of pricing; secondary market levels on comparable offerings will be obtained from other dealers and investors and final pricing of the Securities will be based on the secondary market bid spread (being the difference in yield between comparable securities trading in the secondary market and the current Government of Canada bond) plus, in appropriate circumstances, a new issue premium plus the current Government of Canada bond yield.

45. Each of independent underwriters who is in a contractual relationship with ML Exchangeco at the time a Prospectus is filed will sign the certificate in the form prescribed by section 21.2 of Form 44-101F1.
46. Other than the proceeds of the Offering, which are intended for general corporate purposes (including ML&Co.'s Canadian operations), the only financial benefits which ML Canada will receive as a result of either a 49% Underwriting or a ML Majority Underwriting are the normal arm's length underwriting commissions and reimbursement of expenses associated with a public offering in Canada and, because the net proceeds from the sale of Securities may be loaned to or otherwise invested in various affiliates of ML Exchangeco or ML&Co., ML Canada may also receive inter-company financing.

Prior Orders

47. In August 1998, each of the Jurisdictions granted orders (collectively, the "1998 Orders") exempting ML Exchangeco from substantially all of the continuous disclosure requirements then set out in the Legislation of that Jurisdiction. The 1998 Orders are listed in Schedule A to this MRRS Decision Document.
48. ML Exchangeco has provided an undertaking to the securities regulatory authorities in the Jurisdictions that it will not rely on the continuous disclosure relief granted under the 1998 Orders.
49. Each Supplement to a Prospectus will incorporate by reference the following information:
 - (a) ML&Co.'s most recent annual report on Form 10-K filed under the 1934 Act, excluding any Non-Incorporated Exhibits thereto;
 - (b) ML&Co.'s most recent quarterly report on Form 10-Q, excluding any Non-Incorporated Exhibits thereto; and
 - (c) all of ML&Co.'s other 1934 Act Filings that are filed subsequent to the filing of ML&Co.'s most recent annual report on

Form 10-K under the 1934 Act, other than the Non-Incorporated Exhibits.

Continuous Disclosure Relief

50. Other than the condition set forth in paragraphs 13.3(2)(c) and (d) of NI 51-102, ML Exchangeco satisfies the conditions set forth in section 13.3(2) of NI 51-102. Other than the conditions set forth in paragraphs 13.4(2)(c) and (d) of NI 51-102, ML Exchangeco satisfies the conditions set forth in section 13.4(2) of NI 51-102.
51. ML Exchangeco does not satisfy the conditions set forth in paragraph 13.3(2)(c) because it has issued designated credit support securities (as defined in section 13.4 of NI 51-102). ML Exchangeco does not satisfy the conditions set forth in paragraph 13.4(2)(c) because it has issued designated exchangeable securities (as defined in section 13.3 of NI 51-102).
52. ML Exchangeco does not satisfy the conditions set forth in paragraphs 13.3(2)(d) and 13.4(2)(d) because ML&Co. has been granted relief from the requirement to file Non-Essential 8-Ks pursuant to an MRRS decision document dated July 12, 2005 (*Merrill Lynch & Co., Inc.* (2005) 28 OSCB 6850).

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.

Continuous Disclosure Requirements

The Decision of the Decision Makers under the Legislation is that the Continuous Disclosure Requirements shall not apply to ML Exchangeco, provided that:

- (a) for so long as ML Exchangeco is an "exchangeable security issuer" (as such term is defined in NI 51-102), the Filers continue to satisfy each of the conditions set forth in paragraphs 13.3(2)(a), (b), (e), (f), (g) and (h) of NI 51-102;
- (b) for so long as ML Exchangeco is a "credit support issuer" (as such term is defined in NI 51-102), the Filers continue to satisfy each of the conditions set forth in subsection 13.4(2)(a), (b), (e), (f), (g), (h), and (i) of NI 51-102;
- (c) ML Exchangeco does not issue any securities, other than:
 - (i) designated exchangeable securities (as defined in section 13.3 of NI 51-102);

- | | |
|---|---|
| <p>(ii) designated credit support securities (as defined in section 13.4 of NI 51-102);</p> <p>(iii) securities issued to ML&Co. or its affiliates; or</p> <p>(iv) debt securities issued to banks, loan corporations, trust corporations, treasury branches, credit unions, insurance companies or other financial institutions; and</p> <p>(d) ML Exchangeco files with the securities regulatory authorities in each of the Jurisdictions copies of all documents ML&Co. is required file with the SEC, except for the Non-Essential 8-Ks, at the same time as, or as soon as practicable after, the filing by ML&Co. of those documents with the SEC.</p> | <p>Majority Underwriting made under a Prospectus, provided that:</p> <p>(a) the independent underwriters participate in each proposed 49% Underwriting as stated in paragraph 43(a) hereof;</p> <p>(b) ML Exchangeco complies with paragraph 43(b) hereof in connection with each ML Majority Underwriting; and</p> <p>(c) ML Exchangeco complies with paragraphs 31 and 46 hereof.</p> <p>"Charlie MacCready" Assistant Manager, Corporate Finance Ontario Securities Commission</p> |
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Certification Requirement

The further Decision of the Decision Makers under the Legislation is that the Certification Requirement shall not apply to ML Exchangeco, provided that the Filers comply with the conditions in paragraphs (a) through (d) of the Decision above.

Incorporation by Reference

The further Decision of the Decision Makers is that ML&Co. and ML Exchangeco are exempt from the requirement of section 12.1(2) of Form 44-101F1 as it relates to the requirement to incorporate by reference into any Prospectus (including, for greater certainty, any Supplement, where applicable) the Non-Incorporated Exhibits, so long as:

- (a) ML&Co. and ML Exchangeco continue to incorporate by reference into a Prospectus (including for greater certainty, any Supplement, where applicable) ML&Co.'s most recent annual report on Form 10-K, its most recent quarterly report on Form 10-Q and all of its other 1934 Act filings that are filed since the date of ML&Co.'s most recent annual report on Form 10-K, other than the Non-Incorporated Exhibits; and
- (b) the representations in paragraphs 38, 40 and 41 remain true.

Independent Underwriter Requirement

The further Decision of the Decision Makers under the Legislation is that the Independent Underwriting Requirement contained in NI 33-105 shall not apply to ML Canada in respect of any 49% Underwriting and any ML

**Schedule A
1998 ORDERS**

British Columbia

Merrill Lynch & Co. (Re), Weekly Summary, Edition 98:35, p. 81 (September 4, 1998)

Alberta

Merrill Lynch & Co. (Re), (1998), 7 ASCS 3131

Saskatchewan

In the Matter of the Securities Act, S.S. 1988, c. 2-42.2 and In the Matter of Merrill Lynch & Co., Inc. and Merrill Lynch & Co., Canada Ltd. (August 25, 1998)

In the Matter of the Securities Act, 1988, SS 1988, C. S-42.2 and In the Matter of Merrill Lynch & Co., Inc. (August 30, 1998)

Manitoba

Merrill Lynch & Co., Inc. and Merrill Lynch & Co., Canada Ltd., Order No. 2303 (August 24, 1998)

Ontario

Merrill Lynch & Co. (Re) (1998), 21 OSCB 5459

Québec

Merrill Lynch & Co., Inc. (Décision No. 1998-C-0295 (August 21, 1998)

New Brunswick

In the Matter of the Securities Act, R.S.N.B. 1973, Chapter S-6, as amended and In the Matter of Merrill Lynch & Co., Inc. and Merrill Lynch & Co., Canada Ltd., Order #98-80032 (August 6, 1998)

Nova Scotia

In the Matter of the Securities Act, R.S.N.S 1989, c. 418, as amended and In the Matter of Merrill Lynch & Co., Inc. (August 19, 1998)

Prince Edward Island

In the Matter of the Securities Act, R.S.P.E.I. 1998, Cap S-3, as amended and In the Matter of Merrill Lynch & Co., Inc. and Merrill Lynch & Co., Canada Ltd. (August 20, 1998)

Northwest Territories

In the Matter of the Securities Act, R.S.N.W.T. 1988, c. S-5 and In the Matter of Merrill Lynch & Co., Inc. and Merrill Lynch & Co., Canada Ltd. (August 24, 1998)

Yukon Territory

In the Matter of the Securities Act R.S.Y. 1986, Chapter 158, as amended and In the Matter of Merrill Lynch & Co., Inc. and Merrill Lynch & Co., Canada Ltd., Registrar's Order 98/54 (August 14, 1998)

2.1.14 GrowthWorks Opportunity Fund Ltd. -s. 83

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - A mutual fund is deemed to have ceased to be a reporting issuer, provided it meets the requirements set out in CSA Notice 12-307.

Applicable Ontario Statutory Provisions, Rules and Notices

Securities Act, R.S.O. 1990, c. S-5, as am., s. 83.
CSA Staff Notice 12-307 - Ceasing to be a Reporting Issuer under the Mutual Reliance Review System for Exemptive Relief Applications, (2003) 26 OSCB 6348.

January 18, 2006

Irwin, White & Jennings

2620-1055 West Georgia Street
Vancouver, British Columbia
Canada V6E 3R5

Attention: Rosanna Tallarico

Dear Ms. Tallarico:

**Re: GrowthWorks Opportunity Fund Ltd. (the "Applicant")
Application to cease to be a reporting issuer under the securities legislation of the provinces of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, and Newfoundland and Labrador (collectively, the "Jurisdictions")
Application 908/05**

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

As the Applicant has represented to the Decision Makers that,

- the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
- the Applicant is applying for relief to cease to be a reporting issuer in all of the

jurisdictions in Canada in which it is currently a reporting issuer; and

- the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

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

"Leslie Byberg"
Manager, Investment Funds Branch

2.1.15 Arden Asset Management LLC. - s. 6.1(1) of MI 31-102 National Registration Database and s. 6.1 of OSC Rule 13-502 Fees

Headnote

International dealer exempted from the electronic funds transfer requirement pursuant to subsection 6.1(1) of Multilateral Instrument 31-102 National Registration Database and activity fee contemplated under section 4.1 of Ontario Securities Commission Rule 13-502 Fees waived in respect of this discretionary relief, subject to certain conditions.

Rules Cited

Multilateral Instrument 31-102 National Registration Database (2003) 26 O.S.C.B. 926, s. 6.1.
Ontario Securities Commission Rule 13-502 Fees (2003) 26 O.S.C.B. 867, ss. 4.1, 6.1.

February 15, 2006

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

AND

**IN THE MATTER OF
ARDEN ASSET MANAGEMENT LLC**

**DECISION
(Subsection 6.1(1) of
Multilateral Instrument 31-102
National Registration Database
and section 6.1 of Rule 13-502 Fees)**

UPON the Director having received the application of Arden Asset Management LLC (the **Applicant**) for an order pursuant to subsection 6.1(1) of Multilateral Instrument 31-102 *National Registration Database* (**MI 31-102**) granting the Applicant relief from the electronic funds transfer requirement contemplated under MI 31-102 and for relief from the activity fee requirement contemplated under section 4.1 of Ontario Securities Commission Rule 13-502 *Fees* (**Rule 13-502**) in respect of this discretionary relief;

AND UPON considering the application and the recommendation of the staff of the Ontario Securities Commission (the **Commission**);

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

1. The Applicant is organized under the laws of the State of Delaware in the United States of America. The Applicant is not a reporting issuer in any province or territory of Canada. The Applicant is seeking registration under the Act as an international adviser. The head office of the Applicant is located in New York.

2. MI 31-102 requires that all registrants in Canada enrol with CDS Inc. (**CDS**) and use the national registration database (**NRD**) to complete certain registration filings. As part of the enrolment process, registrants are required to open an account with a member of the Canadian Payments Association from which fees may be paid with respect to NRD by electronic pre-authorized debit (**electronic funds transfer requirement** or, the **EFT Requirement**).
3. The Applicant anticipates encountering difficulties in setting up its own Canadian based bank account for purposes of fulfilling the EFT Requirement.
4. The Applicant confirms that it does not intend to register in another category to which the EFT Requirement applies and that Ontario is the only jurisdiction in which it is seeking registration.
5. Staff of the Canadian Securities Administrators has indicated that, with respect to applications from international dealers and international advisers (or applicants in equivalent categories of registration) for relief from the EFT Requirement, it is prepared to recommend waiving the fee normally required to accompany applications for discretionary relief (the **Application Fee**).
6. For Ontario registrants, the requirement for payment of the Application Fee is set out in section 4.1 of Rule 13-502.

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

IT IS THE DECISION of the Director, pursuant to subsection 6.1(1) of MI 31-102 that the Applicant is granted relief from the EFT Requirement for so long as the Applicant:

- A. makes acceptable alternative arrangements with CDS for the payment of NRD fees and makes such payment within ten business days of the date of the NRD filing or payment due date;
- B. pays its participation fee under the Act to the Commission by cheque, draft, money order or other acceptable means at the time of filing its application for annual renewal, which shall be no later than the first day of December in each year;
- C. pays any applicable activity fees, or other fees that the Act requires it to pay to the Commission, by cheque, draft, money order or other acceptable means at the appropriate time; and

- D. is not registered in any Jurisdiction in another category to which the EFT Requirement applies;

PROVIDED THAT the Applicant submits a similar application in any other Canadian jurisdiction where it becomes registered as an international dealer or international adviser or in an equivalent registration category;

AND IT IS THE FURTHER DECISION of the Director, pursuant to section 6.1 of Rule 13-502, that the Application Fee will be waived in respect of the application for this Decision.

"David M. Gilkes"

2.1.16 Capital Alliance Ventures Inc. - s. 83

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - A mutual fund is deemed to have ceased to be a reporting issuer, provided it meets the requirements set out in CSA Notice 12-307.

Applicable Ontario Statutory Provisions, Rules and Notices

Securities Act, R.S.O. 1990, c. S-5, as am., s. 83.
CSA Staff Notice 12-307 - Ceasing to be a Reporting Issuer under the Mutual Reliance Review System for Exemptive Relief Applications, (2003) 26 OSCB 6348.

January 18, 2006

Irwin, White & Jennings
2620-1055 West Georgia Street
Vancouver, British Columbia
Canada V6E 3R5

Attention: Rosanna Tallarico

Dear Ms. Tallarico:

**Re: Capital Alliance Ventures Inc. (the "Applicant")
Application to cease to be a reporting issuer
under the securities legislation of the
provinces of Ontario and Quebec (collectively,
the "Jurisdictions")
Application 907/05**

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

As the Applicant has represented to the Decision Makers that,

- the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
- the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and

- the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

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

"Leslie Byberg"
Manager, Investment Funds Branch

2.2 Orders

2.2.1 Maitland Capital Ltd. et al. -s. 127(7)

**IN THE MATTER OF
THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED**

and

**IN THE MATTER OF
MAITLAND CAPITAL LTD., ALLEN GROSSMAN,
HANOUCU ULFAN, LEONARD WADDINGHAM,
RON GARNER, GORD VALDE,
MIRIANNE HYACINTHE, DIANA CASSIDY,
RON CATONE, STEVEN LANYS, ROGER MCKENZIE
TOM MEZINSKI, WILLIAM ROUSE and JASON SNOW**

**ORDER
Section 127(7)**

WHEREAS on January 24, 2006, the Ontario Securities Commission (the "Commission") ordered pursuant to s. 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "*Act*") that: (a) all trading by Maitland Capital Ltd. ("Maitland") and its officers, directors, employees and/or agents in securities of Maitland shall cease forthwith for a period of 15 days from the date thereof; (b) the Respondents cease trading in all securities; and (c) any exemptions in Ontario securities law do not apply to the Respondents (the "Temporary Order");

AND WHEREAS pursuant to subsection 127(1) and 127(5) of the *Act*, a hearing was scheduled for February 8, 2006 at 2:00 p.m. (the "Hearing");

AND WHEREAS Staff of the Commission has advised that six Respondents namely Ron Garner, Ron Catone, Steven Lanys, William Rouse, Leonard Waddingham and Jason Snow have not been served with the Temporary Order, Notice of Hearing or the Statement of Allegations in this matter;

AND WHEREAS Staff of the Commission has filed the affidavit of Sabine Dobell sworn February 2, 2006 and the affidavit of Bryan Gourlie sworn November 8, 2005 in support of Staff's request to extend the Temporary Order;

AND WHEREAS Staff of the Commission has requested an adjournment to continue to effect service on the six Respondents not yet served;

AND WHEREAS counsel for Maitland Capital and Allen Grossman, counsel for Hanoch Ulfan, and counsel for Diana Cassidy, and the individual Respondents, Mirianne Hyacinthe and Roger McKenzie have consented to an adjournment of the Hearing to February 28, 2006 at 10:00 a.m. and consented to an extension of the Temporary Order until the Hearing on February 28, 2006;

AND WHEREAS Gord Valde and Tom Mezinski have not appeared although duly served with the

Temporary Order, the Notice of Hearing and Statement of Allegations as evidence by the affidavit of service of Catherine Urquhart sworn February 3, 2006 and the affidavit of service of Ian MacIntyre sworn February 6, 2006 respectively;

AND WHEREAS by Commission order made November 1, 2005 pursuant to section 3.5(3) of the *Act*, any one of W. David Wilson, Susan Wolburgh Jenah and Paul M. Moore, acting alone, is authorized to make orders under section 127 of the *Act*;

IT IS ORDERED pursuant to subsection 127(7) of the *Act* that:

- (a) the Hearing is adjourned to February 28, 2006 at 9:30 a.m.; and
- (b) the Temporary Order is extended until February 28, 2006.

Dated at Toronto this "8th" day of February 2006

"Paul Moore", Q.C.

2.2.2 Hollinger Canadian Newspapers, Limited Partnership - s. 144

Headnote

Application for variation of cease trade order previously issued against certain directors, officers and other insiders of a reporting issuer in default of filings required under Ontario securities law – management and insider cease trade order (the MCTO) issued in response to earlier application by issuer to Commission under OSC Policy 57-603 Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements (the MCTO Policy) requesting that an MCTO be issued as an alternative to an issuer cease trade order – issuer remains in default but has filed default status reports on a biweekly basis in accordance with Part 3 of the MCTO Policy – controlling shareholder sold 87% partnership interest in issuer to purchaser – sale by controlling shareholder permitted by exemption in the MCTO – purchaser acquired approximately 3% of outstanding units of issuer from two persons pursuant to lock-up arrangements – as a result of these transactions, purchaser indirectly acquired in excess of 90% of the outstanding units of issuer and now wishes to acquire remaining outstanding units of issuer pursuant to a “business combination” in accordance with OSC Rule 61-501 – Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions – purchaser to offer same consideration to public unitholders as was paid to controlling shareholder for its 87% interest and to the two locked-up unitholders for their combined 3% interest – MCTO varied to permit respondents to make trades in units of the issuer pursuant to the business combination.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127, 144.

Rules and Policies Cited

OSC Policy 57-603 Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements.

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

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

AND

**IN THE MATTER OF
CERTAIN DIRECTORS, OFFICERS AND INSIDERS OF
HOLLINGER CANADIAN NEWSPAPERS,
LIMITED PARTNERSHIP
(BEING THE PERSONS AND COMPANIES LISTED
IN SCHEDULE “A” HERETO)**

**ORDER
(Section 144)**

WHEREAS on June 1, 2004, the Ontario Securities Commission (the “Commission”) made an order (the “MCTO”) under paragraph 2 of subsection 127(1) of the Act that all trading, whether direct or indirect, by the persons or companies listed in Schedule “A” (individually, a “Respondent” and collectively, the “Respondents”) in the securities of Hollinger Canadian Newspapers, Limited Partnership (the “Partnership”) shall cease, subject to certain exceptions as provided for in the MCTO, until two full business days following the receipt by the Commission of all filings the Partnership is required to make pursuant to Ontario securities law;

AND WHEREAS the MCTO was varied by an order of the Commission on March 8, 2005;

AND WHEREAS Glacier Ventures International Corp. (the “Applicant”) has requested that the MCTO be varied so that the Respondents may have their units of the Partnership acquired by the Applicant, or a subsidiary of the Applicant, pursuant to the Business Combination (as hereafter defined);

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 Partnership is a limited partnership established under the laws of the Province of Ontario by the filing under the *Limited Partnerships Act* (Ontario) of a declaration of partnership on April 14, 1999.
2. The Partnership is authorized to issue an unlimited number of units, and as of January 11, 2006 there were 182,912,295 units issued and outstanding.
3. The Partnership is a reporting issuer in each of the Provinces of Canada.
4. The units of the Partnership are listed on the NEX board of the TSX Venture Exchange.
5. As of January 19, 2006, the Partnership was on the Commission’s list of defaulting reporting issuers.
6. The Applicant was incorporated under the British Columbia *Company Act* on March 23, 1988 under the name “Cambridge Resources Ltd.”. The Applicant subsequently changed its name to “Glacier Ventures International Corp.” on August 26, 1997. Effective on September 20, 1999, the Applicant completed a continuance under the *Canada Business Corporations Act*.
7. The Applicant’s head office is located at 1970 Alberta Street, Vancouver, British Columbia, V5Y 3X4.

8. The common shares of the Applicant are listed and posted for trading on the Toronto Stock Exchange under the trading symbol "GVC".
9. Glacier is a reporting issuer in the provinces of British Columbia, Alberta, Quebec and Ontario.
10. To its knowledge, the Applicant is not in default of any of the requirements of the applicable securities legislation in any of the provinces in which it is a reporting issuer.
11. The Applicant, through a wholly owned subsidiary, entered into a share purchase agreement on January 11, 2006 (the "Share Purchase Agreement"), whereby it will indirectly acquire from Hollinger International Inc., among other things, 158,909,495 units of the Partnership, representing approximately 87% of the outstanding units of the Partnership.
12. The Applicant entered into lock-up agreements (the "Lock-up Agreements") with two persons whereby the Applicant, or a wholly-owned subsidiary of the Applicant, will acquire an aggregate of 6,021,689 units of the Partnership, representing approximately 3% of the outstanding units of the Partnership.
13. The closing of the transactions contemplated by the Share Purchase Agreement and the Lock-up Agreements occurred on February 6, 2006. As a result of these transactions, the Applicant indirectly acquired in excess of 90% of the outstanding units of the Partnership.
14. The Applicant intends to acquire the remaining outstanding units of the Partnership pursuant to a business combination (the "Business Combination") in accordance with Rule 61-501 – *Insider Bids, Issuer Bids, Going Private Transactions and Related Party Transactions*.

Schedule "A"

| | |
|--|------------------|
| Amiel Black, | Barbara |
| Atkinson, | Peter Y. |
| Black, | Conrad M. (Lord) |
| Boulton, | J.A. |
| Colson, | Daniel W. |
| Cowan, | Charles G. |
| Creasey, | Frederick A. |
| Creighton, | Bruce |
| Dodd, | J. David |
| Duckworth, | Claire F. |
| Healy, | Paul B. |
| Hollinger Canadian Newspapers (2003) Co. | |
| Hollinger Canadian Newspapers G.P. Inc. | |
| Hollinger Canadian Publishing Holdings Co. | |
| Kipnis, | Mark |
| Lane, | Peter K. |
| Loye, | Linda |
| Paris, | Gordon |
| Radler, | F. David |
| Rohmer, | Richard, OC, QC |
| Ross, | Sherrie L. |
| Samila, | Tatiana |
| Steele, | Harry |
| Stevenson, | Mark |
| Strother, | Sarah |

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

IT IS ORDERED under section 144 of the Act that, to the extent that the acquisition by the Applicant, or a subsidiary of the Applicant, of the units of the Partnership held by the Respondents pursuant to the Business Combination may involve "trades" by the Respondents in units of the Partnership, the MCTO be varied to permit the Respondents to make such trades in units of the Partnership.

DATED February 7, 2006

"Paul M. Moore"

"Wendell S. Wigle"

2.2.3 Universal Settlements International Inc. - ss. 127, 127.1

**IN THE MATTER OF
THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED**

AND

**IN THE MATTER OF
UNIVERSAL SETTLEMENTS INTERNATIONAL INC.**

ORDER

WHEREAS on January 16, 2006, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and Statement of Allegations pursuant to sections 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "Act");

AND WHEREAS the hearing of this matter was scheduled to be heard on February 13, 2006;

AND WHEREAS Staff and the respondent have agreed to an adjournment of the hearing to Monday, June 26, 2006, for a period of five days commencing at 10:00 a.m., but for Tuesday, June 27, 2006 when the hearing will commence at 2:30 p.m.;

AND WHEREAS counsel for Staff and counsel for the respondent appeared on February 13, 2006;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order;

IT IS HEREBY ORDERED THAT:

The hearing of this matter is adjourned to Monday, June 26, 2006 for a period of five days commencing at 10:00 a.m., but for Tuesday, June 27, 2006 when the hearing will commence at 2:30 p.m.

DATED at Toronto this 13th day of February, 2006.

"Wendell S. Wigle"

2.2.4 Anitech Enterprises Inc. - s. 144

Headnote

Section 144 – variation of cease trade order to permit meeting of shareholders, amalgamation and related transactions.

Applicable Ontario Statutory Provision

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127, 144.

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

AND

**IN THE MATTER OF
ANITECH ENTERPRISES INC.**

**ORDER
(Section 144)**

WHEREAS the securities of Anitech Enterprises Inc. (the **Applicant**) are subject to a cease trade order made by the Director dated June 7, 2004 pursuant to subsection 127(1) of the *Securities Act* (Ontario) (the **Act**), which order was made in connection with a temporary cease trade order made by the Director dated May 26, 2004 pursuant to subsections 127(1) and 127(5) of the Act (collectively, the **Cease Trade Order**) directing that trading in the securities of the Applicant cease unless revoked by a further order of revocation;

AND WHEREAS the Applicant has applied to the Ontario Securities Commission (the **Commission**) pursuant to section 144 of the Act for an order to vary the Cease Trade Order with respect to three proposed transactions: i) to hold an annual and special meeting of its shareholders to, among other things, approve a proposed amalgamation (the **Amalgamation**) of the Applicant with AMtag ID Inc. (**AMtag**), ii) to complete, subject to shareholder approval, the Amalgamation; and iii) the issue of shares of the amalgamated corporation (**Amalco**) on the conversion of a \$4,475,770 convertible debenture of Amalco and exchangeable shares of a subsidiary of Amalco that will have been issued in connection with the Asset Acquisition (as defined below);

AND WHEREAS the Applicant has represented to the Commission that:

1. The Applicant was incorporated on April 4, 1986 under the laws of Alberta, was subsequently continued under the laws of British Columbia, and finally continued under the *Business Corporations Act* (Ontario) on July 6, 1993. The Applicant does not maintain a head office since it has no active operations. The Applicant's mailing address is currently Suite 6, PO Box 105, 14845 Yonge Street, Aurora, Ontario, L4G 6P6. The Applicant's

- records are currently located at the offices of Fasken Martineau DuMoulin LLP, at 66 Wellington Street West, Suite 4200, Toronto Dominion Bank Tower, Toronto-Dominion Centre, Toronto, Ontario, M5K 1N6.
2. The authorized share capital of the Applicant consists of an unlimited number of common shares, of which 19,160,496 common shares are issued and outstanding as of January 25, 2006. Other than its common shares, the Applicant has no securities, including debt securities, outstanding.
 3. The Applicant is a reporting issuer under the securities legislation of the provinces of Ontario, British Columbia and Alberta. The Applicant is not a reporting issuer in any other jurisdiction in Canada.
 4. The common shares of the Applicant are listed on the NEX board of the TSX Venture Exchange but have been suspended from trading, and are not listed or quoted on any other exchange or market in Canada or elsewhere.
 5. The Cease Trade Order was issued due to the failure by the Applicant to file with the Commission audited financial statements for the year ended December 31, 2003 and interim financial statements for the three months ended March 31, 2004 (the **Financial Statements**) as required by the Act.
 6. The Applicant is also subject to cease trade orders issued by the British Columbia Securities Commission dated June 2, 2004 and the Alberta Securities Commission dated June 30, 2004 for failure to file the Financial Statements. The Applicant has concurrently applied for a partial revocation of these cease trade orders.
 7. The Financial Statements were not filed with the Commission due to a lack of funds to pay for the preparation and audit of such statements.
 8. The audited financial statements for the years ended December 31, 2003 and 2004, and unaudited financial statements for the nine months ended September 30, 2005, were filed with the Commission, via SEDAR on December 21, 2005.
 9. The Applicant is up to date in its continuous disclosure obligations, has paid all outstanding filing fees associated therewith, and is no longer in default of the requirements of the Act or any of the rules or regulations made thereunder.
 10. The Applicant has entered into an agreement with AMtag whereby the Applicant has agreed to amalgamate with AMtag (the **Amalgamation**), subject to shareholder approval, to form an amalgamated corporation which will be called "iPico Inc." or such other name as the board of directors of the Corporation, in its sole discretion but subject to applicable regulatory approval, deems appropriate. On the Amalgamation, each of the current shareholders of the Applicant will receive one common share of the amalgamated corporation (**Amalco**) for every 191.6049 common shares of the Applicant held on the date of the Amalgamation; provided, however, that Shareholders who hold fewer than 19,161 common shares of the Applicant, or who would otherwise be entitled to receive a fractional share of Amalco, will instead receive a cash payment equal to one dollar (\$1.00) multiplied by the number of shares (including fractional shares) of Amalco that would otherwise have been issuable to such shareholder. The shareholders of AMtag will receive one common share of Amalco for each common share of AMtag and one 5% cumulative redeemable convertible Class A Share of Amalco for each 5% cumulative redeemable convertible Class A Share of AMtag, as the case may be, held on the date of the Amalgamation. In addition, each obligation of AMtag to issue shares (whether an option, warrant, convertible debt instrument, exchangeable shares of a subsidiary or other contractual obligation) will become an obligation to issue an equal number of common shares or Class A Shares of Amalco, as the case may be. As a result of the Amalgamation, the shareholders of AMtag will own a minimum of approximately 99.73% of the issued and outstanding shares of Amalco, while the current shareholders of the Applicant will hold a maximum of approximately 0.27% of the issued and outstanding shares of Amalco. It is expected that immediately after the Amalgamation Amalco will have 24,650,320 common shares and 5,000,000 Class A Shares issued and outstanding, and 18,529,680 common shares issuable on the exercise or conversion of warrants, options, and convertible debt instruments of Amalco and exchangeable shares of a subsidiary of Amalco.
 11. In connection with, and as a condition of, the Amalgamation, AMtag has entered into agreements with iPico Holdings (Pty) Limited (**iPico**), its subsidiaries, and certain licencees of iPico (collectively, the **iPico Group**), to purchase certain assets of the iPico Group, principally intellectual property and material contracts (the **Asset Acquisition**), for consideration consisting of \$5,520,000, 2,873,910 shares (the **Exchangeable Shares**) of iPico South Africa (Pty) Ltd. (**iPico South Africa**), a wholly-owned subsidiary of AMtag, which will be exchangeable for 2,873,910 common shares of AMtag, and a \$4,475,770 debenture (the **Debenture**) convertible into 4,475,770 common shares of AMtag. Upon the completion of the Amalgamation, the Exchangeable Shares will be exchangeable for an equal number of common shares of Amalco, and the Debenture will be convertible into an equal number of common shares of Amalco.

12. In connection with, and as a condition of, the Asset Acquisition, AMtag must complete a financing (the **Private Placement**) for gross proceeds of at least \$15,000,000 consisting of a private placement of common subscription receipts (each exercisable for one common share and half of a common share purchase warrant) for gross proceeds of at least \$10,000,000, and a private placement of preferred subscription receipts (each exercisable for one Class A Share and Class A Share purchase warrant) for gross proceeds of at least \$5,000,000. It is expected that the financing will result in the issuance of 10,000,000 common shares, 5,000,000 Class A Shares, 5,000,000 common share purchase warrants and 5,000,000 Class A Share purchase warrants. The proceeds of the Private Placement will be used to finance the Asset Acquisition, to pay the costs of the Asset Acquisition, the Private Placement and the Amalgamation, and to provide working capital for Amalco.
13. After the completion of the Private Placement, the Asset Acquisition and the Amalgamation, Amalco will have sufficient funds to cover its operating costs for twelve months.
14. The terms of the Amalgamation, Asset Acquisition and Private Placement are described in the Management Information Circular of the Applicant dated February 10, 2006, for the annual and special meeting of the Applicant's shareholders to be held on or about March 3, 2006 (the **Circular**). The audited financial statements for the years ended December 31, 2003 and 2004, and unaudited financial statements for the nine months ended September 30, 2005 will be mailed to the shareholders of the Applicant together with the Circular.
15. At the annual and special meeting, the shareholders of the Applicant will be asked to approve the Amalgamation. In order to be effective, the Amalgamation must be approved by (i) two-thirds of the votes cast by shareholders present at the meeting in person or by proxy, and (ii) a majority of the votes cast by disinterested shareholders present at the meeting in person or by proxy. "Disinterested shareholders" will be all shareholders other than certain directors of the Applicant who transferred to AMtag, in exchange for 151,000 common shares of AMtag, a debt of \$159,000 owed by the Applicant to them for loans which they made to the Applicant in the past. These directors will not continue with Amalco if the Amalgamation is completed, except for one director, Simon Lewis, who was owed \$40,000 of this debt and received 38,000 common shares of AMtag.
16. The Amalgamation will be subject to, and will be completed in compliance with, all applicable policies of the TSX Venture Exchange (the **Exchange**).
17. The Applicant has applied to the Exchange for approval of the Amalgamation and the listing of the common shares of Amalco on Tier 2 of the Exchange.
18. The Circular contains a description of the Cease Trade Order, a description of this Order, a notice that the Commission will consider issuing a final revocation order at the time of the completion of the Amalgamation, and a notice that if the Amalgamation is completed before the final revocation of the Cease Trade Order is granted, all securities of Amalco, including all securities issued pursuant to the Amalgamation, the Private Placement and the Asset Acquisition will remain subject to the Cease Trade Order until such order is revoked by the Commission.
19. Prior to the completion of the Private Placement, the Asset Acquisition, and the Amalgamation, the current shareholders of AMtag and the proposed recipients of securities of AMtag under the Private Placement and the Asset Acquisition will receive: (i) a copy of the Cease Trade Order; (ii) a copy of this Order; (iii) written notice from the Applicant and AMtag that the Commission will consider issuing a final revocation order at the time of the completion of the Amalgamation; and (iv) written notice from the Applicant and AMtag that if the Amalgamation is completed before the final revocation of the Cease Trade Order is granted, all securities of Amalco, including all securities issued pursuant to the Amalgamation, the Private Placement and the Asset Acquisition will remain subject to the Cease Trade Order until the final revocation of the Cease Trade Order by the Commission. The current shareholders of AMtag and the proposed recipients of securities of AMtag will be required to acknowledge in writing the receipt of these documents from AMtag and the Applicant.
20. The variance of the Cease Trade Order is in the best interests of the present shareholders of the Applicant, as it will allow the Applicant to proceed with the Amalgamation, the Private Placement and the Asset Acquisition. These three transactions will result in the Applicant once more having assets and an active business.

AND WHEREAS considering the Application and the recommendation of staff to the Director;

AND WHEREAS the Director is satisfied that to do so would not be prejudicial to the public interest;

IT IS ORDERED, pursuant section 144 of the Act, that the Cease Trade Order be varied solely to permit:

 - i) the holding of the annual and special meeting of the shareholders of the Applicant to, among other things, approve the Amalgamation;

- ii) the Amalgamation, as described in paragraph 10 of this Order; and
- iii) the issuance of common shares of Amalco upon the exchange of the Exchangeable Shares and the conversion of the Debenture, as described in paragraph 11 of this Order;

provided that:

- i) prior to the completion of the Amalgamation, the Circular is mailed to all shareholders of the Corporation in accordance with *National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer*;
- ii) prior to the issuance of securities pursuant to the Private Placement and prior to the issuance of securities pursuant to the Asset Acquisition, the Applicant provides the written documentation described in paragraph 19 of this Order to each individual or corporation which will receive securities of AMtag (which will be converted into securities of the Applicant upon the completion of the Amalgamation); and
- iii) prior to the issuance of securities pursuant to the Private Placement and prior to the issuance of securities pursuant to the Asset Acquisition, the Applicant receives the written acknowledgements referred to in paragraph 19 of this Order.

DATED this 13th day of February 2006.

"Kelly Gorman"
Assistant Manager, Corporate Finance

2.2.5 James Patrick Boyle, Lawrence Melnick and John Michael Malone

**IN THE MATTER OF
THE SECURITIES ACT
R.S.O. 1990, c. S.5, AS AMENDED**

AND

**IN THE MATTER OF
JAMES PATRICK BOYLE, LAWRENCE MELNICK
AND JOHN MICHAEL MALONE**

ORDER

WHEREAS on August 5, 2005, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and Statement of Allegations pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act");

AND WHEREAS the hearing of this matter was scheduled to be heard on September 15, 2005;

AND WHEREAS by order of the Commission on September 15, 2005, this matter was adjourned to October 27, 2005;

AND WHEREAS counsel for Staff and the respondents appeared on October 27, 2005 whereupon a motion was set down for January 25, 2006;

AND WHEREAS on December 21, 2005, the Commission ordered, *inter alia*, that the motion to be brought by the respondent James Patrick Boyle ("Boyle"), and by one or both of the other respondents should they so advise, in respect of section 129.1 of the Act would be heard on Friday, February 3, 2006, and that the parties to the motion would agree to a schedule for the exchange of materials, failing which a schedule for the exchange of materials would be set by the Office of the Secretary;

AND WHEREAS on February 2, 2006, counsel for the moving parties Boyle and Lawrence Melnick agreed to a schedule for the exchange of materials, subject to confirmation with the Secretary on Tuesday, February 7, 2006;

AND WHEREAS by order of the Commission dated February 3, 2006, the hearing of the motion in respect of section 129.1 of the Act was scheduled for Thursday, February 23 and Friday, February 24, 2006.

AND WHEREAS February 24, 2006 is no longer a date available for the hearing of this motion;

AND UPON CONSIDERING the consent of Staff of the Commission and of the respondents Boyle and Melnick to have the hearing of the motion held on February 23 and 27, 2006.

IT IS HEREBY ORDERED THAT:

The motion in respect of section 129.1 of the Act is hereby scheduled for Thursday, February 23, 2006 at 10:00 a.m. and Monday, February 27, 2006 at 9:00 a.m.

DATED at Toronto this 15th day of February, 2006.

“Paul M. Moore”

2.3 Rulings

2.3.1 Ameritrade Holding Corporation and Ameritrade Services Company, Inc. - s. 74(1)

Headnote

Two US-based applicants will have representatives located in Ontario. They will conduct trades in securities with, or on behalf of, customers or clients who are not residents of Canada and in doing so the representatives will not be required to be registered.

Applicable Provision

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

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

AND

**IN THE MATTER OF
AMERITRADE HOLDING CORPORATION AND
AMERITRADE SERVICES COMPANY, INC.**

**RULING
(Subsection 74(1))**

WHEREAS on July 19, 2002, the Ontario Securities Commission (the **Commission**) made a ruling pursuant to subsection 74(1) of the Act that representatives of TD Waterhouse Investor Services, Inc. (**TDW**) who work in a call centre located in London, Ontario that answer inbound phone calls from clients of TDW who are not residents of Canada are not subject to paragraph 25(1)(a) of the Act subject to certain terms and conditions (as amended on July 22, 2005, the **Ruling**).

AND WHEREAS pursuant to a definitive agreement between Ameritrade Holding Corporation (**AHC**) and The Toronto-Dominion Bank (**TD Bank**) among others, (the **Acquisition Agreement**), AHC will acquire all of the outstanding shares of TD Waterhouse Group, Inc. (**TDWG**), and thus indirectly acquire all of the outstanding shares of TDW and TD Waterhouse Canadian Call Center Inc. (**TDWCCC**).

AND UPON the application of AHC and Ameritrade Services Company, Inc (**ASCI**, together with AHC, the **Ameritrade Group**) for an order pursuant to subsection 74(1) of the *Securities Act* (Ontario) (the **Act**) that Ameritrade Representatives (as defined below) located in Ontario who, after the Acquisition, conduct trades in securities with, or on behalf of, customers or clients of Ameritrade Group who are not residents of Canada (**Non-Canadian Clients**) shall not be subject to paragraph 25(1)(a) of the Act.

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

AND UPON the Ameritrade Group having represented to the Commission as follows:

1. AHC is a corporation formed under the laws of the State of Delaware.
2. ASCI is a corporation formed under the laws of the state of Delaware, and is a wholly owned subsidiary of AHC.
3. TDW is a corporation incorporated under the laws of the State of New York, and is registered as a broker-dealer with the U.S. *Securities and Exchange Commission* (the **SEC**). TDWCCC is a corporation incorporated under the federal laws of Canada. Both TDW and TDWCCC are subsidiaries of TDWG.
4. Pursuant to the Acquisition Agreement, AHC will acquire the only the U.S. retail brokerage business of TD Bank by acquiring all of the outstanding shares of TDWG (the **Acquisition**), including its subsidiaries TDW and TDWCCC.
5. After the Acquisition, AHC will be the indirect owner of TDW and TDWCCC.
6. The Acquisition is expected to close on or about January 24, 2006.
7. On the date of closing of the Acquisition, TD Bank will enter into a Call Centre Services Agreement with the Ameritrade Group (**Call Centre Agreement**) whereby TD Bank will agree to provide certain call centre services as described therein (**Call Centre Services**) to the Ameritrade Group.
8. Such Call Centre Services will be provided to the Ameritrade Group until September 30, 2006, or upon the termination of the Call Centre Agreement (the **Termination Date**). If the parties to the Call Centre Agreement agree to terminate the Call Centre Agreement at a date later than September 30, 2006, the Ameritrade Group shall notify the Director of the Commission, otherwise the Termination Date for the purposes of this ruling shall be September 30, 2006.
9. Pursuant to the Call Centre Agreement, representatives of Ameritrade Group will consist of employees, subcontractors, agents and other third parties of, or appointed by, TD Bank who will provide the Call Centre Services in Ontario and who are either in direct communication with the customers of Ameritrade Group, or are line supervisors (the **Ameritrade Representatives**). Also pursuant to the Call Centre Agreement, the Ameritrade Representatives will be dedicated solely to providing Call Centre Services to Ameritrade Group only and will not be utilized to provide services to any other entity or business.
10. The Ameritrade Representatives will be dedicated to answering phone calls from Non-Canadian Clients and individuals (**NI 35-101 Clients**) referred to in section 2.1 of National Instrument 35-101 -- *Conditional Exemption from Registration for United States Broker-Dealers and Agents (NI 35-101)* subject to obtaining any relief required under NI 35-101 to deal with such clients.
11. Within the call centre located in London, Ontario, Ameritrade Group's call centre operations will be operated in accordance with all applicable rules established by various U.S. regulatory authorities including all applicable rules established by the SEC and the New York Stock Exchange (**NYSE**), and will continue to be subject to the same procedures that apply to TDW's existing U.S. business. Ameritrade Group's call centre operations will be examined at least annually by representatives from Ameritrade Group's compliance staff, and will be supervised by one or more properly qualified individuals acceptable to the NYSE.
12. Ameritrade Representatives will continue to comply with all registration and other requirements of applicable U.S. securities legislation in respect of trades conducted with, or on behalf of, Non-Canadian Clients.
13. Ameritrade Group will not establish accounts for, or trade securities with, or on behalf of, persons or companies who are resident in Canada except to the extent that TDW and its agents now conduct trading in Canada in accordance with dealer registration and prospectus exemptions that are available pursuant to NI 35-101.
14. Within the call centre located in London, Ontario, the Ameritrade Group's call centre operations will be an opaque presence, inaccessible to any person or company other than Non-Canadian Clients and NI 35-101 Clients who direct inquiries to the Ameritrade Group.

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

IT IS RULED, pursuant to subsection 74(1) of the Act that:

- (a) the Ameritrade Representatives shall not be subject to the requirements of paragraph 25(1)(a) of the Act where the Ameritrade Representatives act on behalf of Ameritrade Group in respect of trades in securities with or on behalf of Non-Canadian Clients conducted through the call centre located in London, Ontario, subsequent to the closing of the Acquisition, provided that the Ameritrade Representatives comply with all registration and other requirements of

applicable securities legislation in the U.S.;

(b) Ameritrade Group shall not be subject to the requirements of paragraph 25(1)(a) of the Act in respect of trading by it in securities with or on behalf of Non-Canadian Clients conducted through the call centre located in London, Ontario, subsequent to the closing of the Acquisition, provided that:

(i) an Ameritrade Representative acts on behalf of Ameritrade Group in respect of such trading; and

(ii) Ameritrade Group complies with all registration and other requirements of applicable securities legislation in the U.S.; and

(c) this ruling shall be in effect until the Termination Date.

January 24, 2006

“Paul M. Moore”

“Suresh Thakrar”

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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 |
|----------------------------|-------------------------|-----------------|-------------------------|----------------------|
| 222 Pizza Express Corp. | 09 Feb 06 | 21 Feb 06 | | |
| Greenshield Resources Ltd. | 06 Feb 06 | 17 Feb 06 | | 10 Feb 06 |
| Norco Capital Inc. | 10 Feb 06 | 22 Feb 06 | | |

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 |
|--------------|----------------------------------|-----------------|-------------------------|----------------------|--------------------------------|
| | | | | | |

No updates for the week ending February 15, 2006.

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 |
|--|----------------------------------|-----------------|-------------------------|----------------------|--------------------------------|
| Argus Corporation Limited | 25 May 04 | 03 Jun 04 | 03 Jun 04 | | |
| BFS Entertainment & Multimedia Limited | 04 Jan 06 | 17 Jan 06 | 17 Jan 06 | | |
| Brainhunter Inc. | 03 Jan 06 | 16 Jan 06 | 16 Jan 06 | | |
| Cervus Financial Group Inc. | 30 Dec 05 | 12 Jan 06 | 12 Jan 06 | | |
| Fareport Capital Inc. | 13 Sept 05 | 26 Sept 05 | 26 Sept 05 | | |
| Hip Interactive Corp. | 04 Jul 05 | 15 Jul 05 | 15 Jul 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 | | |
| Novelis Inc. | 18 Nov 05 | 01 Dec 05 | 01 Dec 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 | # of Purchasers | Issuer/Security | Total Pur. Price (\$) | # of Securities Distributed |
|--------------------------|-----------------|--|-----------------------|-----------------------------|
| 01/13/2006 | 51 | Abacus Mining & Exploration Corporation - Units | 900,000.00 | 2,000,000.00 |
| 01/23/2006 | 20 | Aberdeen International Inc. - Units | 4,739,200.00 | 5,924,000.00 |
| 09/26/2003 to 01/16/2004 | 5 | Acpana Business Systems Inc. - Units | 600,000.00 | 40,000.00 |
| 03/15/2005 | 10 | Acpana Business Systems Inc. - Units | 1,175,000.00 | 783,333.00 |
| 01/01/2005 to 10/01/2005 | 46 | Adaly Opportunity Fund - L.P. Units | 11,962,899.52 | 8,303.24 |
| 01/27/2006 | 4 | Aggregate Therapeutics Inc. - Common Shares | 1,800.00 | 180,000.00 |
| 01/01/2005 to 12/31/2005 | 5 | AIC American Focused Plus Fund - Units | 456,256.11 | N/A |
| 02/03/2006 | 52 | Annapolis Investment Limited Partnership I - L.P. Units | 28,408,000.00 | 284,080.00 |
| 08/01/2005 to 12/01/2005 | 8 | Aquilon Premium Value Partnership - Units | 1,261,929.27 | N/A |
| 01/31/2006 | 1 | BCP V-S L.P. - L.P. Interest | 686,340.00 | 1.00 |
| 01/31/2006 | 1 | Blackstone Capital Partners V, L.P. - L.P. Interest | 5,033,160.00 | 1.00 |
| 01/26/2006 | 1 | Buck Lake Ventures Ltd. - Common Shares | 3,250.00 | 50,000.00 |
| 01/26/2006 | 1 | Canadian Trading and Quotation System Inc. - Debentures | 100,000.00 | N/A |
| 01/06/2006 | 15 | Consolidated Gold Win Ventures Inc. - Units | 350,000.00 | 7,000,000.00 |
| 01/20/2006 | 16 | Coolham Holdings, Inc. - Units | 1,356,398.40 | 1,876,000.00 |
| 01/26/2006 | 1 | Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A. - Notes | 500,000,000.00 | 1.00 |
| 10/25/2005 to 11/03/2005 | 8 | Cornerstone Absolute Return Fund L.P. - Units | 157,282,700.00 | 133,100.00 |
| 01/16/2006 | 29 | Crossflux Inc. - Common Shares | 1,317,595.00 | 450,000.00 |
| 01/31/2006 | 1 | DiscoveryWhy Inc. - Stock Option | 200,000.00 | 1,000,000.00 |
| 02/01/2006 | 1 | Distributionco Inc. - Units | 48,132.00 | 192,528.00 |
| 01/27/2006 | 3 | Dynacor Mines Inc. - Units | 167,200.00 | 760,000.00 |

Notice of Exempt Financings

| Transaction Date | # of Purchasers | Issuer/Security | Total Pur. Price (\$) | # of Securities Distributed |
|--------------------------|------------------------|--|------------------------------|------------------------------------|
| 07/15/2005 to 12/30/2005 | 82 | Dynamic Contrarian Fund - Units | 6,429,337.17 | 1,236,582.50 |
| 08/05/2005 to 12/05/2032 | 77 | Dynamic Power Emerging Markets Fund - Units | 21,819,635.02 | 4,211,722.67 |
| 01/30/2006 | 6 | Ecstall Mining Corporation - Units | 200,000.00 | 1,000,000.00 |
| 02/03/2006 | 1 | Endurance Trust - Notes | 6,152,558.03 | 1.00 |
| 01/23/2006 | 1 | Excalibur Limited Partnership - L.P. Units | 415,205.60 | 1.58 |
| 01/23/2006 | 1 | Excalibur Limited Partnership II - L.P. Units | 42,346.00 | 0.80 |
| 12/23/2005 | 1 | Friedberg Equity-Hedge Fund - Units | 250,000.00 | 1,148.69 |
| 01/14/2005 to 12/23/2005 | 42 | Friedberg Global-Macro Hedge Fund - Units | 6,991,463.24 | 368,199.82 |
| 01/16/2006 to 01/20/2006 | 22 | General Motors Acceptance Corporation of Canada, Limited - Notes | 5,383,268.98 | 5,383,268.98 |
| 01/30/2006 to 02/03/2006 | 15 | General Motors Acceptance Corporation of Canada, Limited - Notes | 5,333,109.85 | 53,331.00 |
| 01/04/2005 to 12/29/2005 | 133 | Goodman Private Wealth Management Balanced Pool - Units | 18,063,197.71 | 1,398,191.00 |
| 01/26/2006 | 72 | Greyhawke Resources Ltd. - Common Shares | 32,673,500.00 | 16,486,750.00 |
| 01/03/2006 | 2 | Groundlayer Capital Inc. - Units | 2,000,000.00 | 9.00 |
| 12/01/2005 | 5 | Groundlayer Capital Inc. - Units | 3,500,000.00 | 16.24 |
| 11/01/2005 | 2 | Groundlayer Capital Inc. - Units | 3,500,000.00 | 17.29 |
| 10/03/2005 | 4 | Groundlayer Capital Inc. - Units | 2,470,367.35 | 12.13 |
| 01/04/2005 to 12/30/2005 | 260 | Highstreet Balanced Fund - Units | 41,954,524.11 | 2,794,362.00 |
| 01/07/2005 to 12/28/2005 | 37 | Highstreet Canadian Bond Index Fund - Units | 29,023,415.00 | 2,690,267.00 |
| 01/04/2005 to 12/23/2005 | 77 | Highstreet Canadian Equity Fund - Units | 81,507,741.45 | 3,023,272.00 |
| 01/13/2005 to 12/15/2005 | 43 | Highstreet Canadian Growth Fund - Units | 8,691,036.81 | 343,799.00 |
| 04/29/2005 to 12/13/2005 | 17 | Highstreet Canadian Small Cap Fund - Units | 1,518,608.24 | 142,424.00 |
| 01/07/2005 to 12/22/2005 | 9 | Highstreet International Equity Fund - Units | 1,219,400.81 | 101,615.00 |
| 01/11/2005 to 12/28/2005 | 26 | Highstreet Money Market Fund - Units | 17,239,822.00 | 1,715,532.00 |

Notice of Exempt Financings

| Transaction Date | # of Purchasers | Issuer/Security | Total Pur. Price (\$) | # of Securities Distributed |
|--------------------------|------------------------|---|------------------------------|------------------------------------|
| 01/28/2005 to 12/23/2005 | 24 | Highstreet US Equity Fund - Units | 5,912,437.96 | 599,455.00 |
| 02/18/2005 to 09/09/2005 | 9 | Horizons Diversified Fund - Units | 329,448.20 | 32,104.00 |
| 01/31/2006 | | Imaging Dynamics Company Ltd. - Special Warrants | | 4,285,715.00 |
| 01/31/2006 | 1 | Ineos Group Holdings plc - Notes | 2,287,800.00 | 1.00 |
| 02/01/2006 | 18 | International KRL Resources Corp. - Units | 1,695,000.00 | 8,425,000.00 |
| 08/24/2005 to 12/31/2005 | 3 | INVESCO International Equity Fund - Units | 5,811,005.72 | 609,319.80 |
| 01/26/2006 | 15 | ISX Resources Inc. - Units | 300,000.00 | 600,000.00 |
| 01/19/2006 | 1 | KBSH Corporate Bond Fund - Units | 147,000.00 | 9,032.26 |
| 01/19/2006 | 1 | KBSH Enhanced Income Fund - Units | 147,000.00 | 12,668.05 |
| 02/08/2006 | 22 | KFG Resources Ltd. - Common Shares | 500,000.00 | 5,000,000.00 |
| 01/15/2006 | 3 | Kingwest Avenue Portfolio - Units | 34,600.00 | N/A |
| 01/15/2006 | 2 | Kingwest Canadian Equity Portfolio - Units | 1,234,900.00 | N/A |
| 01/15/2006 | 3 | Kingwest U.S. Equity Portfolio - Units | 558,085.00 | N/A |
| 01/31/2006 | 1 | Ladybug Teknologies Inc. - Debentures | 300,000.00 | 3,000,000.00 |
| 01/20/2006 | 3 | LaSalle Canadian Income & Growth Fund II Limited Partnership - L.P. Units | 25,000,000.00 | 250,000.00 |
| 08/01/2005 to 12/01/2005 | 1 | Lawrence Income Fund - Units | 1,025,000.00 | 10,236.00 |
| 08/01/2005 to 12/01/2005 | 2 | Lawrence Income Fund Inc. - Units | 1,025,001.12 | 10,245.00 |
| 09/01/2005 to 11/01/2005 | 62 | Lawrence Partners Fund Inc. - Units | 23,884,640.48 | 238,304.36 |
| 08/01/2005 to 12/01/2005 | 1 | Lawrence Partners Fund L.P. - Units | 23,884,639.92 | 237,774.87 |
| 01/26/2006 | 355 | Marble Point Energy Ltd. - Common Shares | 19,225,550.00 | 15,412,440.00 |
| 12/09/2005 to 01/11/2006 | 50 | Metalex Ventures Ltd. - Common Shares | 5,816,251.00 | N/A |
| 01/31/2006 | 6 | Mooncor Energy Inc. - Units | 133,000.00 | 380,000.00 |
| 01/27/2006 | 1 | NETISTIX TECHNOLOGIES CORPORATION - Debentures | 50,000.00 | 50,000.00 |
| 12/21/2005 | 1 | Nomis Power Corp. - Flow-Through Shares | 250,000.00 | 125,000.00 |

Notice of Exempt Financings

| Transaction Date | # of Purchasers | Issuer/Security | Total Pur. Price (\$) | # of Securities Distributed |
|--------------------------|------------------------|--|------------------------------|------------------------------------|
| 01/31/2005 to 12/31/2005 | 3 | Northern Rivers RSP Fund - Units | 311,000.00 | 36,154.83 |
| 01/01/2005 to 12/01/2005 | 13 | Novadan Capital Limited Partnership - Units | 3,310,000.00 | 1,420.53 |
| 01/26/2006 | 2 | Pemex Project Funding Master Trust - Bonds | 3,455,511.61 | 300.00 |
| 01/13/2006 | 12 | Pencari Mining Corporation - Units | 855,000.00 | 1,700,000.00 |
| 06/22/2005 to 10/25/2005 | 1 | Performance Venture Capital L.P. - L.P. Interest | 403,070,000.00 | 403,070,000.00 |
| 01/18/2006 | 23 | Phoenix Matachewan Mines Inc. - Units | 480,000.00 | 6,000,000.00 |
| 01/18/2006 | 16 | Photon Control Inc. - Units | 500,000.00 | 1,250,000.00 |
| 01/31/2006 | 48 | Playfair Mining Ltd. - Common Shares | 800,000.00 | 3,720,931.00 |
| 01/30/2006 | 10 | PMIC II Investments Ltd. - Preferred Shares | 320,629.00 | 320,629.00 |
| 01/04/2005 to 12/20/2005 | 415 | Prosperity Fixed Income Fund - Units | 74,595,861.17 | 7,331,445.17 |
| 01/01/2005 to 12/31/2005 | 211 | QSA Select Canada Focus Fund - Units | 12,651,048.42 | 1,305,624.07 |
| 01/01/2005 to 12/31/2005 | 593 | QSA Select US Value 50 Fund - Units | 25,196,221.77 | 4,678,815.02 |
| 01/30/2006 | 75 | Qualia Real Estate Investment Fund V Limited Partnership - Units | 4,850,000.00 | 97.00 |
| 02/01/2006 | 2 | redCity Search Company Inc. - Units | 52,500.00 | 210,000.00 |
| 02/02/2006 | 99 | Result Energy Inc. - Common Shares | 6,212,875.00 | 5,152,000.00 |
| 01/31/2006 | 119 | Romspen Mortgage Investment Fund - Units | 8,880,490.00 | 888,049.00 |
| 01/26/2006 | 1 | Seawall 2006-1, Ltd. - Notes | 207,054,000.00 | 1.00 |
| 12/23/2005 | 19 | Sherwood Cooper Corporation - Flow-Through Shares | 1,310,000.00 | 400,000.00 |
| 12/20/2005 | 3 | Silvermet Corporation - Units | 500,000.00 | 3,333,333.00 |
| 02/02/2005 | 5 | Soho Resources Corp. - Units | 1,100,000.00 | 2,200,000.00 |
| 01/31/2005 to 09/30/2005 | 106 | Sprott Bull/Bear RSP Fund - Units | 4,819,673.10 | 747,895.00 |
| 01/31/2005 to 05/30/2006 | 8 | Sprott Hedge Fund Limited Partnership I - Units | 3,144,118.81 | 84,823.00 |
| 01/31/2005 to 09/30/2005 | 139 | Sprott Hedge Fund Limited Partnership II - Units | 19,632,461.36 | 1,735,495.00 |
| 01/31/2005 to 09/30/2005 | 476 | Sprott Opportunities Hedge Fund Limited Partnership - Units | 56,007,768.63 | 3,448,772.00 |

Notice of Exempt Financings

| Transaction Date | # of Purchasers | Issuer/Security | Total Pur. Price (\$) | # of Securities Distributed |
|--------------------------|------------------------|---|------------------------------|------------------------------------|
| 09/30/2005 | 76 | Sprott Opportunities RSP Fund - Units | 4,235,738.74 | 421,834.00 |
| 01/01/2005 to 12/31/2005 | 3 | SSgA S&P 400 Stock Index Futures Fund - Units | 1,464,755.53 | 142,432.76 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Australia Index Fund - Units | 16,699,801.70 | 370,479.60 |
| 01/01/2005 to 12/31/2005 | 5 | SSgA Austria Index Fund - Units | 695,961.34 | 14,209.22 |
| 01/01/2005 to 12/31/2005 | 7 | SSgA Belgium Index Fund - Units | 1,018,825.13 | 19,300.33 |
| 01/01/2005 to 12/31/2005 | 22 | SSgA Canadian Fixed Income Index Fund - Units | 549,543,022.27 | 38,185,059.74 |
| 01/01/2005 to 12/31/2005 | 3 | SSgA Denmark Index Fund - Units | 123,569.92 | 1,633.06 |
| 01/01/2005 to 12/31/2005 | 9 | SSgA EAFE Futures Fund - Units | 95,846,755.15 | 9,181,977.84 |
| 01/01/2005 to 12/31/2005 | 3 | SSgA Finland Index Fund - Units | 496,236.10 | 6,010.67 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA France Index Fund - Units | 4,983,122.35 | 86,991.29 |
| 01/01/2005 to 12/31/2005 | 8 | SSgA Germany Index Fund - Units | 4,717,573.06 | 104,886.55 |
| 01/01/2005 to 12/31/2005 | 8 | SSgA Greece Index Fund - Units | 513,411.81 | 47,288.73 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Hong Kong Index Fund - Units | 6,029,396.16 | 82,783.93 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Ireland Index Fund - Units | 540,445.21 | 17,963.76 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Italy Index Fund - Units | 3,488,164.19 | 119,375.68 |
| 01/01/2005 to 12/31/2005 | 8 | SSgA Japan Index Fund - Units | 84,438,536.59 | 9,631,832.75 |
| 01/01/2005 to 12/31/2005 | 5 | SSgA Long Canadian Government Fixed Income Index Fund - Units | 95,207,039.33 | 7,910,797.57 |
| 01/01/2005 to 12/31/2005 | 2 | SSgA Ma Eafe Stock Index Futures Fund - Units | 27,402,205.06 | 3,589,841.39 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Ma Nasdaq 100 Stock Index Futures Fund - Units | 3,122,053.52 | 855,906.26 |
| 01/01/2005 to 12/31/2005 | 26 | SSgA Ma S&P 500 Stock Index Futures Fund - Units | 175,869,080.95 | 10,598,394.97 |

Notice of Exempt Financings

| Transaction Date | # of Purchasers | Issuer/Security | Total Pur. Price (\$) | # of Securities Distributed |
|--------------------------|------------------------|---|------------------------------|------------------------------------|
| 01/01/2005 to 12/31/2005 | 7 | SSgA MSCI Eafe Index Fund - Units | 84,448,572.39 | 8,177,215.83 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Netherlands Index Fund - Units | 1,891,165.75 | 30,675.26 |
| 01/01/2005 to 12/31/2005 | 2 | SSgA New Zealand Index Fund - Units | 428,391.16 | 15,041.14 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Norway Index Fund - Units | 627,746.86 | 11,343.37 |
| 01/01/2005 to 12/31/2005 | 3 | SSgA Portugal Index Fund - Units | 297,075.03 | 30,049.89 |
| 01/01/2005 to 12/31/2005 | 10 | SSgA Short Term Investment Fund - Units | 358,032,493.64 | 35,803,249.36 |
| 01/01/2005 to 12/31/2005 | 4 | SSgA Singapore Index Fund - Units | 2,699,349.18 | 76,779.58 |
| 01/01/2005 to 12/31/2005 | 5 | SSgA Spain Index Fund - Units | 1,266,947.53 | 24,507.60 |
| 01/01/2005 to 12/31/2005 | 7 | SSgA Sweden Index Fund - Units | 927,904.75 | 12,542.16 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA Switzerland Index Fund - Units | 2,051,208.44 | 30,562.31 |
| 01/01/2005 to 12/31/2005 | 18 | SSgA S&P 500 Index Fund for Canadian Pension Plan - Units | 437,841,384.28 | 6,498,786.64 |
| 01/01/2005 to 12/31/2005 | 2 | SSgA S&P/TSX Capped Composite Index Fund - Units | 6,554,604.04 | 418,484.55 |
| 01/01/2005 to 12/31/2005 | 3 | SSgA S&P/TSX Composite Index Fund - Units | 231,110,480.38 | 18,504,794.56 |
| 01/01/2005 to 12/31/2005 | 6 | SSgA United Kingdom Index Fund - Units | 16,857,881.12 | 365,859.66 |
| 01/31/2006 | 13 | Strait Gold Corporation - Units | 168,000.00 | 960,000.00 |
| 01/31/2006 | 1 | Symbium Corporation - Notes | 2,000,000.00 | 1.00 |
| 01/31/2006 | 1 | Symbium Corporation - Option | 1.25 | 1.00 |
| 01/27/2006 | 3 | Talisman Energy Inc. - Notes | 11,606,057.32 | 10,000,000.00 |
| 02/01/2006 | 1 | TCM Spectrum Fund (Offshore) II Ltd. - Common Shares | 24,682,960.80 | 212,256.00 |
| 01/01/2005 to 12/01/2005 | 15 | The Blair Franklin MultiStrategy Fund L.P. - Units | 11,775,000.00 | 11,775.00 |
| 01/01/2005 to 09/01/2005 | 24 | The Enterprise AOF LP - L.P. Units | 5,038,301.00 | 130.00 |

Notice of Exempt Financings

| Transaction Date | # of Purchasers | Issuer/Security | Total Pur. Price (\$) | # of Securities Distributed |
|--------------------------|------------------------|---|------------------------------|------------------------------------|
| 10/01/2005 to 12/01/2005 | 2 | The Enterprise AOF LP - Units | 101,432.36 | N/A |
| 12/23/2005 | 1 | The Friedberg Currency Fund - Units | 174,915.00 | 15,617.41 |
| 01/01/2005 to 12/31/2005 | 303 | The Royal Trust Company - Units | 202,258,973.49 | 22,583,216.73 |
| 01/01/2005 to 12/31/2005 | 43 | The Royal Trust Company - Units | 34,898,839.05 | 1,532,504.87 |
| 03/01/2005 to 10/01/2005 | 6 | The Tailwind Fund LP - L.P. Units | 2,255,000.00 | 2,255.00 |
| 02/01/2006 | 20 | Titan Trading Analytics Inc. - Units | 564,460.66 | 3,135,897.00 |
| 12/31/2005 | 11 | Van Arbor Canadian Advantage Fund - Units | 258,399.79 | 16,434.00 |
| 01/31/2006 | 45 | Watch Resources Ltd. - Common Shares | 3,302,607.85 | 10,092,971.00 |
| 04/30/2004 to 12/31/2005 | 2 | Waterfall Neutral L.P. - Units | 2,116,241.80 | N/A |
| 04/30/2004 to 12/31/2005 | 49 | Waterfall Tipping Point L.P. - Units | 5,377,500.00 | N/A |
| 04/30/2004 to 12/31/2005 | 195 | Waterfall Vanilla L.P. - Units | 56,372,399.72 | N/A |

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Brompton Split Banc Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated February 8, 2006
Mutual Reliance Review System Receipt dated February 10, 2006

Offering Price and Description:

Rights to Subscribe for up to * Units, each Unit consisting of one Class A Share and one Preferred Share
Subscription Price: \$* per Unit (Upon the exercise of one Right for one Unit)

Underwriter(s) or Distributor(s):

-

Promoter(s):

Brompton SBC Management Limited

Project #888115

Issuer Name:

Canada Mortgage Acceptance Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated February 14, 2006
Mutual Reliance Review System Receipt dated February 14, 2006

Offering Price and Description:

\$354,001,000.00 (Approximate) Mortgage Pass-Through Certificates, Series 2006-C4

Underwriter(s) or Distributor(s):

TD Securities Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.

Promoter(s):

GMAC Residential Funding of Canada, Limited

Project #889254

Issuer Name:

Canada Cartage Diversified Income Fund
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Prospectus dated February 6, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

\$* - * Units Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
WestWind Partners Inc.
HSBC Securities (Canada) Inc.

Promoter(s):

Canada Cartage System, Limited
Direct Integrated Transportation Inc.

Project #884911

Issuer Name:

Capital International - Growth and Income
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

Series A, B, D, F, H and I Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Capital International Asset Management (Canada), Inc.

Project #888495

Issuer Name:

Crombie Real Estate Investment Trust
Principal Regulator - Nova Scotia

Type and Date:

Amended and Restated Preliminary Prospectus dated
February 10, 2006
Mutual Reliance Review System Receipt dated February
13, 2006

Offering Price and Description:

\$ * - * Units - Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Canaccord Capital Corporation
Beacon Securities Ltd.

Promoter(s):

ECL Properties Limited

Project #885950

Issuer Name:

Highpine Oil & Gas Limited
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated February 8, 2006
Mutual Reliance Review System Receipt dated February 8,
2006

Offering Price and Description:

\$100,620,000.00 - 4,300,000 Common Shares Price:
\$23.40 per Common Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
FirstEnergy Capital Corp.
GMP Securities L.P.
Tristone Capital Inc.
BMO Nesbitt Burns Inc.
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #887487

Issuer Name:

Leitrim Group Inc.
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Prospectus dated
February 9, 2006 t
Mutual Reliance Review System Receipt dated February
13, 2006

Offering Price and Description:

MAXIMUM OFFERING: \$3,000,000.00 (20,000,000
UNITS); MINIMUM OFFERING: \$2,500,000.00 (16,666,667
UNITS) PRICE: \$0.15 PER UNIT

Underwriter(s) or Distributor(s):

Octagon Capital Corporation

Promoter(s):

David Lucatch
Girvan L. Patterson
Brian K Penny
Jana Lucatch

Project #853433

Issuer Name:

National Bank of Canada
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Shelf Prospectus dated February 9,
2006
Mutual Reliance Review System Receipt dated February
13, 2006

Offering Price and Description:

CDN\$2,000,000,000
Medium Term Notes
(Structured Notes)

Underwriter(s) or Distributor(s):

National Bank Financial Inc.

Promoter(s):

-

Project #888397

Issuer Name:

PACIFIC RIM MINING CORP.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated February 14,
2006
Mutual Reliance Review System Receipt dated February
14, 2006

Offering Price and Description:

\$15,036,000.00 - 17,900,000 Common Shares Price: \$0.84
per Share

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
Canaccord Capital Corporation
Haywood Securities Inc.
Salman Partners Inc.

Promoter(s):

-

Project #889409

Issuer Name:

Procyon BioPharma Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February 10, 2006

Offering Price and Description:

\$14,188,880.63 - 61,690,785 common shares and 61,690,785 warrants issuable on the deemed exercise of 61,690,785 special warrants

Underwriter(s) or Distributor(s):

Dundee Securities Corporation
Loewen, Ondaatje, McCutcheon Limited
Desjardins Securities Inc.

Promoter(s):

-

Project #888231

Issuer Name:

Resolve Business Outsourcing Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated February 13, 2006
Mutual Reliance Review System Receipt dated February 14, 2006

Offering Price and Description:

\$ * - * Units Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

Promoter(s):

Resolve Corporation
CSRS Holdings Ltd.
Oncap Investment Partners Inc.
FirstService Corporation

Project #889187

Issuer Name:

Rogers Sugar Income Fund
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated February 7, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

\$85,000,000.00 - Third Series 5.90% Convertible Unsecured Subordinated Debentures
Price: \$1,000.00 per Debenture

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
RBC Dominion Securities Inc.

Promoter(s):

-

Project #887202

Issuer Name:

Schooner Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated February 9, 2006
Mutual Reliance Review System Receipt dated February 10, 2006

Offering Price and Description:

\$453,140,000.00 (approximate) COMMERCIAL MORTGAGE PASS-THROUGH CERTIFICATES, SERIES 2006-5

Underwriter(s) or Distributor(s):

TD Securities Inc.

Promoter(s):

-

Project #887702

Issuer Name:

Short Term Bond Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated February 3, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

Class O, F, I, P, R, S and T Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

SEI Investments Canada Company

Project #886111

Issuer Name:

Stonefire Energy Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

Minimum Offering: 9,000 Units (\$9,000,000.00); Maximum Offering: 11,000 Units (\$11,000,000.00)
Price: \$1,000 per Unit - Minimum Subscription: 5 Units (\$5,000)

Underwriter(s) or Distributor(s):

Tristone Capital Inc.
Canaccord Capital Corporation
Haywood Securities Inc.
Raymond James Ltd.

Promoter(s):

Richard H. Dahl
John Ramescu

Project #888708

Issuer Name:

TransForce Income Fund
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated February 13, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

\$*- * Trust Units Price: \$* per Trust Unit

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Sprott Securities Inc.
Dundee Securities Corporation
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #888627

Issuer Name:

TransForce Income Fund
Principal Regulator - Quebec

Type and Date:

Amended and Restated Preliminary Prospectus dated February 13, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

\$*- * Trust Units Price: \$* per Trust Unit

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Sprott Securities Inc.
Dundee Securities Corporation
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #888627

Issuer Name:

Western Lakota Energy Services Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated February 8, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

\$40,950,000.00 - 2,100,000 Common Shares Price: \$19.50 per Common Share

Underwriter(s) or Distributor(s):

Peters & Co. Limited
RBC Dominion Securities Inc.
Orion Securities Inc.

Promoter(s):

-

Project #887503

Issuer Name:

Zenith Industries Corporation
Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated February 9, 2006
Mutual Reliance Review System Receipt dated February 10, 2006

Offering Price and Description:

\$750,000.00 - 7,500,000 Shares Price: \$0.10 per Share
Agent's Option 750,000 Shares Price: \$0.10 per Share
Director's and Officer's Options 1,550,000 Shares Price: \$0.10 per Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

Thomas Braun

Project #888051

Issuer Name:

ABN AMRO Global Equity Exposure Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated February 7, 2006
Mutual Reliance Review System Receipt dated February 9, 2006

Offering Price and Description:

Mutual Fund Units @ Net Asset Value

Underwriter(s) or Distributor(s):

ABN AMRO Asset Management Canada Limited

Promoter(s):

ABN AMRO Asset Management Canada Limited

Project #876116

Issuer Name:

Addax Petroleum Corporation
Principal Regulator - Alberta

Type and Date:

Final PREP Prospectus dated February 7, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

CDN\$409,500,000.00 - 21,000,000 Common Shares Price:
CDN\$19.50 per Common Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Merrill Lynch Canada Inc.
Scotia Capital Inc.
CIBC World Markets Inc.
TD Securities Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
FirstEnergy Capital Corp.
Peters & Co. Limited

Promoter(s):

-

Project #867623

Issuer Name:

AGF Canadian Large Cap Dividend Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated February 7, 2006 to the Simplified
Prospectus
Mutual Reliance Review System Receipt dated February
10, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

AGF Funds Inc.

Promoter(s):

-

Project #747012

Issuer Name:

AGS Energy 2006-1 Limited Partnership
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated February 7, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Blackmont Capital Inc.
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Berkshire Securities Inc.
Canaccord Capital Corporation
GMP Securities L.P.
Peters & Co. Limited
Queensbury Securities Inc.
Raymond James Ltd.
Richardson Partners Financial Limited
Wellington West Capital Inc.

Promoter(s):

AGS RESOURCE 2006-1 GP INC.

Project #878482

Issuer Name:

Catalyst Paper Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February
10, 2006

Offering Price and Description:

\$192,259,623.00 - 63,035,942 Common Shares \$3.05 per
Common Share

Underwriter(s) or Distributor(s):

UBS Securities Canada Inc.

Promoter(s):

-

Project #886161

Issuer Name:

Covington Fund I Inc.

Type and Date:

Final Prospectus dated February 9, 2006
Received on February 9, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #876954

Issuer Name:

Covington Strategic Capital Fund Inc.
(Class A Shares, Series I and Class A Shares, Series II)

Type and Date:

Final Prospectus dated February 13, 2006
Received on February 14, 2006

Offering Price and Description:

Class A Shares, Series I and Class A Shares Series II

Underwriter(s) or Distributor(s):

-

Promoter(s):

Covington Capital Corporation
Project #866894

Issuer Name:

Creststreet 2006 Limited Partnership
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
TD Securities Inc.
Peters & Co. Limited
GMP Securities L.P.
HSBC Securities (Canada) Inc.
Tristone Capital Inc.
Canaccord Capital Corporation
Acumen Financial Partners Limited

Promoter(s):

Creststreet 2006 General Partner Limited
Creststreet Asset Management Limited
Project #880712

Issuer Name:

Dynamic Global Dividend Fund
(Series A, F, I and T Units)
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated February 13, 2006
Mutual Reliance Review System Receipt dated February 14, 2006

Offering Price and Description:

Series A, F, I and T Units @ Net Asset Value

Underwriter(s) or Distributor(s):

Goodman & Company, Investment Counsel Ltd.
Goodman & Company, Investment Counsel Ltd.

Promoter(s):

Goodman & Company, Investment Counsel Ltd.
Project #880456

Issuer Name:

Equal Weight Plus Fund
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

Maximum \$100,000,000.00 (10,000,000 Trust Units @
Price: \$10.00 per Trust Unit
Minimum Purchase: 100 Trust Units @ Price: \$10.00 per
Trust Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Canaccord Capital Corporation
Blackmont Capital Inc.
Raymond James Ltd.
Wellington West Capital Inc.
Beiber Securities Inc.
Dundee Securities Corporation
MGI Securities Inc.
Research Capital Corporation

Promoter(s):

Canadian Income Fund Group Inc.
Equal Weigh Management Ltd.
Project #874251

Issuer Name:

EuroZinc Mining Corporation
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 8, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

Cdn\$100,002,000.00 - 71,430,000 Common Shares Price:
Cdn\$1.40 per Share

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #884279

Issuer Name:

Eveready Income Fund
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 13, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

\$56,000,000.00 - 8,000,000 Units Price: \$7.00 per Unit

Underwriter(s) or Distributor(s):

Blackmont Capital Inc.
BMO Nesbitt Burns Inc.
Acumen Capital Finance Partners Limited
Sprott Securities Inc.

Promoter(s):

-

Project #886054

Issuer Name:

Front Street Flow-Through 2006-I Limited Partnership
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated February 9, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
RBC Capital Markets Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Richardson Partners Financial Ltd.
Tuscarora Capital Inc.
Berkshire Securities Inc.
Blackmont Capital Inc.
MGI Securities Inc.
Queensbury Securities Inc.
Wellington West Capital Inc.

Promoter(s):

Front Street Capital Management General Partner III Corp.

Project #878903

Issuer Name:

GBS Gold International Inc.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 13, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

\$60,060,000.00 - 28,600,000 Offered Shares Price: \$2.10 per Offered Share

Underwriter(s) or Distributor(s):

Haywood Securities Inc.
National Bank Financial Inc.

Promoter(s):

-

Project #881949

Issuer Name:

Golden Oasis Exploration Corp.
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated February 9, 2006
Mutual Reliance Review System Receipt dated February 10, 2006

Offering Price and Description:

\$1,600,000.00 - 4,000,000 Units Offering Price: \$0.40 per Unit

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

-

Project #873581

Issuer Name:

Holloway Capital Corporation
Principal Regulator - Nova Scotia

Type and Date:

Final Prospectus dated February 8, 2006
Mutual Reliance Review System Receipt dated February 9, 2006

Offering Price and Description:

Minimum Offering \$500,000.00 (2,500,000 Common Shares); Maximum Offering \$1,000,000.00 (5,000,000 Common Shares) Price: \$0.20 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

-

Project #876540

Issuer Name:

Lake Shore Gold Corp.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 7, 2006
Mutual Reliance Review System Receipt dated February 8, 2006

Offering Price and Description:

\$12,500,000.00 - 6,097,561 Common Shares; and
\$5,000,000.00 - 2,000,000 Flow-Through Shares Price:
\$2.05 per Common Share; \$2.50 per Flow-Through Share

Underwriter(s) or Distributor(s):

Raymond James Ltd.
Haywood Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
Octagon Capital Corporation

Promoter(s):

-

Project #884364

Issuer Name:

Mackenzie Fixed Income Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

Series O units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Mackenzie Financial Corporation

Project #873645

Issuer Name:

Mavrix American Growth Fund
(Class A units)
Mavrix Canadian Income Trust Fund
(Class A and F units)
Mavrix Canada Fund
(Class A and F units)
Mavrix Diversified Fund
(Class A and F units)
Mavrix Dividend & Income Fund
(Class A and F units)
Mavrix Enterprise Fund
(Class A units)
Mavrix Explorer Fund
(Class A and F units)
Mavrix Global Fund
(Class A and F units)
Mavrix Growth Fund
(Class A units)
Mavrix Money Market Fund
(Class A units)
Mavrix Sierra Equity Fund
(Class A and F units)
Mavrix Small Companies Fund
(Class A and F units)
Mavrix Strategic Bond Fund
(Class A and F units)
Mavrix Multi Series Fund Ltd. - Canadian Equity Series
(Mutual Fund shares)
Mavrix Multi Series Fund Ltd. - Explorer Series
(Mutual Fund shares)
Mavrix Multi Series Fund Ltd. - Income Series
(Mutual Fund shares)
Mavrix Multi Series Fund Ltd. - Short Term Income Series
(Mutual Fund shares)
Principal Regulator - Ontario

Type and Date:

Amended and Restated Simplified Prospectuses and
Annual Information Forms dated February 7th, 2006,
amending and restating the Simplified Prospectuses and
Annual Information Forms dated June 24, 2005
Mutual Reliance Review System Receipt dated February 8,
2006

Offering Price and Description:

Class A and F Units and Mutual Fund Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

Mavrix Fund Management Inc.

Project #787792

Issuer Name:

Pantera Drilling Income Trust
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated February 9, 2006
Mutual Reliance Review System Receipt dated February 10, 2006

Offering Price and Description:

\$25,000,000.00 - 2,500,000 Units Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

First Energy Capital Corp.
Peters & Co. Limited
Raymond James Ltd.
Wellington West Capital Markets Inc.

Promoter(s):

-

Project #872164

Issuer Name:

Series A, F, I, O and W Shares of :

Symmetry Canadian Stock Capital Class
Symmetry US Stock Capital Class
Symmetry EAFE Stock Capital Class
Symmetry Specialty Stock Capital Class
Symmetry Managed Return Capital Class
of

Mackenzie Financial Capital Corporation
and

Series A, F, I, O and W Units of :
Symmetry Registered Fixed Income Pool
and

Series A Units of:
Symmetry Allocation Pool
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated February 10, 2006
Mutual Reliance Review System Receipt dated February 13, 2006

Offering Price and Description:

Series A, F, I, O and W Shares and Series A, F, I, O and W
Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Mackenzie Financial Corporation

Project #873681

Issuer Name:

Viceroy Exploration Ltd.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated February 10, 2006
Mutual Reliance Review System Receipt dated February 10, 2006

Offering Price and Description:

\$60,000,000.00 - 9,600,000 Common Shares Price: \$6.25
per Common Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation
Orion Securities Inc.
Paradigm Capital Inc.
National Bank Financial Inc.
Haywood Securities Inc.

Promoter(s):

-

Project #886217

Issuer Name:

Wellco Energy Services Trust
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated February 13, 2006
Mutual Reliance Review System Receipt dated February 14, 2006

Offering Price and Description:

\$30,100,000.00 - 2,800,000 Trust Units

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation
Haywood Securities Inc.
CIBC World Markets Inc.
Acumen Capital Finance Partners Limited
Sprott Securities Inc.

Promoter(s):

-

Project #886677

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Chapter 12

Registrations

12.1.1 Registrants

| Type | Company | Category of Registration | Effective Date |
|-----------------------------------|---|--|-------------------|
| New Registration | Diversified Global Asset Management Corporation | Limited Market Dealer and Investment Counsel & Portfolio Manager | February 10, 2006 |
| New Registration | Harp Capital Corp. | Limited Market Dealer | February 14, 2006 |
| New Registration | Hampton Consults LP | Limited Market Dealer | February 13, 2006 |
| New Registration | Archipelago Brokerage Services, LLC | International Dealer | February 9, 2006 |
| Suspended – Voluntary Non-Renewal | Diversified Global Asset Management Inc. | Limited Market Dealer and Investment Counsel and Portfolio Manager | February 10, 2006 |

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Sets Date for Scott Andrew Stevens Hearing in Toronto, Ontario

NEWS RELEASE
For immediate release

MFDA SETS DATE FOR SCOTT ANDREW STEVENS HEARING IN TORONTO, ONTARIO

February 9, 2006 (Toronto, Ontario) - The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Scott Andrew Stevens by Notice of Hearing dated December 15, 2005.

As specified in the Notice of Hearing, the first appearance in this proceeding took place this morning at 10:00 a.m. (Eastern) before a 3-member Hearing Panel of the MFDA Ontario Regional Council.

The date for the commencement of the hearing of this matter on the merits has been scheduled to take place before a Hearing Panel of the Ontario Regional Council on Friday, April 28, 2006 at 10:00 a.m. (Eastern) in the Hearing Room located at the offices of the MFDA at 121 King Street West, Suite 1000, Toronto, Ontario, or as soon thereafter as the hearing can be held.

The hearing will be open to the public, except as may be required for the protection of confidential matters.

A copy of the Notice of Hearing is available on the MFDA web site at www.mfda.ca.

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 176 members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Jason D. Bennett
Registrar & Assistant Director, Regional Councils
(416) 943-7431 or jbennett@mfda.ca

13.1.2 MFDA Sets Date for Glenn Murray Greyeyes Hearing in Edmonton, Alberta

NEWS RELEASE
For immediate release

MFDA SETS DATE FOR GLENN MURRAY GREYEVES HEARING IN EDMONTON, ALBERTA

February 10, 2006 (Toronto, Ontario) - The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Glenn Murray Greyeyes by Notice of Hearing dated November 4, 2005.

An appearance in this proceeding took place today at 12:00 p.m. (Mountain) before a 3-member Hearing Panel of the MFDA Prairie Regional Council at which time the hearing of this matter on its merits was set. It is scheduled to take place on Tuesday, April 11, 2006 at 10:00 a.m. (Mountain), or as soon thereafter as the hearing can be held, before a Hearing Panel of the Prairie Regional Council in the King Edward Room located at Manulife Place, 3rd Floor Conferencing Centre, 10180-101 Street N.W., Edmonton, Alberta.

The hearing will be open to the public, except as may be required for the protection of confidential matters.

A copy of the Notice of Hearing is available on the MFDA web site at www.mfda.ca.

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 176 members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Jason D. Bennett
Registrar & Assistant Director, Regional Councils
(416) 943-7431 or jbennett@mfda.ca

13.1.3 CDS Rule Amendments Notice – Technical Amendments to CDS Reporting Procedures

**THE CANADIAN DEPOSITORY
FOR SECURITIES LIMITED (“CDS”)**

**TECHNICAL AMENDMENTS TO CDS
REPORTING PROCEDURES**

NOTICE OF EFFECTIVE DATE

A. Description of the Amendment

Background

CDS provides a variety of reports to its Participants which relate to their use of CDS services. Each report has a specific “report ID” which a Participant needs to enter on the CDS system to access that specific report. CDS has made amendments to its systems which requires CDS Participants to enter a new “report ID” to obtain a “CDS Expiry Date – Upcoming Events List” report.

The Procedures marked for the amendments may be accessed at the CDS website at <http://www.cds.ca>.

Description of Proposed Amendments

The amendments to the CDS Reporting Procedures provide that the appropriate “report ID” which must be entered to access the “CDS Expiry Date – Upcoming Events List” report has been changed to “*REPORT01930*” from the previous “report ID” of “01930”.

B. Reasons for Technical Classification

The amendments proposed pursuant to this Notice are considered technical amendments as they concern matters of a technical nature in routine operating procedures and administrative practices relating to settlement services.

The proposed amendments relate to the introduction of minor systems changes to the CDXS system and the amendments to the Procedures will not have a significant impact on the operations or systems of Participants or other market participants. The proposed amendments will not result in any additional risk, costs or material systems enhancements to CDS or its Participants.

C. Effective Date of the Rule

The effective date for these amendments is February 6, 2006.

D. Questions

Questions regarding this notice may be directed to:

Toomas Marley,
Vice-President, Legal and Corporate Secretary,
The Canadian Depository for Securities Limited,
85 Richmond Street West,
Toronto, Ontario M5H 2C9

Telephone: 416-365-8545
Fax: 416-365-1984
e-mail: attention@cds.ca

TOOMAS MARLEY,
VICE-PRESIDENT, LEGAL AND CORPORATE SECRETARY

13.1.4 CDS Rule Amendments Notice – Technical Amendments to CDS U.S. Deposit and Withdrawal Procedures

THE CANADIAN DEPOSITORY
FOR SECURITIES LIMITED (“CDS”)

TECHNICAL AMENDMENTS TO CDS
U.S. DEPOSIT AND WITHDRAWAL PROCEDURES

NOTICE OF EFFECTIVE DATE

A. Description of the Amendment

Background

On July 8, 2005 CDS, after consulting with its Participants, announced plans to discontinue its ACCESS service which had been utilized for the clearing and settlement of cross-border transactions. Participants who utilized the ACCESS service will be able to utilize one of the other cross-border services offered by CDS.

In anticipation of the discontinuation of the ACCESS service, CDS has determined that CDS Participant Procedures dealing with U.S. Deposit and Withdrawal Activities, which have been within the ACCESS Participant Procedures in the past, should be retained in CDS’s Participant Procedures as a separate procedure entitled the “U.S. Deposit and Withdrawal Procedures”. The U.S. Deposit and Withdrawal Procedures shall apply to all cross-border deposit and withdrawal activity.

The Procedures marked for the amendments may be accessed at the CDS website at <http://www.cds.ca>.

Description of Proposed Amendments

The new U.S. Deposit and Withdrawal Procedures are substantially similar to Chapters 3 and 4 of the ACCESS Participant Procedures which will be deleted on implementation of the new procedures.

Differences between the new U.S. Deposit and Withdrawal Procedures and the former Chapters 3 and 4 of the ACCESS Participant procedures include the following:

- The exclusion of the Deposit Functions, formerly in Section 3.1 of the ACCESS Participant Procedures. It was determined that this section was redundant given the information contained in Section 3.2 of the ACCESS Participant Procedures which has been included in Section 1.2 of the U.S. Deposit and Withdrawal Procedures.
- The new procedures include a new paragraph in Section 1.2 that indicates that Participants are able to choose either an “instant” or “regular” security deposit. If a Participant elects to take advantage of an instant deposit they shall, for higher fee, receive same-day credit for their deposits on their CDS ledger. If the “regular” option is chosen their ledger will be credited only upon DTCC’s confirming the deposits in their system (an expected 4-day delay).
- The addition, in Section 1.3, language has been added which clarifies that CDS does pass-on all DTC charges in relation to “reject” fees to the Participants which are responsible for the generating such fees. As CDS, in practice, has always passed on such fees the amendment CDS will make the procedures consistent with CDS’s practice.
- Part 11 of Section 2.2 indicates that a withdrawal request will result in the movement of securities from the *segregated* account to the withdrawal account. Under the former ACCESS Participant Procedures the movement was identified as occurring from the *settlement* account. This amendment is not intended to change the procedures currently followed by Participants but will instead clarify that the account involved will be the segregated account.

B. Reasons for Technical Classification

The amendments proposed pursuant to this Notice are considered technical amendments as they concern matters of a technical nature in routine operating procedures and administrative practices relating to settlement services.

The proposed amendments relate to the introduction of minor systems changes to the CDXS system.

The amendments to the Procedures will not result in any additional risk, cost or substantial system enhancement to CDS, its Participants, or other market participants.

C. Effective Date of the Rule

The effective date for these amendments is February 6, 2006.

D. Questions

Questions regarding this notice may be directed to:

Toomas Marley,
Vice-President, Legal and Corporate Secretary,
The Canadian Depository for Securities Limited,
85 Richmond Street West,
Toronto, Ontario M5H 2C9

Telephone: 416-365-8545

Fax: 416-365-1984

e-mail: attention@cds.ca

TOOMAS MARLEY,
VICE-PRESIDENT, LEGAL AND CORPORATE SECRETARY

13.1.5 CDS Rule Amendments Notice – Technical Amendments to CDS Money Market Issue and Entitlement Procedures

**THE CANADIAN DEPOSITORY
FOR SECURITIES LIMITED (“CDS”)**

**TECHNICAL AMENDMENTS TO CDS
MONEY MARKET ISSUE AND ENTITLEMENT PROCEDURES**

NOTICE OF EFFECTIVE DATE

A. Description of the Rule Amendment

Background

Extendible Commercial Paper

In recent years Canadian issuers of commercial paper have made an enhancement to traditional commercial paper, which has been eligible at the Canadian Depository for Securities Limited (“CDS”) since 1998, issuing such commercial paper in “extendible” form. Extendible commercial paper is the same as traditional commercial paper except that the maturity date of such commercial paper can be extended beyond the initial maturity date, typically at the option of the issuer.

Participants have requested that CDS make extendible commercial paper eligible for CDSX. To facilitate such a request CDS must make minor systems changes to the CDSX system which are described in the amendments to CDSX’s Participant Procedures.

USD Money Market Instruments

Recently a number of Canadian money market issuers have requested that CDS make money market instruments denominated in US Dollars (“USD”) eligible in CDSX. Money Market Instruments denominated in USD will be administered in exactly the same way that Canadian dollar denominated money market instruments are currently administered.

The Procedures marked for the amendments may be accessed at the CDS website at <http://www.cds.ca>.

Description of Proposed Amendments

Extendible Commercial Paper

Specific amendments to CDS Participant Procedures describe changes to the CDSX system which have been made to facilitate CDS’s support of extendible commercial paper.

Amendments to the Money Market Issue and Entitlement Procedures include:

- Amendments which facilitate the management of intraday extensions of extendible commercial paper by paying agents and clarifying that it is the responsibility of issuing agent or paying agent to ensure that such extensions are processed in accordance with the terms of the issue (Sections 1.1.3 and 1.5);
- Clarification that the “ISIN generation method 1” be utilized for extendible commercial paper (Chapter 2, Sections 2.1 and 2.2, and Section 4.3.1);
- Provisions describing how preliminary issue information is to be entered by the issuing agent on CDSX (Section 4.3.3);
- Provisions relating to inquiries on preliminary issue information on CDSX, by an issuer agent (Section 4.4);
- Directions relating to the “Maintain Preliminary Issue” function on CDSX change or update information relating to extendible commercial paper (Section 4.5);
- A description of the processes of paying agents to confirm a extendible commercial payment setup before the issuing agent may complete its confirmation (Section 4.6.1);
- A description of the processes that issuing agents are to follow to confirm an issues setup; (Section 4.6.2); and

- A description of how paying agents can extend extendible commercial paper on the date of the extendible commercial paper's maturity on the CDSX system (Section 6.4.2).

In addition, CDS is proposing to amend the CDSX Procedures and User Guide to include extendible commercial paper as a specific instrument type of money market, debt securities (Section 3.3.1) and the CDS Reporting Procedures to include a report identifying the holders of record for extendible commercial paper (Section 13.7).

USD Money Market Instruments

CDS has made minor amendments to its Money Market Issue and Entitlement Procedures to reflect CDSX systems changes that accommodate USD denominated debt securities issued by Canadian issuers. CDSX will now require a different issuer code be assigned for every money market issuer, currency and instrument type combination for which a Participant is the issuer or issuing agent (Chapter 3). The amendments include reference the inclusion of an identifier of the relevant currency as an element of money market issuer codes (Section 3.2). In addition, the CDS Reporting Procedures have been amended to include currency as a "sort order" category in the Money Market Eligible Issuer Codes report (Section 21.2).

B. Reasons for Technical Classification

The amendments proposed pursuant to this Notice are considered technical amendments as they concern matters of a technical nature in routine operating procedures and administrative practices relating to settlement services.

The proposed amendments relate to the introduction of minor systems changes to facilitate enhancements to CDSX which will facilitate specific subcategories of money market instruments. The amendments provide that extendible commercial paper and USD money market instruments will be treated in a manner that is consistent with the current treatment of money market instruments in CDSX and outlining the procedures that issuers and their agents must follow in relation to these money market instruments.

The amendments to the Procedures will not have a significant impact on the operations or systems of Participants or other market participants as they will be able to utilize existing systems and practices in relating to these types of commercial paper and money market instruments. The proposed amendments will benefit Participants by expanding CDSX eligibility of specified categories of money market instruments that are eligible to be deposited in CDSX. The amendments will not result in any additional risk, cost or required material system enhancements by CDS or its Participants.

C. Effective Date of the Rule

The effective date for these amendments is February 3, 2006.

D. Questions

Questions regarding this notice may be directed to:

Toomas Marley,
Vice-President, Legal and Corporate Secretary,
The Canadian Depository for Securities Limited,
85 Richmond Street West,
Toronto, Ontario M5H 2C9

Telephone: 416-365-8545
Fax: 416-365-1984
e-mail: attention@cds.ca

TOOMAS MARLEY,
VICE-PRESIDENT, LEGAL AND CORPORATE SECRETARY

Chapter 25

Other Information

25.1 Exemptions

25.1.1 Setanta Asset Management Limited - Rule 35-502

Headnote

Exemptive relief from the provision of Section 7.1(1)(a) of OSC Rule 35-502 – Non-Resident Advisers which requires clients of affiliates to be included in the calculation of the five client limitation allowing a non-resident adviser to advise permitted clients in Ontario without being registered. Relief allows for affiliates that are duly registered to provide advisory services, to be exempted from the calculation of the five Canadian client limitation.

Statutes Cited

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

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

AND

**IN THE MATTER OF
SETANTA ASSET MANAGEMENT LIMITED**

**EXEMPTION ORDER
(Rule 35-502)**

UPON the application (the **Application**) of Setanta Asset Management Limited (**Setanta**) to the Ontario Securities Commission (the **Commission** or **OSC**) for a decision pursuant to section 10.1 of OSC Rule 35-502 (**Rule 35-502**) that the calculation of the five Canadian client limitation set out in Subsection 7.1(1)(a), when applied to Setanta, shall not include Canadian clients for which any affiliates or affiliated partnerships of Setanta have acted or will act as adviser, provided such affiliates or affiliated partnerships are registered to provide such advisory services;

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

AND UPON Setanta having represented to the Commission as follows:

1. Setanta is a corporation incorporated under the laws of Ireland. The head office of Setanta is College Park House, 20 Nassau Street, Dublin 2, Ireland.

2. Setanta is registered in Ireland with the Irish Financial Services Regulatory Authority (**IFSC**) as an Investment Services Direction Firm to carry out specified investment business services and trade in specified types of investment instruments. Setanta is authorized to manage portfolios of investment instruments or deposits in accordance with mandates given by investors on a discretionary client-by-client basis.

3. Setanta will be applying for registration in Ontario as an adviser in the category of international adviser.

4. Setanta forms part of the Power Corporation of Canada (**Power Corp.**) corporate organization. Power Corp. is a holding company which has a number of Canadian affiliates registered as advisers or dealers that provide advisory services to clients in Canada (collectively, the **Affiliates**).

5. Some of the Affiliates are not ordinarily resident in Ontario. The Affiliates provide investment advisory services to clients in Canada in jurisdictions in which they hold an adviser or dealer registration.

6. Excluding clients of affiliates or affiliated partnerships of Setanta not ordinarily resident in Ontario that are registered would not be inconsistent with Rule 35-502 as such affiliates are registrants providing such advisory services to clients pursuant to such registrations.

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

IT IS THE DECISION of the Commission, pursuant to section 10.1 of Rule 35-502, that Setanta, in connection with a calculation of the five client limitation set out in subsection 7.1(1)(a) of Rule 35-502, may exclude Canadian clients for whom affiliates or affiliated partnerships of Setanta have acted, or will act, as adviser during the applicable period, provided that such affiliates or affiliated partnerships are not ordinarily resident in Ontario and are registered to provide such advisory services.

February 10, 2005

“Paul M. Moore”
Commissioner

“Robert W. Davis”
Commissioner

25.2 Consents

25.2.1 Lynden Ventures Ltd. - s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the OBCA to continue under the BCBCA.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am.
Business Corporations Act, S.B.C. 2002, c. 57.
Securities Act, R.S.O. 1990, c. S.5., as am.

Regulation Cited

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

January 31, 2006

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

AND

IN THE MATTER OF
LYNDEN VENTURES LTD.

CONSENT
(Subsection 4(b) of the Regulation)

UPON the application (the "Application") of Lynden Ventures Ltd. (the "Applicant") to the Ontario Securities Commission (the "Commission") requesting a consent from the Commission for the Applicant to continue in another jurisdiction, as required by subsection 4(b) 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 that:

1. The Applicant intends to apply (the "Application for Continuance") to the Director under the OBCA for authorization to continue under the *Business Corporations Act* (British Columbia), S.B.C. 2002, c.57, as amended (the "BCBCA").
2. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation, the Application for Continuance must be accompanied by a consent from the Commission.
3. The Applicant was amalgamated under the OBCA on June 15, 2000. Its head office is located at

157 Alexander Street, Vancouver, British Columbia. The Applicant is an offering corporation under the OBCA and is a reporting issuer under the *Securities Act* (Ontario) R.S.O. 1990, c.S.5, as amended (the "Act"). The Applicant is also a reporting issuer under the securities legislation of the provinces of Alberta and British Columbia (the "Legislation").

4. The Applicant's authorized share capital consists of an unlimited number of common shares and an unlimited number of preferred shares (issuable in series). As at January 10, 2006, there were 20,336,771 common shares issued and outstanding.
5. The Applicant intends to remain a reporting issuer under the Act and the Legislation after the continuance.
6. The Applicant is not in default of any of the provisions, regulations or rules of the Act or the Legislation.
7. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, pending proceeding under the Act or the Legislation.
8. The Applicant's shareholders authorized the continuance of the Applicant as a corporation under the BCBCA by special resolution at a meeting of shareholders held on December 5, 2005 (the "Meeting"). Consequently, assuming the receipt of the requested consent, the Application for Continuance will be made, articles of continuance will be filed under the BCBCA and the continuance will become effective.
9. Pursuant to section 185 of the OBCA, all common shareholders of record as at the record date for the Meeting were entitled to dissent rights with respect to the continuance (the "Dissent Rights").
10. The management information circular describing the continuance, which was dated October 17, 2005, was printed and mailed to shareholders and was filed on the System for Electronic Document Analysis and Retrieval on November 9, 2005 (the "Circular"). Full disclosure of the reasons and implications of the continuance, and a description of the differences between the OBCA and the BCBCA, are included at pages 13-16 of the Circular. The Circular also advised the holders of the Applicant's common shares of their Dissent Rights.
11. The principal reason for the proposed continuance is that the majority of the Applicant's directors and management are resident in British Columbia, and the Company's head office, bank

Other Information

accounts, auditors, legal counsel, and transfer agent are all located in British Columbia.

12. The material rights, duties and obligations of a corporation governed by the BCBCA are substantially similar to those of a corporation governed by the OBCA.

CONSENT

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

THE COMMISSION HEREBY CONSENTS to the continuance of the Applicant as a corporation under the BCBCA.

"Paul M. Moore"
Vice-Chair
Ontario Securities Commission

"Carol Perry"
Commissioner
Ontario Securities Commission

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