

The Ontario Securities Commission

OSC Bulletin

April 28, 2006

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

The Ontario Securities Commission

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

APRIL 28, 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
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Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

May 1, 2006		Thomas Hinke	
10:00 a.m.		s. 127 and 127.1	
		A. Sonnen in attendance for Staff	
		Panel: SWJ/ST	
May 4, 2006		Juniper Fund	
10:00 a.m.		s. 127 and 127.1	
		D. Ferris in attendance for Staff	
		Panel: SWJ	
May 23, 2006		Momentas Corporation et al	
10:00 a.m.		s.127 and 127.1	
		P. Foy in attendance for Staff	
		Panel: WSW/RWD/CSP	
May 24, 2006		Momentas Corporation et al	
2:30 p.m.		s.127 and 127.1	
		P. Foy in attendance for Staff	
		Panel: WSW/RWD/CSP	
May 25, 2006		Momentas Corporation et al	
10:00 a.m.		s.127 and 127.1	
		P. Foy in attendance for Staff	
		Panel: WSW/RWD/CSP	
May 26, 2006		Momentas Corporation et al	
10:00 a.m.		s.127 and 127.1	
		P. Foy in attendance for Staff	
		Panel: WSW/RWD/CSP	

Notices / News Releases

May 29, 2006 2:00 p.m.	Maitland Capital Ltd et al s. 127 and 127.1 D. Ferris 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
May 30, 2006 2:30 p.m.	Jose Castaneda s. 127 and 127.1 T. Hodgson in attendance for Staff Panel: WSW	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
May 31, 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	TBA	* Malone settled December 22, 2005 Yama Abdullah Yaqeen s. 8(2) J. Superina in attendance for Staff Panel: TBA
June 9, 2006 10:00 a.m.	Olympus United Group Inc. s.127 M. MacKewn in attendance for Staff Panel: TBA	TBA	Cornwall et al s. 127 K. Manarin in attendance for Staff Panel: TBA
June 9, 2006 10:00 a.m.	Norshield Asset Management (Canada) Ltd. s.127 M. MacKewn in attendance for Staff Panel: TBA	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
June 26, 2006 10:00 a.m.	Universal Settlement International Inc.		
June 27, 2006 2:30 p.m.	s. 127 & 127.1 Y. Chisholm in attendance for Staff	TBA	John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir S. 127 & 127.1 K. Manarin in attendance for Staff Panel: TBA
June 28-30, 2006 10:00 a.m.	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

TBA **Philip Services Corp., Allen Fracassi**, Philip Fracassi**, Marvin Boughton**, Graham Hoey**, Colin Soule*, Robert Waxman and John Woodcroft****

s. 127

K. Manarin & J. Cotte in attendance for Staff

Panel: TBA

* Settled November 25, 2005

** Settled March 3, 2006

TBA **Momentas Corporation, Howard Rash, Alexander Funt, Suzanne Morrison* and Malcolm Rogers***

s. 127 and 127.1

P. Foy in attendance for Staff

Panel: WSW/RWD/CSP

* Settled April 4, 2006

1.1.2 Notice of Commission Approval - Material Amendments to CDS Rules Relating to Access to the Account Transfer Online Notification Service

THE CANADIAN DEPOSITORY FOR SECURITIES LIMITED

MATERIAL AMENDMENTS TO CDS RULES ACCESS TO THE ACCOUNT TRANSFER ONLINE NOTIFICATION SERVICE

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 April 25, 2006 the rule amendments filed by CDS relating to access to the Account Transfer Online Notification (ATON) Service. ATON would be transferred from CDS Inc. to CDS, and ATON would be offered to participants as a service under the Participant Rules. Under the rule amendments, the rights and obligations of subscribers to the ATON service would be subject to CDS Participant Rules which would replace the ATON Subscriber Agreement. Certain financial institutions that are not currently CDS participants, such as mutual fund dealers, would be eligible to become limited-purpose participants and would be able to use ledgers in CDS' clearing and settlement system, CDSX, to transfer client assets. A copy and description of these amendments were published on February 3, 2006 at (2006) 29 OSCB 1156. No comment letters were received.

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

Andrew Keith Lech

S. B. McLaughlin

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

Andrew Stuart Netherwood Rankin

1.4 Notices from the Office of the Secretary

1.4.1 Bennett Environmental Inc.

FOR IMMEDIATE RELEASE
April 26, 2006

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

AND

**IN THE MATTER OF
CERTAIN DIRECTORS, OFFICERS AND INSIDERS OF
BENNETT ENVIRONMENTAL INC.**

TORONTO – Following a hearing held April 24, 2005, the Commission issued a final Order under paragraphs 2 and 2.1 of subsection 127(1) of the Act that all trading in and acquisitions of securities of Bennett Environmental Inc., whether direct or indirect, by any of the Respondents cease until two business days following the receipt by the Commission of all filings Bennett Environmental Inc. is required to make pursuant to Ontario securities laws.

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

Office of the Secretary
John P. Stevenson
Secretary

For media inquiries: Wendy Dey
Director, Communications and
Public Affairs
416-593-8120

Eric Pelletier
Manager, Media Relations
416-595-8913

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Aliant Inc. and Aliant Telecom Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Information Circular (prospectus-level disclosure) - An issuer wants relief from the requirement to include prospectus-level disclosure in an information circular to be circulated in connection with an arrangement, reorganization, acquisition or amalgamation - Alternate financial information will be provided that is consistent with the financial information required in the continuous disclosure context for significant acquisitions - Information will be provided about the parties to the transaction sufficient for shareholders to assess the transaction as a whole.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, Form 51-102F5 – Information Circular, Item 14.2.

April 6, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
NEW BRUNSWICK AND ONTARIO
(collectively, the “Jurisdictions”)

AND

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

AND

IN THE MATTER OF
ALIANTELECOM INC. (“ALIANTELECOM”)

AND

ALIANTELECOM INC. (“ALIANTELECOM”)
(collectively, 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 continuous disclosure requirements of the Legislation such that the following requirements shall not apply in respect of the Circular to be provided to shareholders and other interested parties of Aliant in connection with the Meeting to approve, among other things, the Transaction:

- (a) the requirement for Aliant to include in the Circular pro forma financial statements of Aliant and Aliant Telecom to reflect the acquisition of the Rural Wireline Operations from Bell Canada; and
- (b) the requirement to include in the Circular three years of historical financial statements for BNG;

(collectively, the “Requested Relief”).

Application of Principal Regulator System

Under Multilateral Instrument 11-101, *Principal Regulator System* (“MI 11-101”) and the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the New Brunswick Securities Commission is the principal regulator for the Filers,
- (b) the Filers are relying on the exemption in Part 3 of MI 11-101 in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, and
- (c) 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

“Acquisitionco” means a newly formed corporation to be incorporated as a wholly-owned subsidiary of Holdings LP;

“Aliant Amalco” means the corporation to be formed by the amalgamation of Aliant, Aliant Telecom and certain other wholly-owned subsidiaries of Aliant;

“Aliant Common Shares” means common shares in the capital of Aliant;

“Aliant Preferred Shares” means the preference shares, Series 2 in the capital of Aliant;

“Aliant Telecom Common Shares” means common shares in the capital of Aliant Telecom;

“BCE” means BCE Inc.;

“Bell Canada” means The Bell Telephone Company of Canada or Bell Canada, a corporation continued under the CBCA;

“BNG” means Bell Nordiq Group Inc.;

“CBCA” means the *Canada Business Corporations Act*;

“Circular” means the management information circular to be provided to shareholders and other interested parties of Aliant in connection with the Meeting;

“Circular Financial Disclosure” has the meaning set out in Section 28 hereto;

“Combined Business” means the business resulting from the combination of Aliant’s wireline telecommunications operations in the Atlantic Provinces with Bell Canada’s Rural Wireline Operations and a 63.4% interest in Télébec, Limited Partnership and NorthernTel, Limited Partnership, the two operating partnerships of Bell Nordiq Income Fund, held through BNG;

“GP Co.” means a corporation to be formed under the CBCA, to be the general partner of Holdings LP”;

“Holdings LP” means a limited partnership to be formed under the laws of the Province of Québec with Holdings Trust as a limited partner and GP Co. as the general partner;

“Holdings Trust” means a trust to be formed under the laws of the Province of Québec which will be wholly-owned by Parent Trust;

“Meeting” means the annual and special meeting of Aliant shareholders held to approve, among other things, the Transaction;

“NI 44-101” means National Instrument 44-101, *Short Form Prospectus Distributions*;

“NI 51-102” means National Instrument 51-102, *Continuous Disclosure Obligations*;

“OSC Rule 61-501” means Ontario Securities Commission Rule 61-501, *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions*;

“Parent Trust” means the new income trust that will result from the Transaction, and which will hold an indirect interest in the Combined Business;

“PEA Agreement” means the Property Exchange and Arrangement Agreement dated March 6, 2006 among Aliant, BCE and Bell Canada;

“Rural Wireline Operations” means Bell Canada’s wireline telecommunications operations in certain regional territories in Ontario and Québec;

“Transaction” means the proposed transaction that would combine Aliant’s wireline telecommunications operations in the four Atlantic Provinces with Bell Canada’s Rural Wireline Operations in Wireline LP, and Bell Canada’s indirect 63.4 per cent interest in Télébec, Limited Partnership and NorthernTel, Limited Partnership, the two operating partnerships of Bell Nordiq Income Fund, held by BNG, a subsidiary of Bell Canada, and result in the conversion of Aliant into a new income trust which will be constituted under the laws of Ontario, and is referred to herein as “Parent Trust”;

“Wireline GP” means the corporation to be formed by the amalgamation of Aliant Amalco and Acquisitionco; and

“Wireline LP” means Wireline Limited Partnership, a limited partnership under the laws of the Province of Manitoba, to be formed with Bell Canada and a subsidiary of Aliant Amalco as limited partners and Aliant Amalco as the general partner (also holding a limited partnership interest).

Representations

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

1. Aliant is a corporation incorporated under the CBCA on March 9, 1999. The corporate head office of Aliant is located at 1 Brunswick Square, Saint John, New Brunswick.
2. Aliant Telecom is a corporation incorporated under the CBCA on August 4, 1999. The corporate head office of Aliant Telecom is located at 1 Brunswick Square, Saint John, New Brunswick.
3. Each of Aliant and Aliant Telecom is a reporting issuer or equivalent under the securities legislation in all of the Provinces of Canada and is not in default of any requirements of such legislation.
4. The authorized capital of Aliant consists of an unlimited number of common shares and an unlimited number of preference shares. As at March 6, 2006 there were 127,197,912 Aliant Common Shares and 7,000,000 Series 2 Aliant Preferred Shares outstanding. To the knowledge of Aliant, Bell Canada owns approximately 53.2 per cent of the outstanding Aliant Common Shares.
5. The authorized capital of Aliant Telecom consists of an unlimited number of common shares. As at

- March 6, 2006 there were 10,668,385 Aliant Telecom Common Shares outstanding, all of which are held by Aliant.
6. As of March 6, 2006, Aliant Telecom had issued and outstanding debt securities consisting of four series of medium term notes, four series of unsecured debentures and six series of secured bonds.
7. The Aliant Common Shares are listed and posted for trading on the Toronto Stock Exchange under the symbol AIT and the Aliant Preferred Shares are listed and posted for trading on the Toronto Stock Exchange under the symbol AIT.PR.A.
8. The financial year end of both Aliant and Aliant Telecom is December 31.
9. BCE is a corporation incorporated under the CBCA on February 25, 1970. The corporate head office of BCE is located at 1000 de La Gauchetiere Ouest, Suite 3700, Montreal, Québec H3B 4Y7.
10. Bell Canada is a corporation existing under the laws of Canada. The corporate head office of Bell Canada is located at 1050 côte du Beaver Hall, Montréal, Québec H2Z 1S4. Bell Canada is an indirect subsidiary of BCE.
11. Each of BCE and Bell Canada is a reporting issuer or equivalent in all of the Provinces of Canada.
12. On March 7, 2006, Aliant and BCE announced a proposed business combination transaction that would combine Bell Canada's Rural Wireline Operations with Aliant's wireline telecommunications operations in the four Atlantic Provinces and Bell Canada's indirect 63.4 per cent interest in Télébec, Limited Partnership and NorthernTel, Limited Partnership, the two operating partnerships of Bell Nordiq Income Fund, held by BNG, an indirect subsidiary of Bell Canada, and result in the formation of a new income trust, currently referred to as Parent Trust that would hold an indirect interest in the Combined Business.
13. Aliant, BCE and Bell Canada have entered into the PEA Agreement in connection with the proposed Transaction.
14. Pursuant to the PEA Agreement, it is expected that the Transaction will proceed by plan of arrangement under section 192 of the CBCA which will require approval: (i) by at least two-thirds of the aggregate votes cast by holders of Aliant Common Shares and (if so ordered by the Court) holders of Aliant's Preferred Shares present in person or by proxy, voting together as a single class at the Meeting; and (ii) by the Supreme Court of Nova Scotia.
15. In addition, the Transaction is a related party transaction for the purposes of OSC Rule 61-501 and Québec Regulation Q-27 respecting the Protection of Minority Securityholders in the Course of Certain Transactions and will require approval by a "majority of the minority" holders of Aliant Common Shares as required by OSC Rule 61-501 and Quebec Regulation Q-27.
16. The proposed Transaction involves several steps that are summarized below:
- (a) Aliant, Aliant Telecom and certain other wholly-owned subsidiaries of Aliant will be amalgamated to form Aliant Amalco.
- (b) Wireline LP, a limited partnership under the laws of the Province of Manitoba, is to be formed with Bell Canada and a subsidiary of Aliant Amalco as limited partners and Aliant Amalco as the general partner (also holding a limited partnership interest). On the formation of Wireline LP, Bell Canada will contribute certain of its rural wireline assets to Wireline LP in exchange for Class B exchangeable limited partnership units of Wireline LP.
- (c) Aliant Amalco will contribute substantially all of its assets to Wireline LP in exchange for the issuance to Aliant Amalco of Class A limited partnership units in Wireline LP and the assumption by Wireline LP of substantially all of Aliant Amalco's liabilities.
- (d) Bell Canada will exchange certain other rural wireline assets with Wireline LP in exchange for certain assets in relation to Aliant's wireless telecommunications business and Aliant's DownEast Communications retail outlets. In addition, Wireline LP will (i) issue to Bell Canada a non-interest bearing demand promissory note; (ii) assume certain liabilities in relation to the Rural Wireline Operations being transferred to it; and (iii) issue to Bell Canada Class B exchangeable limited partnership units of Wireline LP.
- (e) Parent Trust shall purchase all of the common shares of Aliant Amalco, other than a number of common shares to remain owned by BCE as elected by BCE, in return for units of Parent Trust to be designated as "Parent Trust Units" on the basis of one Parent Trust Unit for each common share purchased. The

- Parent Trust Units will represent an equal undivided beneficial interest in distributions by Parent Trust and in the net assets of Parent Trust in the event of termination or winding up.
- (f) A second trust, Holdings Trust, will be formed under the laws of the Province of Québec. Parent Trust will transfer the common shares of Aliant Amalco obtained in (e) above to Holdings Trust in consideration for being issued units of Holdings Trust and Holdings Trust Series 1 notes.
- (g) A second limited partnership, Holdings LP, is to be formed under the laws of the Province of Québec with Holdings Trust as a limited partner and a corporation to be formed under the CBCA, GP Co., as the general partner. Each of the remaining common shares of Aliant Amalco then held by BCE will be contributed by BCE to Holdings LP in exchange for Class 1 exchangeable limited partnership units of Holdings LP and common shares of GP Co. on a one-for-one basis.
- (h) BCE will contribute all of the common shares of BNG to Holdings LP in exchange for additional Class 1 exchangeable limited partnership units of Holdings LP and additional common shares of GP Co.
- (i) Parent Trust will issue to BCE and Bell Canada a number of units of Parent Trust to be designated as "Special Voting Units" equal to the number of Class 1 exchangeable limited partnership units of Holdings LP and Class B exchangeable limited partnership units of Wireline LP, respectively, held by them. Special Voting Units will not entitle the holder to any beneficial interest in distributions by, or net assets of, Parent Trust, but will each entitle the holder to one vote at any meeting of unitholders of Parent Trust.
- (j) Holdings Trust will contribute the common shares of Aliant Amalco held by it to Holdings LP in return for Class 2 limited partnership units of Holdings LP and common shares of GP Co.
- (k) Holdings LP will then transfer the common shares of Aliant Amalco held by it to a newly formed corporation to be incorporated as a wholly-owned subsidiary of Holdings LP, Acquisitionco, in return for promissory notes, preferred shares and common shares of Acquisitionco.
- (l) Aliant Amalco and Acquisitionco will be amalgamated to form Aliant Mergeco, currently referred to as Wireline GP.
- (m) Holdings LP will transfer the preferred shares of Wireline GP held by it to BNG in return for common shares of BNG and subordinated notes of BNG.
17. The Class B exchangeable limited partnership units of Wireline LP and the Class 1 exchangeable limited partnership units of Holdings LP to be held by Bell Canada and/or BCE following completion of the Transaction will be indirectly exchangeable, at the option of the holder, for Parent Trust Units.
18. Upon completion of the Transaction, it is expected that BCE and Bell Canada will hold 73.5 per cent of the Parent Trust Units (on a fully-diluted basis, assuming complete exchange of the exchangeable limited partnership units held by them). In addition, pursuant to a Securityholders' Agreement, BCE will have the right to appoint a majority of the directors of GP Co. and its operating entities and to nominate a majority of the trustees of Parent Trust as long as it owns, directly or indirectly, 30 per cent or more of the Parent Trust Units (on a fully-diluted basis) and will have the right to veto certain actions of Parent Trust and its operating entities so long as it owns, directly or indirectly, 20 per cent or more of the Parent Trust Units (on a fully-diluted basis).
19. Aliant (or its successor) intends to redeem the Aliant Preferred Shares on June 30, 2006 in accordance with their terms.
20. It is a condition to completion of the Transaction that the Parent Trust Units be approved for listing on the TSX.
21. Parent Trust will be a "successor issuer" to Aliant under NI 44-101, will file the notice contemplated in Section 2.8(1) of NI 44-101 and will therefore be eligible, following completion of the Transaction, to file a short-form prospectus under NI 44-101.
22. Upon completion of the Transaction, Aliant and Aliant Telecom will have converted into an income trust, the operations of which will be carried on by Wireline LP and Holdings LP and will consist of the combination of Bell Canada's Rural Wireline Operations with Aliant's wireline telecommunications operations in the Atlantic provinces and a 63.4 per cent interest in Télébec, Limited Partnership and NorthernTel, Limited Partnership, the two operating partnerships of Bell Nordiq Income Fund, held through BNG, resulting in the Combined Business. As part of the Transaction, Aliant and Aliant Telecom will have

- transferred their wireless telecommunications operations and "DownEast" retail stores to Bell Canada.
23. Completion of the Transaction is subject to satisfaction or waiver of a number of closing conditions, including receipt of required regulatory approvals, receipt of favourable advance tax rulings from the Canada Revenue Agency, approval of the Toronto Stock Exchange to the listing of Parent Trust Units and shareholder approval by (i) special resolution of the holders of Aliant Common Shares and (if required) Aliant Preferred Shares, voting together, and (ii) a majority of the minority holders of Aliant Common Shares, as described above. It is currently expected that closing of the Transaction will occur by the third calendar quarter of 2006.
24. It is currently expected that the Meeting to consider and, if thought advisable, approve the Transaction will be held on May 17, 2006.
25. In connection with the Meeting, Aliant will prepare and deliver to holders of Aliant Common Shares and other interested parties the Circular prepared in accordance with the requirements of NI 51-102. In particular, as prescribed in Item 14 of Form 51-102F5, the Circular will contain (or, to the extent permitted, incorporate by reference) prospectus-level disclosure concerning the business to be operated by Aliant and the other entities in which Parent Trust will have an interest upon completion of the Transaction, and a detailed description of the proposed plan of arrangement pursuant to which the Transaction will be implemented, and will be prepared in conformity with the provisions of the CBCA and NI 51-102, except where relief is granted by applicable securities regulatory authorities.
26. It is expected that the acquisition of the Rural Wireline Operations by Aliant Amalco, and later, Wireline GP, each a successor to the Filers will represent a "significant acquisition" for the Filers or their successor of greater than the 40 per cent level, pursuant to the application of the tests prescribed by Part 8 of NI 51-102.
27. It is expected that the acquisition of an indirect interest in BNG by the Parent Trust (indirectly through its interest in Holdings LP), will represent a "significant acquisition" for Parent Trust (as it exists prior to completion of the Transaction) of greater than the 50 per cent level, pursuant to the application of the tests prescribed by Part 6 of Ontario Securities Commission Rule 41-501, *General Prospectus Requirements*.
28. The Circular will contain or incorporate by reference the following financial statements, collectively referred to as the Circular Financial Disclosure:
- (a) audited consolidated financial statements of Aliant (which consolidate the financial statements of Aliant Telecom) as at and for the three years ended December 31, 2005 (incorporated by reference);
 - (b) audited financial statements for the Rural Wireline Operations as at and for the three years ended December 31, 2005;
 - (c) audited consolidated financial statements of BNG as at and for the financial year ended December 31, 2005 (incorporated by reference);
 - (d) an audited balance sheet of Parent Trust; and
 - (e) pro forma financial statements of Parent Trust and the Combined Business as at and for the year ended December 31, 2005 giving effect to the proposed Transaction.
29. It is currently anticipated that the Circular will be finalized and delivered to Aliant shareholders and other interested parties on or about April 21, 2006 and will be filed with applicable securities regulatory authorities on SEDAR.

Decision

The Decision Makers being satisfied that they have jurisdiction to make this decision and that the relevant test under the Legislation has been met, the Requested Relief is granted provided that the Circular contains the Circular Financial Disclosure.

"Rick Hancox"
Executive Director
New Brunswick Securities Commission

2.1.2 Wellington Management Company, LLP - s. 7.1(1) of MI 33-109

Headnote

Application pursuant to section 7.1 of MI 33-109 that the Applicant be relieved from the Form 33-109F requirements in respect of certain of its nominal officers. The exempted officers are without significant authority over any part of the Applicant's operations and have no connection with its Ontario operation. The Applicant is still required to submit 33-109 F4's on behalf of its directing minds, who are certain "Executive Officers" and its Registered Individuals which are those officers involved in the Ontario business activities.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 147.

Rules Cited

Multilateral Instrument 33-109 -- Registration Information.

April 20, 2006

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

AND

**IN THE MATTER OF
THE WELLINGTON MANAGEMENT
COMPANY, LLP**

**DECISION
(Subsection 7.1(1) of
Multilateral Instrument 33-109)**

UPON the application (the **Application**) of Wellington Management Company, LLP (the **Applicant**) to the Ontario Securities Commission (the **Commission**) pursuant to section 7.1 of Multilateral Instrument 33-109 – *Registration Information (MI 33-109)* for an exemption from the requirement in subsection 2.1(c) and section 3.3 of MI 33-109 that the Applicant submit a completed Form 33-109F4 for all Non-Registered Individuals of the Applicant in connection with the Applicant's registration as non-Canadian adviser in the category of investment counsel and portfolio manager (**IC/PM**);

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

AND UPON the Applicant having represented to the Director that:

1. The Applicant is a limited liability partnership formed under the laws of the State of Massachusetts, U.S.A. The head office of the Applicant is located in Boston, Massachusetts, U.S.A.

2. The Applicant is currently registered under the Ontario *Securities Act* (the **Act**) as an international adviser in the categories of investment counsel and portfolio manager. The Applicant is also registered as an investment adviser with the United States Securities and Exchange Commission.
3. The Applicant has applied for an amendment of its registration under the Act to change its category of registration to a non-Canadian adviser in the categories of investment counsel and portfolio manager (the **Proposed Registration Application**).
4. The Applicant provides investment management services to institutional clients on a global basis. The Applicant has approximately 558 officers, of whom 95 are also partners.
5. Less than 1% of the aggregate consolidated gross revenues from advisory activities of the Applicant in any one financial year would be expected to arise from the Applicant acting as an adviser for clients in Ontario.
6. All individuals who intend to act as advisers in Ontario on behalf of the Applicant will seek to become registered as advising officers (the **Registered Individuals**) in accordance with the registration requirement under section 25(1) of the Act and the requirements of MI 31-102, by submitting a Form 33-109F4 completed with all the information required for a Registered Individual.
7. Pursuant to MI 33-109, an IC/PM is required to submit, in accordance with Multilateral Instrument 31-102 – *National Registration Database (MI 31-102)*, a completed Form 33-109F4 for each non-registered individual of the Applicant, including all partners and officers who have not applied to become registered individuals of the Applicant under subsection 2.2(1) of MI 33-109.
8. Other than the Executive Officers (as defined below), the Applicant's remaining 526 officers would not reasonably be considered to be senior officers of the Applicant from a functional point of view. These officers have the title "vice-president" or a similar title but are not in charge of a principal business unit, division or function of the Applicant and, in any event will not be involved or have oversight of, or direction over, the Applicant's advising activities in Ontario (the **Nominal Officers**). The Applicant considers its Non-Registered Individuals who will be seeking non-advising officer status (the **Executive Officers**) as the holders of its most senior executive positions and/or members of the Applicant's executive committee and/or are the individuals that are in direct contact with its Canadian clients from a marketing or direct client relationship perspective.

There are currently ten Executive Officers, five of whom are partners of the Applicant.

in, or have oversight of, the Applicant's activities in Ontario in any capacity.

9. The Applicant is a limited liability partnership and as such does not have any directors. The Applicant is managed by an Executive Committee of its partners.
10. The Applicant seeks relief from the requirement to submit Form 33-109F4s for its Nominal Officers. The Applicant proposes to submit Form 33-109F4s on behalf of each of its Executive Officers completed with all the information required for a Non-Registered Individual. The Applicant also proposes to submit a Form 33-109F4 for its designated Chief Compliance Officer and its Ultimately Responsible Person. At present, it is intended that two of the Executive Officers will fill each of the Applicant's Chief Compliance Officer and Ultimately Responsible Person positions.
11. In the absence of the requested relief, s. 2.1(c) of MI 33-109 would require that in conjunction with its Proposed Registration Application, the Applicant submit a completed Form 33-109F4 for each of its more than 526 Nominal Officers, rather than limiting this filing requirement to the much smaller number of Executive Officers. In addition, the Applicant would be required to submit a completed Form 33-109F4 for any additional new Nominal Officer, if the requested exemption is not granted. The information contained in the filed Form 33-109F4s would also need to be monitored on a constant basis to ensure that notices of change were submitted in accordance with the requirements of section 5.1 of MI 33-109.
12. Given the relatively small scope of the Applicant's proposed activities in Ontario and the large number of Nominal Officers, none of whom will have any involvement in the Applicant's Ontario activities, the preparation and filing of Form 33-109F4s on behalf of each Nominal Officer would achieve no regulatory purpose, while imposing an unwarranted administrative and compliance burden on the Applicant that would effectively preclude the Applicant from undertaking its Proposed Registration Application.

"David M. Gilkes"

AND WHEREAS the Director is satisfied that it would not be prejudicial to the public interest to make the requested Order on the basis of the terms and conditions proposed.

IT IS ORDERED pursuant to section 7.1 of MI 33-109 that the Applicant is exempt from the requirement in subsection 2.1(c) of MI 33-109 and section 3.3 of MI 33-109 to submit a completed Form 33-109F4 for each of its Non-Registered Individuals who are Nominal Officers not involved in its Ontario business, provided that at no time will the Nominal Officers include any Executive Officer or designated Chief Compliance Officer or Ultimately Responsible Person, or other officer who will be involved

2.1.3 Mackenzie Financial Corporation and Mackenzie Sentinel Tactical Global Bond Fund - MRRS Decision

Headnote

MRRS - Approval of fund merger on the basis that the simplified prospectus and financial statements of the continuing fund need not be delivered to unitholders of the terminating fund but instead a tailored simplified prospectus be delivered to unitholders of the terminating fund – approval was needed because the merger did not meet the pre-approval requirements - unitholders will still be able to obtain financial statements from the fund manager’s website or Sedar - clause 5.5(1)(b) of National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.6(1)(f)(ii), 5.7(1)(b).

April 21, 2006

**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
TERRITORY,
NORTHWEST TERRITORY AND NUNAVUT TERRITORY
(THE “JURISDICTIONS”)**

AND

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

AND

**IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
 (“MACKENZIE”)**

AND

**IN THE MATTER OF
MACKENZIE SENTINEL TACTICAL GLOBAL BOND
FUND
 (“TACTICAL FUND”)**

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 Mackenzie and Tactical Fund (the “Filers”) for a decision under the securities legislation of the Jurisdictions (the “Legislation”) granting approval of the proposed merger (the “Proposed

Merger”) of Tactical Fund into Mackenzie Sentinel RRSP Global Bond Fund (“RRSP Fund”) under s. 5.5(1)(b) of National Instrument 81-102 *Mutual Funds* on the basis that the simplified prospectus and financial statements of the RRSP Fund need not be delivered to unitholders of Tactical Fund but instead a tailored simplified prospectus be delivered to unitholders of Tactical Fund (the “Requested Approval”).

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 Filers:

1. Mackenzie is a corporation governed by the laws of Ontario and is registered as an advisor in the categories of investment counsel and portfolio manager in Ontario, Manitoba and Alberta. Mackenzie is also registered with the Ontario Securities Commission as a dealer in the category of Limited Market Dealer, as well as registered under the *Commodity Futures Act* (Ontario) in the categories of Commodity Trading Counsel & Commodity Trading Manager.
2. Mackenzie is the manager and trustee of the Tactical Fund and RRSP Fund (collectively referred to as the “Funds” and individually referred to as “the “Fund”) each of which is an open-ended mutual fund trust governed under the laws of Ontario.
3. Series A, F, I, and O units of the Funds and are offered for sale in all provinces and territories of Canada under a simplified prospectus and annual information form dated November 30, 2005, as amended, for the Mackenzie Canadian and Global Mutual Funds.
4. Unitholders of Tactical Fund have been asked to approve the Proposed Merger at a special meeting scheduled to occur on April 21, 2006, conditional upon a majority of RRSP Fund’s investors having first voted in favour of revising RRSP Fund’s investment objectives at a special meeting of that Fund taking place concurrently and described in a management information circular for investors in both Funds. Implicit in the

- approval of unitholders of the Proposed Merger is the adoption by Tactical Fund of the revised investment objectives and strategies, and fee structure of RRSP Fund. Mackenzie will pay the costs of holding the special meeting in connection with the Proposed Merger and for soliciting proxies.
5. If the approval of investors of the Funds is not received in their respective special meetings, then the Proposed Merger will not proceed.
6. The Funds are reporting issuers under the applicable securities legislation of each province and territory of Canada and are not on the list of defaulting reporting issuers maintained under the applicable securities legislation of the Authorities.
7. Other than where the Decision Makers have exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established by the Authorities.
8. The net asset value for each series of units of the Funds is calculated on a daily basis on each day the Toronto Stock Exchange is open for trading.
9. Investors of Tactical Fund will continue to have the right to redeem units of the Fund for cash at any time up to the close of business on the business day immediately preceding the effective date of the Proposed Merger.
10. The Proposed Merger will be carried out on a taxable basis. It will not be a "qualifying exchange" or a tax deferred transaction under the *Income Tax Act* (Canada). As at February 28, 2006 RRSP Fund has unused capital losses in the current year and carried forward from prior years totaling \$78.6 million. If the merger is carried out on a tax-deferred or rollover basis, all of RRSP Fund's unused tax losses would expire and could not be used to shelter capital gains it realizes in future years. Carrying out the merger on a taxable basis will preserve these tax losses for future use by the Fund.
11. Carrying out the merger on a taxable basis will cause unitholders of Tactical Fund who hold their units outside of a registered plan to realize any accrued gains or losses. As at February 3, 2006 there were 880 unitholders of Tactical Fund who held their units outside of a registered plan. Of those 880 non-registered investors, only seven had an accrued gain. Thus, only a few unitholders in Tactical Fund are expected to realize a taxable gain as a result of the Proposed Merger.
12. The Funds have the same fee structure and valuation procedures and, except as noted, meet all other conditions necessary for mutual funds to complete a merger without regulatory approval as enumerated under subsection 5.6(1) of National Instrument 81-102 *Mutual Funds* ("NI 81-102").
13. The fundamental investment objectives of Tactical Fund are compatible with that of RRSP Fund's, but a reasonable person may consider the fundamental investment objectives to be less than substantially similar.
- Tactical Fund is a foreign bond fund that has an investment objective of pursuing long-term capital growth through active management of long-term fixed income securities issued or guaranteed by governments. The Fund's investments come primarily from six specific countries - the United States, the United Kingdom, France, Germany, Switzerland and Japan.
- RRSP Fund is a foreign bond fund that will, conditional on investor approval, have an investment objective of aiming to achieve an above-average level of current income by investing primarily in a diversified portfolio of fixed income securities issued by foreign companies or governments of any size anywhere in the world. The Fund also seeks to achieve long-term capital growth by investing in fixed income securities and other investments.
14. Following the Proposed Merger, RRSP Fund will continue as a publicly offered open-ended mutual fund.
15. A material change report, press release and amendment to the simplified prospectus and annual information form of the Mackenzie Canadian and Global Mutual Funds in respect of the Proposed Merger have been filed.
16. A management information circular in connection with the Proposed Merger was filed on SEDAR and was mailed to the Funds' investors of record as at March 15, on March 31, 2006. Mackenzie inadvertently only additionally sent Tactical Fund investors a tailor-made simplified prospectus document, consisting of Part A, the Introduction to Part B and the Part B for RRSP Fund, and did not send the RRSP Fund's financial statements, but rather only indicated to such unitholders how the financial statements can be obtained. Mackenzie had done so as it then believed that it was permitted to pursuant to an earlier decision.
17. Subject to the required approvals of the Authorities and investors, the Proposed Merger will be implemented on or about April 21, 2006.
18. The Filer submits that the Proposed Merger will result in the following benefits:
- a. Greater Investment Flexibility and Diversification: Mackenzie believes that RRSP Fund's wider range of investment

choices and greater diversification will benefit Tactical Fund investors as RRSP Fund's portfolio managers are better able to tailor the Fund's investment choices to changes in market conditions and to take advantage of more foreign bond investment opportunities as they arise. Furthermore, as RRSP Fund will not invest up to 100% of its assets in any one issuer, the Fund is less likely than Tactical Fund to be subject to the greater risk and volatility of a concentrated portfolio.

- b. Quarterly Distributions: Starting in June 2006, RRSP Fund investors will begin to receive variable quarterly distributions, which may at the investor's option be paid in cash. This will allow investors to draw a quarterly payment (compromised of income, return of capital and/or capital gains) from their investment. Distributions may for a time be comprised primarily of a return of an investor's capital.

Investors not wishing to receive this quarterly distribution may elect to have their distributions reinvested into the RRSP Fund, allowing their full investment to remain invested in the portfolio.

- c. Improved Economies of Scale and Greater Operating Efficiency: As at March 15, 2006, Tactical Fund had approximate net assets of \$13.55 million and RRSP Fund had approximate net assets of \$90.18 million. Had the Funds merged on that date, the combined RRSP Fund would have had approximate net assets of \$103.73 million. By combining the two portfolios, it is anticipated that RRSP Fund will be able to spread certain fixed operating costs of administering the Fund (audit fees, regulatory filing fees, etc.) across a larger pool of assets. This could potentially reduce RRSP Fund's management expense ratio for Series F, I and O units.

19. If the Proposed Merger is approved, the costs of the Proposed Merger will be borne by Mackenzie.
20. The current simplified prospectus of the Funds qualifies over 40 mutual funds and is a relatively large and heavy document. Rather than delivering the entire current simplified prospectus of RRSP Fund to Tactical Fund investors, Mackenzie delivered a tailored document, consisting of Part A, the Introduction to Part B and the Part B for RRSP Fund, as set out in the current simplified prospectus filed on SEDAR.

21. In Mackenzie's view, an investor is more likely to read the material, and is more likely to vote, if he or she is furnished only with the relevant information, rather than inundated with extraneous information. Further, sending only the tailor-made prospectus significantly reduced Mackenzie's mailing costs in the Proposed Merger.
22. Additionally, rather than delivering the most recent annual and interim financial statements of RRSP Fund to Tactical Fund investors, Mackenzie outlined to Tactical Fund investors the various ways that they can access these financial statements.
23. In Mackenzie's view, sending the financial statements only to investors who have requested them and explaining how the financial statements might be otherwise accessed is consistent with the financial statement delivery principles set out in National Instrument 81-106.
24. In Mackenzie's view, if a Tactical Fund investor is interested in reading the financial statements of RRSP Fund, he or she would take the time to access them by one of the means available. Mackenzie has or will make the financial statements of RRSP Fund available to the unitholders of the Terminating Funds through a number of means, including accessing the SEDAR or Mackenzie website or requesting a copy by calling a toll-free phone line.
25. Similar relief with respect to the prospectus and financial delivery requirements were granted to AIM Funds Management Inc. under a MRRS decision document dated May 8, 2003 and to Mackenzie under a MRRS decision document dated June 17, 2003.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the decision has been met. The decision of the Decision Makers under the Legislation is that the Requested Approval is hereby granted, provided that:

- (a) the information circular sent to Tactical Fund unitholders prominently disclose that they can obtain the most recent interim and annual financial statements of RRSP Fund by accessing the Mackenzie website at www.mackenziefinancial.com or the SEDAR website at www.sedar.com, by calling a toll-free telephone number (1-800-387-0614) or by submitting a request to Mackenzie; and
- (b) the material sent to unitholders of Tactical Fund in connection with the

approval of the Proposed Merger includes a copy of:

- (i) the current Part A of the simplified prospectus of RRSP Fund; and
- (ii) the current the Introduction to Part B and Part B of the simplified prospectus of RRSP Fund.

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

2.1.4 Gowest Amalgamated Resources Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – issuer granted an exemption from the prospectus and registration requirements in connection with a distribution by the issuer to its shareholders by way of a return of capital of common shares of a reporting issuer, subject to certain conditions.

Applicable Ontario Statutory Provisions

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

April 21, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NOVA SCOTIA,
NEW BRUNSWICK, PRINCE EDWARD ISLAND,
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
GOWEST AMALGAMATED RESOURCES LTD.
(GOWEST OR THE FILER)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the dealer registration requirement (the **Registration Requirement**) and, except in Manitoba and Yukon, the prospectus requirement, (the **Prospectus Requirement**) of the Legislation (the **Requested Relief**) for a distribution by the Filer to its shareholders (the **Gowest Shareholders**) by way of return of capital (the **Return of Capital Distribution**) of up to all of the common shares (each, a Trade Winds Share) that the Filer will hold in Trade Winds Ventures Inc. (Trade Winds) following the Sale (as hereinafter defined).

Under the Mutual Reliance Review System for Exemptive Relief Applications

(a) the Ontario Securities Commission is the principal regulator for this application; and

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

Interpretation

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

Representations

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

1. Gowest was created pursuant to an amalgamation under the laws of Ontario, effective on May 27, 1982, between Gowest Gold Resources Ltd. and 508813 Ontario Limited. Gowest Gold Resources Ltd. and 508813 Ontario Limited were incorporated under the laws of Ontario on November 25, 1980 and April 16, 1982, respectively. The Filer conducts operations as a junior mining company.
2. The principal and registered office of Gowest is located in Toronto, Ontario.
3. Gowest is a reporting issuer in the Provinces of British Columbia, Alberta and Ontario and to our knowledge is not in default of any requirements under any applicable securities legislation.
4. Gowest's share capital is comprised of an unlimited number of authorised voting common shares with no par value (each, a Common Share). As of March 17, 2006, there were 16,067,933 Common Shares issued and outstanding. The Common Shares are listed and posted for trading on the TSX Venture Exchange under the symbol "GWA".
5. Trade Winds was incorporated under the laws of British Columbia on November 28, 1986 and is a reporting issuer in British Columbia and Alberta. The Trade Winds Shares are listed and posted for trading on the TSX Venture Exchange under the symbol "TWD". Trade Winds conducts operations as a junior mining company.
6. Trade Winds is the largest shareholder of Gowest, currently holding 1,750,000 Common Shares, which represents approximately 10.9% of the Common Shares currently outstanding.
7. Gowest and Trade Winds entered into a non-binding letter of intent dated January 12, 2006 pursuant to which Gowest agreed to sell its interest in certain mining claims to Trade Winds (the Sale) in exchange for approximately

8,033,967 Trade Winds Shares to be issued by Trade Winds.

8. Upon the completion of the Sale, Gowest will be the registered and beneficial holder of approximately 8,033,967 Trade Winds Shares, which will constitute approximately 15.1% of the issued and outstanding common shares of Trade Winds.
9. Gowest intends to distribute to Gowest Shareholders up to all of the Trade Winds Shares it will own as a return of capital on a *pro rata* basis based on the number of Common Shares held by the Gowest Shareholders. The Trade Winds Shares to be distributed to Trade Winds in its capacity as a shareholder of Gowest will be cancelled by Trade Winds. Notwithstanding whether Gowest would meet the test under corporate law to distribute the Trade Winds Shares by way of dividend, Gowest prefers to distribute said shares as a return of capital due to the favourable tax treatment of such a distribution.
10. Gowest anticipates that the Trade Winds Shares will be distributed to Gowest Shareholders of record at the close of business on the 7th trading day after the later of: (i) the day on which Gowest Shareholders approve the Return of Capital Distribution; (ii) the closing date of the Sale; and (iii) the date on which Gowest receives all applicable regulatory approvals.
11. The Return of Capital Distribution will be effected in compliance with the corporate laws of Ontario. Gowest received shareholder approval for the Return of Capital Distribution at a special meeting of Gowest Shareholders held on March 20, 2006.
12. Gowest Shareholders will not be required to pay for Trade Winds Shares received in the Return of Capital Distribution or to surrender or exchange Common Shares in order to receive Trade Winds Shares or to take any other action in connection with such distribution.
13. The initial "distribution" or "primary distribution to the public", as the case may be, of the Trade Winds Shares from Trade Winds to Gowest will be exempt from the Prospectus Requirement and the Registration Requirement, pursuant to section 2.12 of National Instrument 45-106 (NI 45-106). As a result, the Trade Winds Shares will be subject to a hold period (the Hold Period) under the Legislation, other than in Manitoba and Yukon.
14. As a consequence of the fact that Gowest intends to complete the Return of Capital Distribution before the expiry of the Hold Period, such distribution would constitute: (i) other than in Manitoba and Yukon, a distribution under subsection 2.5(1) of National Instrument 45-102 to which the Prospectus Requirement applies,

- absent statutory exemption or exemptive relief; and (ii) a trade in securities to which the Registration Requirement applies, absent statutory exemption or exemptive relief.
15. Following the Return of Capital Distribution, the Trade Winds Shares will continue to be subject to the appropriate Hold Period, other than in Manitoba and Yukon.
16. Subsections 2.31(2) and 2.31(3) of NI 45-106 provide exemptions from the Registration Requirement and the Prospectus Requirement, respectively, in respect of a trade by an issuer in, or a distribution of, respectively, a security of a reporting issuer held by the issuer that is distributed by the issuer to its securities holders as a dividend *in specie* or a distribution out of earnings or surplus.
17. The Return of Capital Distribution is not a dividend *in specie* or a distribution out of earnings or surplus, but is a return of capital.
18. If the Return of Capital Distribution were instead a dividend *in specie* or a distribution out of earnings or surplus, there would be an exemption under NI 45-106 from the Registration Requirement and the Prospectus Requirement.
19. Sufficient information concerning Trade Winds is available to Gowest Shareholders on SEDAR.
- “Paul Moore”
Vice Chair
Ontario Securities Commission
- “Wendell Wigle”
Commissioner
Ontario Securities Commission

Decision

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

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

- (a) the Return of Capital Distribution is completed as soon as practicable after the date that Gowest receives the Trade Winds Shares from Trade Winds; and
- (b) other than in Manitoba and Yukon, the first trade in the Trade Winds Shares acquired pursuant to this Decision shall be deemed a distribution under the Legislation unless the conditions in subsection 2.5(2) of National Instrument 45-102 *Resale of Securities* are satisfied and for such purposes the “distribution date” shall be deemed to be the distribution date of the initial distribution of the Trade Winds Shares by Trade Winds to Gowest.

2.1.5 Monrusco Bolton International Equity Fund - 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 Staff Notice 12-307.

Applicable Legislative Provisions:

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

March 28, 2006

Fraser Milner Casgrain LLP.

1 Place Ville-Marie
39th Floor
Montréal, Québec
H3B 4M7

Attention: Mr. Jonathan Halwagi

Dear Madam,

Re: Monrusco Bolton International Equity Fund (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia and Newfoundland and Labrador (the "Jurisdictions")

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

As the Applicant has represented to the Decision Makers that:

1. the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;
2. no securities of the Applicant are traded on a marketplace as defined in Regulation entitled 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 reporting issuer; and

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

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

"Benoit Dionne"
Le Chef du Service du financement des sociétés

2.1.6 Kimelman & Baird, LLC - 6.1(1) of MI 31-102 National Registration Database and s. 6.1 of Rule 13-502 Fees

Headnote

Applicant seeking registration as a non-Canadian adviser and as a limited market 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 and 6.1.

April 20, 2006

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

AND

**IN THE MATTER OF
KIMELMAN & BAIRD, 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 Kimelman & Baird, 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 New York in the United States. The Applicant is not a reporting issuer in any province or territory in Canada. The Applicant is seeking registration in Ontario as a non-Canadian adviser and limited market dealer. The Applicant is registered as a broker-dealer and investment

adviser with the U.S. Securities Exchange Commission. The head office of the Applicant is in New York, New York.

2. MI 31-102 requires that all registrants 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** or, the **EFT Requirement**).
3. The Applicant has encountered difficulties in setting up a Canadian based bank account for purposes of fulfilling the EFT Requirement, and anticipates a significant cost for an account that would not otherwise be used.
4. The Applicant confirms that it is not registered in another category to which the EFT Requirement applies and that Ontario is the only jurisdiction in which it has applied for 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”

2.1.7 Goodman & Company, Investment Counsel Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption from subsection 4.1(1) of National Instrument 81-102 Mutual Funds to allow dealer managed mutual funds to invest in securities of an issuer during the 60 days after the distribution period in which an affiliate of the dealer manager has acted as an underwriter in connection with the distribution of securities of the issuer.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, subsection 4.1(1) and section 19.1.

April 25, 2006

**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,
AND THE NORTHWEST TERRITORIES, NUNAVUT AND
THE YUKON**

(THE “JURISDICTIONS”)

AND

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

AND

**IN THE MATTER OF
GOODMAN & COMPANY, INVESTMENT COUNSEL LTD.
(THE “APPLICANT”)**

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 Applicant (or “**Dealer Manager**”), for and on behalf of the mutual funds named in Appendix “A” (the “**Funds**” or “**Dealer Managed Funds**”) for whom the Applicant acts as manager or portfolio advisor or both, for a decision under section 19.1 of National Instrument 81-102 *Mutual Funds* (“**NI 81-102**”) for:

- an exemption from subsection 4.1(1) of NI 81-102 to enable the Dealer Managed Funds to invest in common shares (the “**Common Shares**”) of Hudbay Minerals Inc. (the “**Issuer**”) during the 60-day period following the completion of the distribution (the “**Prohibition Period**”)

notwithstanding that the Dealer Manager or its associates or affiliates act or have acted as an underwriter in connection with the private placement (the "**Offering**") of Common Shares of the Issuer under a term sheet (the "**Term Sheet**") for the Offering pursuant to the prospectus exemptions in the provinces of British Columbia, Alberta and Ontario, excluding the remaining provinces unless necessary due to the location of purchasers of the Common Shares (the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

It is the responsibility of each of the Decision Makers to make a global assessment of the risks involved in granting exemptive relief from subsection 4.1 of NI 81-102 in relation to the specific facts of each application.

Interpretation

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

Representations

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

- 1. The Dealer Manager is a "dealer manager" with respect to the Dealer Managed Funds, and the Dealer Managed Fund is a "dealer managed fund", as such terms are defined in section 1.1 of NI 81-102.
- 2. The securities of the Dealer Managed Funds are qualified for distribution in one or more of the provinces and territories of Canada pursuant to simplified prospectuses that have been prepared and filed in accordance with their respective securities legislation.
- 3. The head office of the Dealer Manager is in Toronto, Ontario.
- 4. Based upon the information provided in the Term Sheet, the underwriting syndicate is comprised of the Dundee Securities Corporation (the "**Related Underwriter**"), Desjardins Securities Inc., TD Securities Inc., Wellington West Capital Markets Inc., Canaccord Capital Corporation, Orion Securities Inc. and Paradigm Capital Inc.

- 5. The Issuer is an integrated base metals mining and smelting company based in Winnipeg, Manitoba.
- 6. The Offering is expected to be for approximately 1,460,000 Common Shares at a price of \$13.75 per Common Share with the gross proceeds of the Offering expected to be approximately \$20,075,000. According to the Issuer's Press Release dated April 10, 2006, the gross proceeds of the Offering will be used for exploration and development of the Issuer's Canadian properties, including the continued expansion of the Issuer's ongoing exploration program in the Flin Flon greenstone belt, as well as its other exploration property holdings.
- 7. According to the Term Sheet, the gross proceeds of the Offering will also be used to incur eligible Canadian Exploration Expenses ("CEE") for purposes of the Taxation Act (Canada) which will be renounced in favour of the purchasers of the Common Shares for the 2006 taxation year. The Issuer will incur and renounce to purchasers of the Common Shares an amount of CEE equal to the issue price for each Common Share issued so that purchasers will receive a 100% deduction for their subscription amount for the purchased Common Shares in the taxation year ending December 31, 2006. In the event that the Issuer fails to renounce CEE corresponding to 100% of the gross proceeds from the Offering effective in 2006, or there is a reduction in the amount renounced, the Issuer will indemnify the purchasers of the Common Shares for all taxes payable by such subscribers as a consequence.
- 8. According to the Term Sheet, the Common Shares will not be subject to any hold or restricted period after four (4) months following the Closing Date.
- 9. According to the Term Sheet, the Issuer will take all steps required to ensure that the Common Shares are listed on the Toronto Stock Exchange ("**TSX**").
- 10. The Term Sheet does not provide any disclosure with respect to the "connected issuer"/ "related issuer" provisions in National Instrument 33-105 – "Underwriting Conflicts" ("**NI 33-105**").
- 11. Despite the affiliation between the Dealer Manager and the Related Underwriter, they operate independently of each other. In particular, the investment banking and related dealer activities of the Related Underwriter and the investment portfolio management activities of the Dealer Manager are separated by "ethical" walls. Accordingly, no information flows from one to the other concerning their respective business operations or activities generally, except in the following or similar circumstances:

- (a) in respect of compliance matters (for example, the Dealer Manager and the Related Underwriter may communicate to enable the Dealer Manager to maintain an up to date restricted-issuer list to ensure that the Dealer Manager complies with applicable securities laws); and
 - (b) the Dealer Manager and the Related Underwriter may share general market information such as discussion on general economic conditions, bank rates, etc.
12. The Dealer Managed Funds are not required or obligated to purchase any Common Shares during the Prohibition Period.
13. The Dealer Manager may cause the Dealer Managed Funds to invest in Common Shares during the Prohibition Period. Any purchase of the Common Shares will be consistent with the investment objectives of the Dealer Managed Funds and represent the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Funds or in fact be in the best interests of the Dealer Managed Funds.
14. To the extent that the same portfolio manager or team of portfolio managers of a Dealer Manager manages two or more Dealer Managed Funds and other client accounts that are managed on a discretionary basis (the "Managed Accounts"), the Common Shares purchased for them will be allocated:
- (a) in accordance with the allocation factors or criteria stated in the written policies or procedures put in place by the Dealer Manager for its Dealer Managed Funds and Managed Accounts; and
 - (b) taking into account the amount of cash available to the Dealer Managed Fund for investment.
15. There will be an independent committee (the "Independent Committee") appointed in respect of the Dealer Managed Funds to review the investments in Common Shares made by the Dealer Managed Funds during the Prohibition Period.
16. The Independent Committee will have at least three members and every member must be independent. A member of the Independent Committee is not independent if the member has a direct or indirect material relationship with its Dealer Manager, the Dealer Managed Funds, or any affiliate or associate thereof. For the purpose of this Decision, a material relationship means a relationship which could, in the view of a

reasonable person, reasonably interfere with the exercise of the member's independent judgment regarding conflicts of interest facing the Dealer Manager.

17. The members of the Independent Committee will exercise their powers and discharge their duties honestly, in good faith, and in the best interests of investors in the Dealer Managed Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.
18. The Dealer Manager, in respect of the Dealer Managed Funds, will notify a member of staff in the Investment Funds Branch of the Ontario Securities Commission in writing of the filing of the SEDAR Report (as defined below) on SEDAR, as soon as practicable after the filing of such report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.
19. The Dealer Manager has not been involved in the work of the Related Underwriter and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Manager as to whether the Dealer Managed Funds will purchase Common Shares during the Prohibition Period.

Decision

Each of the Decision Makers has assessed the conflict of interest risks associated with granting an exemption in this instance from subsection 4.1(1) of NI 81-102 and is satisfied that, at the time this Decision is granted, the potential risks are sufficiently mitigated.

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 under the Legislation is that the Requested Relief is granted, notwithstanding that the Related Underwriter acts or has acted as underwriter in the Offering provided that, in respect of the Dealer Manager and its Dealer Managed Funds, the following conditions are satisfied:

- I. At the time of each purchase (the "Purchase") of Common Shares by a Dealer Managed Fund pursuant to this Decision, the following conditions are satisfied:
 - (a) the Purchase
 - (i) represents the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests

- of the Dealer Managed Fund, or
- (ii) is, in fact, in the best interests of the Dealer Managed Fund;
- (b) the Purchase is consistent with, or is necessary to meet, the investment objective of the Dealer Managed Fund as disclosed in its simplified prospectus; and
 - (c) the Dealer Managed Fund does not place the order to purchase, on a principal or agency basis, with its Related Underwriter;
- II. Prior to effecting any Purchase pursuant to this Decision, the Dealer Managed Fund has in place written policies or procedures to ensure that,
- (a) there is compliance with the conditions of this Decision; and
 - (b) in connection with any Purchase,
 - (i) there are stated factors or criteria for allocating the Common Shares purchased for two or more Dealer Managed Funds and other Managed Accounts, and
 - (ii) there is full documentation of the reasons for any allocation to a Dealer Managed Fund or Managed Account that departs from the stated allocation factors or criteria;
- III. Each Dealer Managed Fund has an Independent Committee to review the Dealer Managed Fund's investments in the Common Shares during the Prohibition Period;
- IV. The Independent Committee has a written mandate describing its duties and standard of care which, as a minimum, sets out the conditions of this Decision;
- V. The members of the Independent Committee exercise their powers and discharge their duties honestly, in good faith, and in the best interests of investors in the Dealer Managed Funds and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;
- VI. The Dealer Managed Fund does not relieve the members of the Independent Committee from liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph V above;
- VII. The Dealer Managed Fund does not incur the cost of any portion of liability insurance that insures a member of the Independent Committee for a liability for loss that arises out of a failure to satisfy the standard of care set out in paragraph V above;
- VIII. The cost of any indemnification or insurance coverage paid for by the Dealer Manager, any portfolio manager of the Dealer Managed Fund, or any associate or affiliate of the Dealer Manager or any portfolio manager of the Dealer Managed Funds to indemnify or insure the members of the Independent Committee in respect of a loss that arises out of a failure to satisfy the standard of care set out in paragraph V above is not paid either directly or indirectly by the Dealer Managed Fund;
- IX. The Dealer Manager files a certified report on SEDAR (the "SEDAR Report") in respect of each Dealer Managed Fund, no later than 30 days after the end of the Prohibition Period, that contains a certification by the Dealer Manager that contains:
- (a) the following particulars of each Purchase:
 - (i) the number of Common Shares purchased by the Dealer Managed Fund;
 - (ii) the date of the Purchase and purchase price;
 - (iii) whether it is known whether any underwriter or syndicate member has engaged in market stabilization activities in

- respect of the Common Shares;
 - (iv) if the Common Shares were purchased for two or more Dealer Managed Funds and other Managed Accounts of the Dealer Manager, the aggregate amount so purchased and the percentage of such aggregate amount that was allocated to each Dealer Managed Fund; and
 - (v) the dealer from whom the Dealer Managed Fund purchased the Common Shares and the fees or commissions, if any, paid by the Dealer Managed Fund in respect of such Purchase;
 - (b) a certification by the Dealer Manager that the Purchase:
 - (i) was made free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and
 - (ii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interest of the Dealer Managed Fund, or
 - (iii) was, in fact, in the best interests of the Dealer Managed Fund;
 - (c) confirmation of the existence of the Independent Committee to review the Purchase of the Common Shares by the Dealer Managed Funds, the names of
- the members of the Independent Committee, the fact that they meet the independence requirements set forth in this Decision, and whether and how they were compensated for their review;
 - (d) a certification by each member of the Independent Committee that after reasonable inquiry the member formed the opinion that the policies and procedures referred to in Condition II(a) above are adequate and effective to ensure compliance with this Decision and that the decision made on behalf of each Dealer Managed Fund by the Dealer Manager to purchase Common Shares for the Dealer Managed Funds and each Purchase by the Dealer Managed Fund:
 - (i) was made in compliance with the conditions of this Decision;
 - (ii) was made by the Dealer Manager free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and
 - (iii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or
 - (iv) was, in fact, in the best interests of the Dealer Managed Fund.
- X. The Independent Committee advises the Decision Makers in writing of:
- (a) any determination by it that the condition set out in paragraph IX(d) has not been satisfied with

respect to any Purchase of the Common Shares by a Dealer Managed Fund;

- (b) any determination by it that any other condition of this Decision has not been satisfied;
 - (c) any action it has taken or proposes to take following the determinations referred to above; and
 - (d) any action taken, or proposed to be taken, by the Dealer Manager or a portfolio manager of a Dealer Managed Fund, in response to the determinations referred to above.
- XI. Each Purchase of Common Shares during the Prohibition Period is made on the TSX; and
- XII. An underwriter provides to the Dealer Manager written confirmation that the “dealer restricted period” in respect of the Offering, as defined in Ontario Securities Commission Rule 48-501, Trading During Distributions, Formal Bids and Share Exchange Transactions, has ended.

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

**APPENDIX A
THE MUTUAL FUNDS**

DYNAMIC FUNDS

Dynamic Canadian Value Class
Dynamic Value Fund of Canada

2.1.8 BMO Harris Investment Management Inc. - MRRS Decision

Headnote

MRRS exemption granted from paragraph 2.5(2)(a) of National Instrument 81-102 – Mutual Funds to permit a top fund to invest in an exchange traded mutual fund that is not subject to National Instrument 81-101 – Mutual Fund Prospectus Disclosure. Exchange traded mutual fund is a standard split share issuer that invests in a fixed portfolio of 8 companies and is qualified under a longform prospectus.

Applicable Legislative Provisions

National Instrument 81-102 – Mutual Funds ss. 2.1, 2.5(2)(a) and 19.1.

April 24, 2006

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

AND

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

AND

**IN THE MATTER OF
BMO HARRIS INVESTMENT MANAGEMENT INC.
(THE “FILER”)**

AND

**IN THE MATTER OF
THE FUNDS SET OUT AT SCHEDULE “A”
(THE “PORTFOLIOS”)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the “Decision Maker”) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the “Legislation”) for an exemption from the restriction contained in subsection 2.5(2)(a) of National Instrument 81-102 *Mutual Funds* (“NI 81-102”) against a mutual fund purchasing or holding a security of a mutual fund unless the other mutual fund is subject to National Instrument 81-101 *Mutual Fund Distributions* (“NI 81-101”) (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 meanings in this decision unless they are defined in this decision.

Representations

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

1. The Filer is a corporation incorporated under the laws of the Province of Ontario, and will be the manager and investment manager of the Portfolios and any future mutual funds managed by the Applicant (collectively, the “**Future Portfolios**”).
2. Each of the Portfolios is and any Future Portfolios will be an open-ended mutual fund with a head office located in the Province of Ontario. The securities of the Portfolios are qualified for distribution in each of the Provinces of Canada under a simplified prospectus and annual information form filed with securities regulators in each province of Canada.
3. To achieve the investment objectives of each Portfolio, the Filer invests the assets of the Portfolio in, among other things, equity securities of Canadian issuers. The Filer would like the Portfolios to be permitted to invest in Big 8 Split Inc. (“**Big 8**”), which is an issuer that is a mutual fund that is not subject to NI 81-101.
4. The Filer actively manages the investments of the Portfolios in accordance with the investment objectives and investment strategies of such Portfolios.
5. The Filer is not related to Big 8.
6. Big 8 is, as indicated in its initial public offering (IPO), long form prospectus dated August 28, 2003 (the “Prospectus”) and in its application for NI 81-102 relief dated June 27, 2003:
 - a. organized under the laws of Canada or a Canadian province or territory;
 - b. a mutual fund within the meaning of the securities legislation because Big 8 is an issuer of securities that entitle the holder to receive an amount computed by reference to the value of a proportionate

interest in the whole or part of the net assets of Big 8, within a specified period after demand. The Capital Shares and the Preferred Shares (as defined below) may be surrendered for retraction at any time.

7. Big 8 received an exemption from various provisions of NI 81-102 in a decision dated July 30, 2003.
8. As indicated in the Prospectus, Big 8 is a passive investment company whose primary undertaking is to invest in a fixed portfolio of common shares (the "Big 8 Portfolio Shares") of Bank of Montreal, The Bank of Nova Scotia, Canadian Imperial Bank of Commerce, Royal Bank of Canada, The Toronto-Dominion Bank, Great West Lifeco Inc., Manulife Financial Corporation and Sun Life Financial Services of Canada Inc. in order to generate fixed cumulative preferential dividends for the holders of Big 8's class A preferred shares (the "Preferred Shares") and to enable the holders of its class A capital shares (the "Capital Shares") to participate in any capital appreciation in the Big 8 Portfolio Shares and to benefit from any increase in the dividends on the Big 8 Portfolio Shares. The Big 8 Portfolio Shares are the only material assets of Big 8.
9. As indicated in the Prospectus, an investment in Preferred Shares or Capital Shares does not constitute an investment in the Big 8 Portfolio Shares. Holders of Preferred Shares and Capital Shares will not own the Big 8 Portfolio Shares held by Big 8 or have any voting rights in respect of the Big 8 Portfolio Shares.
10. As indicated in its Prospectus, it is the policy of Big 8 to hold the Big 8 Portfolio Shares and to not engage in any trading of the Big 8 Portfolio Shares except:
 - a. to fund the payment of the fixed dividends on the Preferred Shares,
 - b. to fund retractions or redemptions of Capital Shares and Preferred Shares,
 - c. following the receipt of any stock dividends on the Big 8 Portfolio Shares, or
 - d. to meet its obligations in respect of liabilities including extraordinary liabilities.
11. As indicated in Big 8's Statement of Investments as at December 15, 2005, the percentage of portfolio market value of each issuer of Big 8 Portfolio Shares varies between 11.6 % and 13.8%.

12. The Preferred Shares and the Capital Shares of Big 8 are listed on the TSX. Consequently, Big 8 is not subject to NI 81-101. NI 81-102 prohibits a mutual fund from purchasing or holding a security of another mutual fund unless the other mutual fund is subject to NI 81-101. The Portfolios' and Future Portfolios' purchase and holding of Big 8 will comply with NI 81-102 on all other respects.

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 in connection with the Portfolios' and Future Portfolios' purchase and holding of securities of Big 8.

"Leslie Byberg"
Manager, Investment Funds
Ontario Securities Commission

Schedule A

BMO HARRIS PRIVATE PORTFOLIOS

BMO Harris Canadian Dividend Income Portfolio
BMO Harris Canadian Income Equity Portfolio
BMO Harris Canadian Conservative Equity Portfolio
BMO Harris Canadian Growth Equity Portfolio
BMO Harris Growth Opportunities Portfolio
BMO Harris Canadian Special Growth Portfolio

2.1.9 Skypower Wind Energy Fund LP - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Application by an issuer for a decision that i) certain portions of two material contracts previously filed and made public on SEDAR be held in confidence for an indefinite period by the Decision Makers, to the extent permitted by law; ii) the issuer be permitted to replace the existing versions of the contracts currently filed on SEDAR with versions of the contracts in which provisions containing commercially sensitive pricing information have been redacted; and iii) the application and the decision document be held in confidence for sixty days following the date of the decision document, to the extent permitted by law – Issuer inadvertently failed to request confidentiality prior to filing the contracts and non-redacted versions of the contracts were inadvertently substituted for redacted versions and included with the SEDAR filing package filed with the issuer’s IPO prospectus – contracts contain commercial pricing information that is highly sensitive – information redacted from the redacted versions of the contracts does not contain information that would be material to an investor – relief granted.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 6(3) and 140(2).

Applicable Ontario Instruments

Rule 41-501 General Prospectus Requirements, s. 13.3(1)(6)
Companion Policy 41-501CP General Prospectus Requirements, ss. 5.3 and 5.4.

February 24, 2006

**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,
THE NORTHWEST TERRITORIES AND NUNAVUT
(THE “JURISDICTIONS”)**

AND

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

AND

**IN THE MATTER OF
SKYPOWER WIND ENERGY FUND LP
(the “Partnership”)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (each a “Decision Maker”) in each of the Jurisdictions has received an application from the Partnership for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that

- (a) certain portions of two material contracts, namely
 - i. the Turbine Supply Agreement between and among SkyPower Corp. (“SkyPower”) and General Electric Canada and General Electric Company (collectively “GE”) dated as of November 30, 2005 (the “Turbine Supply Agreement”); and
 - ii. the Operations and Maintenance Agreement by and between SkyPower and GE dated as of November 30, 2005 (the “O&M Agreement” and, together with the Turbine Supply Agreement, the “Agreements”)
- be held in confidence for an indefinite period by the Decision Makers, to the extent permitted by law;
- (b) the Partnership be permitted to replace the existing versions of the Agreements currently filed on the System for Electronic Document Analysis and Retrieval (“SEDAR”) with versions of the Agreements in which provisions containing commercially sensitive pricing information have been redacted; and
 - (c) the application as well as any decision document issued in respect thereof, other than the unredacted copies of the Agreements, be held in confidence for sixty days following the date of the decision document, to the extent permitted by law (collectively, 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 Partnership:

- 1.1 The Partnership is a limited partnership established under the laws of the Province of Ontario. The Partnership has been established to invest primarily in common shares, including flow-through shares, of Terrawinds Resources Corp., a Canadian corporation that intends to construct and operate test wind turbines and, if successful, construct and operate additional wind turbines to create a 201 MW wind energy project near Rivière-du-Loup, Québec (the “Facility”).
- 1.2 The Partnership is a reporting issuer, or the equivalent, in each of the provinces and territories of Canada that provides for a reporting issuer regime, and is not in default of any requirements under the Legislation.
- 1.3 On December 19, 2005, the Partnership filed a prospectus dated December 16, 2005 (the “Prospectus”) in each of the provinces and territories of Canada in connection with the initial public offering of limited partnership units (“Units”) of the Partnership.
- 1.4 On December 23, 2005, the Partnership issued \$77,240,840 worth of Units in connection with the completion of its initial public offering. The proceeds of the offering are being used to fund the development and construction of the Facility. The development and construction of the Facility necessarily includes the purchase, operation and maintenance of wind turbines pursuant to the terms of the Agreements. GE is the key supplier in respect of the development and construction of the Facility.
- 1.5 The Agreements contain certain commercial pricing information that is highly sensitive.
- 1.6 The Partnership, at GE’s request, had previously agreed that it would request an exemption from the requirement in the Legislation to file material contracts with the Prospectus in order to be permitted to file redacted versions of the Agreements on SEDAR at the time of filing the Prospectus to remove this commercially sensitive pricing information.
- 1.7 The Partnership inadvertently failed to request this exemption prior to filing the Agreements. Non-redacted versions of the Agreements were inadvertently substituted for redacted versions and included with the SEDAR filing package filed with the Prospectus.
- 1.8 The Partnership believes that continued public access to the non-redacted versions of the Agreements would be prejudicial to the interests of the Partnership and that it would be in the best interest of its relationship with GE to replace the non-redacted versions of the Agreements filed on SEDAR with redacted versions. Accordingly, the Partnership has requested that it be permitted to

replace the existing versions of the Agreements currently filed on SEDAR with versions of the Agreements in which provisions containing commercially sensitive pricing information have been redacted.

- 1.9 In connection with this application, the Partnership has filed redacted versions of the Agreements (the Redacted Agreements) which are identical to the Agreements except that the commercially sensitive information has been removed.
- 1.10 The information redacted from the Redacted Agreements does not contain information in relation to the Partnership or securities of the Partnership that would be material to an investor.
- 1.11 As a result of the Agreements being filed and made public on SEDAR, the Agreements have also been made publicly available on LIVEDGAR. Counsel to the Partnership has been advised by a representative at Global Securities Information, Inc., the administrator of the LIVEDGAR service, that LIVEDGAR will update after the non-redacted versions of the Agreements are removed from SEDAR and replaced with the redacted forms.
- 1.12 As a result of the Agreements being filed and made public on SEDAR, the Agreements have also been disseminated to subscribers of the SEDAR-SCRIBE service. Counsel to the Partnership has been advised by representatives of CDS Inc., the administrator of the SEDAR-SCRIBE service, that instructions will be sent to subscribers of the SEDAR-SCRIBE service to delete these versions of the Agreements from their own files. Counsel to the Partnership has been advised that subscribers of the SEDAR-SCRIBE service are contractually bound to follow these instructions.

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 the Filer files on SEDAR a copy of the Redacted Agreements that will be made public by the Decision Makers and posted on www.sedar.com.

"Paul M. Moore", Q.C.

"Robert L. Shirriff", Q.C.

2.1.10 Wellco Energy Services Inc. - MRRS Decision

Headnote

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

Ontario Statutes

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

Citation: Wellco Energy Services Inc., 2006 ABASC 1250

April 24, 2006

Burnet, Duckworth & Palmer LLP

1400, 350 - 7 Avenue SW
Calgary, AB T2P 3N9

Attention: Dale Masson

Dear Sir:

Re: Wellco Energy Services Inc. (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta and Ontario (the "Jurisdictions")

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

As the Applicant has represented to the Decision Makers that:

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

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

Relief requested granted on the 24th day of April, 2006.

“Blaine Young”
Associate Director, Corporate Finance
Alberta Securities Commission

**2.1.11 Investors Group Financial Services Inc. and
Les Services Investors Limitée - MRRS
Decision**

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – relief from certain filing requirements of MI 33-109 in connection with a bulk transfer of business locations and registered and non-registered individuals as part of an internal reorganization.

Applicable Rule

MI 33-109 – Registration Information

December 30, 2005

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

AND

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

AND

**IN THE MATTER OF
INVESTORS GROUP FINANCIAL
SERVICES INC. (“IGFS”)
AND LES SERVICES INVESTORS
LIMITÉE (“LSIL”) (IGFS, TOGETHER WITH LSIL,
COLLECTIVELY REFERRED TO AS 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 on behalf of the Filers, which propose to amalgamate (the “Amalgamation”) and continue as “Investors Group Financial Services Inc./Services Financiers Groupe Investors Inc.” (“IGFS Amalco”) on or about January 1, 2006, for decision exempting the Filers and IGFS Amalco from certain requirements of Multi-lateral Instrument 33-109 – *Registration Information* and Quebec Regulation 33-109Q – *Respecting Registration Information* (collectively the “Legislation”) to permit the bulk transfer to IGFS Amalco of the registered and non-registered individuals that are associated on the National Registration Database (“NRD”) with the branch office locations assigned to the Filers (the “Requested Relief”).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

- 1. IGFS is a member of the Mutual Fund Dealers Association of Canada (the "MFDA") and is currently registered as a mutual fund dealer or equivalent in all provinces and territories of Canada with the exception of Quebec. It is also registered as a limited market dealer in Ontario.
- 2. LSIL is a financial services firm registered in Quebec with the Autorité des marchés financiers ("AMF"), including registration in the category equivalent to mutual fund dealer.
- 3. Both IGFS and LSIL are subject to the Canada Business Corporations Act ("CBCA") and are wholly owed subsidiaries of Investors Group Inc. and, as such, are affiliates of each other. The products and services offered by LSIL in Quebec are essentially the same products and services offered by IGFS in the rest of Canada, with the exception of insurance products which are currently offered through LSIL, but which will be transferred to a different affiliate (I.G. Insurance Services Inc.) as a result of the Amalgamation.
- 4. IGFS and LSIL, to the best of their knowledge, are in substantial compliance with the requirements of the Legislation.
- 5. The division in responsibilities between IGFS and LSIL is historical in nature and, for a number of reasons, it is deemed expedient for IGFS and LSIL to amalgamate their businesses and to carry on business as an amalgamated company under the name of "Investors Group Financial Services Inc. /Services Financiers Groupe Investors Inc." IGFS Amalco will remain a wholly owned subsidiary of Investors Group Inc.
- 6. Certain aspects of IGFS's and LSIL's operations are already functionally integrated and their respective policies and procedures are largely harmonized. To the extent necessary, the policies and procedures currently in place for IGFS will formally be extended to its operations in Quebec once the Amalgamation takes effect, subject to

any modifications required to comply with the requirements of the AMF.

- 7. The Amalgamation is proposed to take effect on or about January 1, 2006.
- 8. As a result of the Amalgamation all business locations, registered and non-registered individuals of IGFS and LSIL will be transferred to IGFS Amalco.
- 9. The Amalgamation is an internal restructuring transaction and does not involve any third parties. IGFS Amalco will carry on all mutual fund dealer business of IGFS and LSIL in substantially the similar manner with the same directors as IGFS and the same mutual fund salespersons as IGFS and LSIL.
- 10. Given the number of business locations and the number of registered and non-registered individuals of IGFS and LSIL, it would be exceedingly difficult and onerous to transfer each business location and individual to IGFS Amalco from the Filers in accordance with the requirements set out in the Legislation.
- 11. As a result of NRD system constraints, and the significant number of individuals to be transferred from the Filers to IGFS Amalco, it would be difficult, costly, and time consuming to transfer as a separate and distinct transfer of branch and sub-branch office locations and each registered and non-registered individuals while ensuring that all such transfers occur at the same time in order to preclude any disruption of individual registrations or of IGFS Amalco's business activities.

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 pursuant to the Legislation is that the Requested Relief is granted, and the following requirements of the Legislation shall not apply to the Filers or IGFS Amalco in respect of the registered and non-registered individuals and business locations that will be bulk transferred to IGFS Amalco.

- (a) The requirement to submit a notice regarding the termination of each employment, partner, or agency relationship under Section 4.3 of the Legislation;
- (b) The requirement to submit a notice regarding each individual who ceases to be a non-registered individual under Section 5.2 of the Legislation;

- (c) The requirement to submit a registration application for each individual applying to become a registered individual under Section 2.2 of the Legislation;
- (d) The requirement to submit a Form 33-109F4 for each non-registered individual under Section 3.3 of the Legislation;
- (e) The requirement under Section 3.2 of the Legislation to notify the regulator of a change to the business location information in Form 33-109F3.

“Douglas R. Brown”
Director – Legal and Enforcement
Manitoba Securities Commission

2.1.12 Carbiz Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – relief granted from requirements in National Instrument 52-107 and National Instrument 51-102 to prepare financial statements and management discussion and analysis in accordance with Canadian GAAP and have such financial statements audited in accordance with Canadian GAAS and instead to prepare and have such financial statements and management discussion and analysis prepared in accordance with US GAAP and US GAAS.

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, ss. 3.1, 3.2
National Instrument 51-102 Continuous Disclosure Obligations, s. 5.2

April 6, 2006

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA,
NOVA SCOTIA, NEW BRUNSWICK AND ONTARIO**

AND

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

AND

**IN THE MATTER OF
CARBIZ INC.**

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities regulatory authority or regulator (collectively, the “Decision Makers”) in each of Ontario, Alberta, British Columbia, Nova Scotia and New Brunswick (the “Jurisdictions”) has received an application from Carbiz Inc. (“Carbiz” or the “Company”), for a decision under the securities legislation of the Jurisdictions (the “Legislation”) that:
 - 1.1 the requirement contained in sections 3.1 and 3.2 of National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (“NI 52-107”) requiring financial statements, other than acquisition statements, to be prepared and audited in accordance with Canadian GAAP and GAAS accordingly, not apply to the Company in respect of its annual financial statements for the period ending

- January 31, 2006 (the "Annual Financial Statements") and its interim financial statements for the periods ending April 30, 2006 and July 31, 2006 (the "Interim Financial Statements") (collectively the "Canadian GAAP Requirement"); and
- 1.2 the Filer be permitted to file MD&A in accordance with section 5.2 of National Instrument 51-102 *Continuous Disclosure Obligations* ("NI 51-102").
- (the "Requested Relief")
2. **AND WHEREAS** pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application and this MRRS decision document evidences the decision of each Decision Maker;
3. **AND WHEREAS** Carbiz has represented to the Decision Makers that:
- 3.1 The Company was incorporated pursuant to the laws of Ontario on March 31, 1998 and is governed by the *Business Corporations Act* (Ontario).
- 3.2 The Company's registered office and head office in Canada is located at Suite 930, 3044 Bloor Street West, Toronto, Ontario M8X 2Y8 and in the United States at 7405 N. Tamiami Trail, Sarasota, Florida 34243.
- 3.3 CarBiz is a reporting issuer in good standing in Ontario, Alberta, British Columbia, Nova Scotia and New Brunswick and is not in default of any requirements of the Legislation.
- 3.4 The Company is a reporting issuer under the Legislation.
- 3.5 The authorized capital of the Company consists of an unlimited number of common shares ("Common Shares") without nominal or par value of which 41,090,514 Common Shares are currently issued and outstanding. A maximum of 10% or 4,109,051 of the issued and outstanding Common Shares have been reserved for issuance pursuant to the Company's incentive stock option plan. The Common Shares are listed and posted for trading on the TSX Venture Exchange (the "Exchange").
- 3.6 Of the 41,090,514 Common Shares outstanding, all of which hold one vote per share, 65% of the accounts of the Company holding 6,253,446 (15.22%) are directly or beneficially held by U.S. residents.
- 3.7 The Company is engaged in the business of development, sale and support of computer software for auto dealers, consulting and training services for auto dealers, and the operation of retail auto sales and finance location outside of Canada.
- 3.8 All of the Company's operating subsidiaries are incorporated under the laws of a U.S. jurisdiction. CarBiz USA Inc. is a wholly-owned subsidiary of the Company incorporated in Delaware. CarBiz Auto Credit Inc. is a wholly-owned subsidiary of CarBiz USA Inc. incorporated in Florida.
- 3.9 Three-quarters of the executive officers and one half of the directors of the Company are resident outside of Canada.
- 3.10 The majority of the consolidated assets of the Company are located outside of Canada.
- 3.11 The business of the Company is administered principally outside of Canada.
- 3.12 An Annual and Special Meeting of shareholders of CarBiz (the "Meeting") was held on June 24, 2005 at which time the shareholders of CarBiz approved, amongst other things, a special resolution approving the delisting of the Common Shares from the Exchange and the application for listing on the United States Over the Counter Bulletin Board (the "OTC-BB").
- 3.13 The listing on the OTC-BB is hereinafter referred to as the "Transaction".
- 3.14 Completion of the Transaction is subject to a number of conditions and final acceptance of the Transaction by the OTC-BB.
- 3.15 The Company has filed a Registration Statement on Form SB-2 with the United States Securities and Exchange Commission (the "SEC") which application has been conditionally accepted subject to the Company satisfactorily answering comments raised by the SEC relating to its application to become an SEC Issuer.

- 3.16 In connection with the Transaction, the Company expects to become an SEC Issuer, as that term is defined in NI 52-107, within approximately six (6) months.
- 3.17 The Shareholders of the Company have been made aware of the Transaction and have approved the Transaction at the Meeting.
4. **AND WHEREAS** pursuant to the System this MRRS Decision Document evidences the decision of each of the Decision Makers (the "Decision");
5. **AND WHEREAS** each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;
6. **THE DECISION** of the Decision Maker under the Legislation, is that the Requested Relief is granted, provided that:
- 6.1 the Canadian GAAP Requirement shall not apply to the Company provided that:
- (a) the Company files Annual and Interim Financial Statements that are prepared in accordance with US GAAP;
 - (b) the notes to the first two sets of the Company's annual financial statements after the change from Canadian GAAP to US GAAP and the notes to the Company's interim financial statements for interim periods during those two years:
 - (i) explain the material differences between Canadian GAAP as applicable to public enterprises and US GAAP that relate to recognition, measurement and presentation;
 - (ii) quantify the effect of material differences between Canadian GAAP as applicable to public enterprises and US GAAP that relate to recognition, measurement and presentation, including a tabular reconciliation between net income reported in the financial statements and net income computed in accordance with Canadian GAAP as applicable to public enterprises; and
 - (iii) provide disclosure consistent with disclosure requirements of Canadian GAAP as applicable
- to public enterprises to the extent not already reflected in the financial statements;
- (c) the financial information for any comparative periods in the Annual and Interim Financial Statements that were previously reported in accordance with Canadian GAAP presented as follows:
- (i) as previously reported in accordance with Canadian GAAP;
 - (ii) as restated and presented in accordance with US GAAP; and
 - (iii) supported by an accompanying note that:
 - (A) explains the material differences between Canadian GAAP as applicable to public enterprises and US GAAP that relate to recognition, measurement and presentation;
 - (B) quantifies the effect of material differences between Canadian GAAP as applicable to public enterprises and US GAAP that relate to recognition, measurement and presentation, including a tabular reconciliation between net income as previously reported in the financial statements and net income as restated and presented in accordance with US GAAP.
- (d) the Annual Financial Statements are accompanied by an auditor's report prepared in accordance with US GAAS that:
- (i) contains an unqualified opinion;
 - (ii) identifies all financial periods presented for which the auditor has issued an auditor's report;
 - (iii) refers to the former auditor's reports on the comparative periods, if the Company has changed its auditor and one or more of the comparative periods presented in the financial

statements were audited by a different auditor; and

- (iv) identifies the auditing standards used to conduct the audit and the accounting principles used to prepare the financial statements.
- (e) the Company files the supplement to its management's discussion and analysis of the Annual and Interim Financial Statements set out in section 5.2 of NI 51-102;
- (f) the Company refiles the interim financial statements and MD&A for the periods ended April 30, 2005, July 31, 2005 and October 31, 2005 using US GAAP; and
- (g) if the Company does not receive the SEC Registration by September 30, 2006, the Company will refile on SEDAR all the previous financial statements and management discussion and analysis it filed using US GAAP and US GAAS using Canadian GAAP and Canadian GAAS.

DATED this 6th day of April, 2006.

"John Hughes"
Manager, Corporate Finance
Ontario Securities Commission

2.2 Orders

2.2.1 DVD Investments Limited - s. 83.1(1)

Headnote

Subsection 83.1(1) – Issuer deemed to be a reporting issuer in Ontario – Issuer already a reporting issuer in Alberta and British Columbia – Issuer's securities listed for trading on the NEX board of the TSX Venture Exchange – Continuous disclosure requirements in Alberta and British Columbia substantially the same as those in Ontario.

Applicable Ontario Statutory Provisions

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

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

AND

**IN THE MATTER OF
DVD INVESTMENTS LIMITED**

**ORDER
(Subsection 83.1(1))**

UPON the application of DVD Investments Limited (the "Applicant") for an order pursuant to subsection 83.1(1) of the *Securities Act* (Ontario) (the "Ontario Act") deeming the Applicant to be a reporting issuer for the purposes of Ontario securities law;

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

AND UPON the Applicant representing to the Commission as follows:

1. The Applicant is a corporation continued as an Ontario corporation pursuant to the *Business Corporations Act* (Ontario) (the "OBCA") on February 10, 2005.
2. The Applicant has been a reporting issuer under the *Securities Act* (Alberta) (the "Alberta Act") and the *Securities Act* (British Columbia) (the "BC Act") since July 25, 2000.
3. The Applicant is not a reporting issuer or equivalent in Ontario or any other jurisdiction in Canada other than Alberta and British Columbia.
4. The Applicant has a significant connection to Ontario in that it has moved its head office to Toronto, Ontario, which, as of January 6, 2005 is located at 155 Rexdale Blvd., Suite 309, Toronto, Ontario, M9W 5Z8.

5. The authorized share capital of the Applicant consists of an unlimited number of common shares ("Common Shares"), of which 3,362,300 Common Shares are issued and outstanding as at April 3, 2006.
6. The Applicant's Common Shares are listed for trading on the NEX board of the TSX Venture Exchange (the "TSXV") under the symbol "DVD.H".
7. The Applicant is not in default of any of the requirements of the TSXV and is not in default of any of the requirements of the Alberta Act or the BC Act. The Applicant is also in good standing pursuant to the OBCA.
8. The Applicant is up to date in the filing of its financial statements and other continuous disclosure documents.
9. The continuous disclosure requirements of the Alberta Act and the BC Act are substantially the same as the requirements under the Ontario Act.
10. The continuous disclosure materials filed by the Applicant under the Alberta Act and the BC Act are available on the System for Electronic Document Analysis and Retrieval (SEDAR).
11. With the exception of the cease trade order that was issued and revoked by the British Columbia Securities Commission as described in the Applicant's application, neither the Applicant nor any of its officers or directors, nor to the knowledge of the Applicant and its officers and directors, any of its controlling shareholders has:
 - (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority,
 - (b) entered into a settlement agreement with a Canadian securities regulatory authority, or
 - (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
12. Neither the Applicant nor any of its officers or directors, nor to the knowledge of the Applicant and its officers and directors, any of its controlling shareholders, is or has been subject to:
 - (a) any known ongoing or concluded investigations by:
 - (i) a Canadian securities regulatory authority, or
 - (ii) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or
 - (b) any bankruptcy or insolvency proceedings or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding ten years.
13. None of the officers or directors of the Applicant, nor to the knowledge of the Applicant and its officers and directors, any of its controlling shareholders, was at the time of such event an officer or director of any other issuer which has been subject to:
 - (a) any cease trade order or similar orders, or orders that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding ten years; or
 - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding ten years.
14. The Applicant will remit all participation fees due and payable by it pursuant to Commission Rule 13-502 *Fees* by no later than two (2) business days from the date hereof.

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

IT IS HEREBY ORDERED pursuant to subsection 83.1(1) of the Ontario Act that the Applicant is deemed to be a reporting issuer for the purposes of Ontario securities law.

April 18, 2006

"Erez Blumberger"
Assistant Manager, Corporate Finance

2.2.2 Clairvest Group Inc. - s. 104(1)(c)

Headnote

Relief from issuer bid requirements – Key investor in private equity fund product of a reporting issuer sought to sell, in exchange for unsecured debt consideration, 934,200 common shares (5.6% of total outstanding) at a discount to market price and 2,230,954 non-voting shares (100% of total outstanding) at a discount to book value – Reasonable grounds for issuer concern that willingness of selling shareholder to commit to a successor private equity fund product of issuer conditional on sale of shares – Common shares listed for trading on TSX and non-voting shares not traded on any stock exchange – Sophisticated selling shareholder does not need the protections afforded by the issuer bid requirements – Other shareholders able to sell their common shares on the TSX at a price higher than the price received by the selling shareholder under the transaction – Other shareholders also able to sell their common shares to the issuer under its recently renewed normal course issuer bid – Relief granted under clause 104(2)(c) of the Securities Act (Ontario).

Statutes Cited

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

April 4, 2006

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

AND

IN THE MATTER OF
CLAIRVEST GROUP INC.

ORDER
(Clause 104(2)(c) of the Act)

UPON the application of Clairvest Group Inc. (the “Applicant”) to the Ontario Securities Commission (the “Commission”) for an order pursuant to clause 104(2)(c) of the Act exempting the Applicant from the requirements of sections 95 through 98 and 100 of the Act, and the related provisions of the regulations set out in the Act (the “Issuer Bid Requirements”), in connection with the proposed purchase for cancellation (the “Proposed Purchase”) by the Applicant of the issued and outstanding shares of the Applicant owned by the Canada Pension Plan Investment Board or one of its wholly-owned subsidiaries, (collectively, “CPP Investment Board”);

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

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

1. The Applicant is incorporated under the laws of the Province of Ontario and has its head office located in Toronto, Ontario. The Applicant is a Canadian merchant bank that invests its own capital, and that of a private equity fund it manages, in various businesses. The Applicant is a reporting issuer in Ontario and is not on the list of defaulting reporting issuers maintained pursuant to section 72(9) of the Act.
2. The Applicant’s authorized capital consists of an unlimited number of common shares (the “Common Shares”) and an unlimited number of preference shares issuable in series of which one series of 10,000,000 non-voting shares (the “Non-Voting Shares”) has been created.
3. The Non-Voting Shares are not traded on any stock exchange, nor is there a published market for such shares. The Non-Voting Shares have a \$0.01 priority on liquidation ahead of the Common Shares, following which they rank *pari passu* with the Common Shares on liquidation. The Non-Voting Shares rank *pari passu* with the Common Shares with respect to the payment of dividends and do not entitle the holder thereof to vote. The Non-Voting Shares are convertible into Common Shares in 2011. The Non-Voting Shares are not redeemable at the option of the holder or the issuer. Prior to the issuance of the Non-Voting Shares in 2001, the Commission granted the Applicant an order exempting the Applicant from the requirements of Part 3 of Commission Rule 56-501- Restricted Shares, in connection with the distribution by way of private placement of the Non-Voting Shares to CPP Investment Board.
4. The Non-Voting Shares were created specifically for the investment by CPP Investment Board in the Applicant. On August 21, 2001, CPP Investment Board subscribed for 2,230,954 Non-Voting Shares for an aggregate purchase price of \$16,866,012.24 (the issue price of each Non-Voting Share was \$7.56 representing a 10% discount to the \$8.40 book value of each Common Share at the time). On August 14, 2001 which was the last day on which the Common Shares traded prior to the issuance of the Non-Voting Shares, the closing price of the Common Shares on the Toronto Stock Exchange (“TSX”) was \$4.75; thus the Non-Voting Shares were issued at a significant premium to the trading price of the Common Shares. Contemporaneously with CPP Investment Board’s purchase of the Non-Voting Shares, CPP Investment Board agreed to commit \$50 million to Clairvest Equity Partners Limited Partnership (“CEP”), a private equity fund managed by the Applicant which was at the time seeking capital commitments.
5. At the time of CPP Investment Board’s subscription for the Non-Voting Shares, CPP Investment Board entered into an investment

- agreement with the Applicant which contemplated, among other things, the possibility of CPP Investment Board acquiring Common Shares, subject to specified limitations (The CPP Investment Board's interest in Non-Voting Shares and Common Shares, collectively, the "**CPPIB Interest**").
6. The 2,230,954 Non-Voting Shares owned by CPP Investment Board are the only Non-Voting Shares that are or which have ever been issued.
 7. There are currently 16,841,966 Common Shares outstanding. The Common Shares are listed on the TSX. The closing price of the Common Shares on the TSX on April 3, 2006 was \$9.90. On February 9, 2006, the Applicant announced its third quarter results for the period ended December 31, 2005. The book value per share of the Applicant disclosed in the quarterly release was \$12.50 per share. Since March 4, 2003, the Applicant has purchased 2,490,224 Common Shares pursuant to normal course issuer bids made pursuant to the rules of the TSX.
 8. Those persons who own or control more than 10% of the Common Shares are as follows: Kenneth B. Rotman, 4,725,000 Common Shares (28.1%); Gerald R. Heffernan, O.C., 2,656,127 Common Shares (15.8%); Joseph L. Rotman, O.C., 2,644,200 Common Shares (15.7%). Other members of the Applicant's Board of Directors own or control an additional 2,552,189 Common Shares representing 15.2% of the outstanding Common Shares for a total of 74.7% owned or controlled by members of the Board of Directors.
 9. CPP Investment Board owns 934,200 Common Shares. CPP Investment Board has advised the Applicant that these Common Shares were purchased in two tranches on October 9, 2001 and October 16, 2001 at prices of \$5.125 and \$5.00 per share, respectively. Such shares were acquired from corporations controlled by two former directors of the Applicant and thus were never considered part of the Applicant's public float.
 10. The investment period for CEP is five years, meaning that after August 2006, CEP will not be able to fund new investments. Consistent with the practice in the private equity sector, the Applicant has commenced discussions with the partners of CEP, including CPP Investment Board, respecting the formation of a successor fund to CEP that the Applicant will form and manage (the "**Successor Fund**").
 11. CPP Investment Board has indicated to the Applicant that its willingness to commit to the Successor Fund is conditional on the disposition of the CPPIB Interest. The Applicant believes that the commitment of CPP Investment Board to the Successor Fund is critical to the successful fundraising for the Successor Fund which in turn is an important element of the Applicant's continued growth, further success and enhancement of value for the Applicant's shareholders.
 12. Any commitment by CPP Investment Board to the Successor Fund would be on the same economic terms as the commitment of any limited partner making a commitment of similar size.
 13. In considering the parameters of a disposition of CPP Investment Board's interests in the Applicant, CPP Investment Board and the Applicant both recognized that there is no published market for the Non-Voting Shares and that the sale by CPP Investment Board of its Common Shares over the TSX would likely depress the trading price of the Common Shares (to the detriment of all holders of Common Shares who will see a decline in share price). Thus, both CPP Investment Board and the Applicant have determined that it would be mutually advantageous if CPP Investment Board could divest its interest in the Applicant by way of a purchase by the Applicant of the CPPIB Interest for cancellation.
 14. CPP Investment Board and the Applicant are discussing a transaction whereby the Applicant would purchase the CPPIB Interest for an aggregate purchase price of \$33 million (the "**Purchase Price**").
 15. The Purchase Price is expected to be satisfied entirely by a promissory note (the "**Note**"). The terms of the Note are expected to include the following:
 - (a) Term of 10 years.
 - (b) Floating rate of interest equal to 3 month bankers acceptance rate (reset quarterly) plus 150 basis points (the "**Spread**") for the first four years (provided that the Spread will be increased by one percent if the Note is not prepaid by \$10 million or more by the first anniversary of issuance, a further one percent if the Note is not prepaid by a total of \$20 million or more by the second anniversary of issuance and a further one percent if the Note is not prepaid by a total of \$30 million or more by the third anniversary of issuance). In addition, the Spread will not be increased following a year in which the Note has been prepaid by \$10 million or more. On the fourth anniversary and thereafter, the then Spread shall increase one percent per annum. Interest shall be payable quarterly.

- (c) Prepayable by the Applicant in whole or in part at any time without penalty. The Applicant must prepay the Note from a portion of the net after tax proceeds of the disposition of investments held by the Applicant.
- (d) The note will be unsecured.
16. The Purchase Price is proposed to be allocated as to \$25,098,233 for the Non-Voting Shares (\$11.25 per share) and \$7,901,767 for the Common Shares (\$8.46 per share).
17. Should a record date for a dividend occur prior to closing, the amount of the dividend shall reduce the purchase price.
18. The purchase price for the CPPIB Interest will be an amount negotiated at arm's length between CPP Investment Board, a sophisticated investor, and the Applicant.
19. CPP Investment Board is not a related party to the Applicant as defined in Commission Rule 61-501-*Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions*.
20. Prior to the Applicant agreeing to purchase the CPPIB Interest, the Board of Directors of the Applicant will approve of the transaction. Eight of the Applicant's eleven directors would be considered independent as such term is defined in Multilateral Instrument 52-110 – *Audit Committees*. Three of the eleven directors own or control more than 10% of the Common Shares. The remaining directors own or control 2,552,189 Common Shares with the result that the members of the Board of Directors own or control 74.7% of the Common Shares. In approving the transaction, the directors will need to conclude that it is in the best interests of the Applicant and its shareholders.
21. The Applicant commenced a new normal course issuer bid on March 6, 2006 pursuant to which the Applicant is able to purchase 840,959 Common Shares. This normal course issuer bid will provide a continued source of liquidity to the Applicant's shareholders as the Applicant is committed to continuing to purchase Common Shares under its normal course issuer bid (subject to any unforeseen changes in the Applicant's available cash resources).
22. The Applicant is genuinely concerned that if the proposed transaction is not completed, CPP Investment Board will not commit to the Successor Fund. This would have a serious adverse impact on the Applicant. As one of the leading private equity investors in Canada, and as a limited partner in CEP, the continued commitment of CPP Investment Board to the Successor Fund is very important to the Applicant and to the success of the Successor Fund.
23. The Applicant believes that the proposed Purchase Price for the CPPIB Interest is extremely favourable to the Applicant given that it reflects a 10% discount to the book value of the Non-Voting Shares and a 14% discount to the current trading price of the Common Shares. Moreover, the Purchase Price is payable entirely in the form of the Note which, in the Applicant's view, is on favourable terms including an interest rate when the note is issued which is lower than the rate the Applicant would pay if the Purchase Price were paid from cash borrowed under the Applicant's bank line.
24. The Applicant does not believe that any other holder of Common Shares would wish to sell its Common Shares on the same terms since it believes that any other shareholder would likely hold significantly fewer shares than the number held by CPP Investment Board and could sell them over the TSX entirely for cash (and not at a discount to market price).
25. The Applicant is not aware of any shareholder holding a significant number of Common Shares who has expressed any interest in selling Common Shares.
26. Both CPP Investment Board and the Applicant wish to pursue the transaction only if the entire CPPIB Interest is purchased.
27. Clairvest reports quarterly its book value per share and believes that its shares trade in part based on this underlying book value. The book value per share as at December 31, 2005 was \$12.50. Should the Applicant purchase the CPPIB Interest for the Purchase Price, the book value per share would immediately increase to approximately \$12.91. The Applicant believes this result is extremely favourable to the corporation and would be well received by the Applicant's shareholders and the capital markets generally. The Common Shares currently trade at an approximately 21% discount to book value. Assuming this discount remains unchanged, should the book value per share increase by \$0.41, then the market price per share could increase by \$0.32 (a 3.3% increase over the current market price of \$9.84).
28. The sale by CPP Investment Board of its Common Shares over the TSX may depress the trading price of the Common Shares, which would be detrimental to all of the holders of Common Shares.
29. The Common Shares are not liquid and thus the purchase by the Applicant of the Common Shares from CPP Investment Board would not cause the shares to be any less liquid. Moreover, the

Applicant's commitment to continue to purchase Common Shares pursuant to the normal course issuer bid will provide a continuing source of liquidity for the Applicant's shareholders.

"Paul K. Bates"
Commissioner
Ontario Securities Commission

30. The purchase of the CPPIB Interest will not materially affect the control of the Applicant.
31. By purchasing the Non-Voting Shares today, the risk of dilution when these shares become convertible in 2011 is eliminated. Should the market price of the Common Shares at the time of conversion be at a greater discount to the book value per share than it is today, then the dilution resulting from the conversion will be increased to the detriment of the holders of the Common Shares. The uncertainty of that future dilution would be eliminated by the Applicant purchasing the CPPIB Interest. Further, the purchase will simplify the share capital structure of the Applicant in that the only issued and outstanding securities will be Common Shares.
32. The Applicant pays an annual dividend of 10 cents per share on the Common Shares and the Non-Voting Shares. By purchasing the CPPIB Interest, the aggregate expense of paying the dividend will be reduced by \$316,515.40.
33. The Note will not be on terms or of a magnitude that in any way would impair the operations of the Applicant.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that the purchase for cancellation by the Applicant of all of its issued and outstanding shares owned by CPP Investment Board is exempt from the Issuer Bid Requirements, provided that:

- (a) the transaction is completed within 90 days of the date of this order; and
- (b) the Purchase Price per Common Share (assuming the conversion of the Non-Voting Shares on the same terms as they would be convertible in 2011) is not less than a 5% discount to the volume weighted average closing price for the Common Shares traded on the TSX for the three days on which the Common Shares traded immediately prior to the closing of the proposed acquisition of the CPPIB Interest.

"Susan Wolburgh Jenah"
Commissioner
Ontario Securities Commission

2.2.3 Bedminster Financial Group, Limited - s. 218 of the Regulation

Headnote

Application to the Commission for an order, pursuant to section 218 of Regulation 1015 of the Securities Act (Ontario), that the requirement in section 213 of the Regulation, which provides that a registered dealer that is not an individual must be a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada, shall not apply to the Applicant in connection with its registration as a limited market dealer. The order sets out the terms and conditions applicable to a non-resident limited market dealer.

Applicable Statutes

Ontario Regulation 1015, R.R.O. 1990, ss. 213, 218.

April 21, 2006.

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

AND

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

AND

**IN THE MATTER OF
BEDMINSTER FINANCIAL GROUP, LIMITED**

**ORDER
(Section 218 of the Regulation)**

UPON the application (the **Application**) of Bedminster Financial Group, Limited (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 218 of the Regulation, exempting the Applicant from the requirement in section 213 of the Regulation that the Applicant be incorporated, or otherwise formed or created, under the laws of Canada or a province or territory of Canada, in order for the Applicant to be registered under the Act as a dealer in the category of limited market dealer;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a corporation formed under the laws of the State of Delaware in the United States. The head office of the Applicant is located in New Hop, Pennsylvania.

2. The Applicant is registered in the U.S. as a broker-dealer with the Securities and Exchange Commission and is a member of the U.S. National Association of Securities Dealers.
3. The Applicant is not presently registered in any capacity under the Act. The Applicant has applied to the Commission for registration under the Act as a non-resident limited market dealer.
4. The Applicant proposes to offer accredited investors in Ontario privately placed securities pursuant to registration and prospectus exemptions contained in National Instrument 45-106 – *Prospectus and Registration Exemptions*.
5. Section 213 of the Regulation provides that a registered dealer that is not an individual must be a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada.
6. The Applicant is not resident in Canada and does not require a separate Canadian company in order to carry out its proposed limited market dealer activities in Ontario. It is more efficient and cost-effective to carry out those activities through the existing company.
7. Without the relief requested the Applicant would not meet the requirements of the Regulation for registration as a dealer in the category of limited market dealer as it is not a company incorporated, or a person formed or created, under the laws of Canada or a province or territory of Canada.

AND UPON being satisfied that to make this order would not be prejudicial to the public interest;

IT IS ORDERED THAT, pursuant to section 218 of the Regulation, and in connection with the registration of the Applicant as a dealer under the Act in the category of limited market dealer, section 213 of the Regulation shall not apply to the Applicant for a period of three years, provided that:

1. The Applicant appoints an agent for service of process in Ontario.
2. The Applicant shall provide to each client resident in Ontario a statement in writing disclosing the non-resident status of the Applicant, the Applicant's jurisdiction of residence, the name and address of the agent for service of process of the Applicant in Ontario, and the nature of risks to clients that legal rights may not be enforceable.
3. The Applicant will not change its agent for service of process in Ontario without giving the Ontario Securities Commission 30 days prior notice of such change by filing a new Submission to Jurisdiction and Appointment of Agent for Service of Process.

4. The Applicant and each of its registered directors or officers irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial, and administrative tribunals of Ontario and any administrative proceedings in Ontario, in any proceedings arising out of or related to or concerning its registration under the Act or its activities in Ontario as a registrant.
 - (b) use its best efforts to obtain the client's consent to the production of the books and records.
5. The Applicant will not have custody of, or maintain customer accounts in relation to securities, funds, and other assets of clients resident in Ontario.
6. The Applicant will inform the Director immediately upon the Applicant becoming aware:
 - (a) that it has ceased to be registered in the United States as an investment adviser; or
 - (b) of its registration in any other jurisdiction not being renewed or being suspended or revoked; or
 - (c) that it is the subject of an investigation or disciplinary action by any financial services or securities regulatory authority or self-regulatory authority; or
 - (d) that the registration of its salespersons, officers or directors who are registered in Ontario have not been renewed or have been suspended or revoked in any Canadian or foreign jurisdiction; or
 - (e) that any of its salespersons, officers or directors who are registered in Ontario are the subject of an investigation or disciplinary action by any financial services or securities regulatory authority or self-regulatory authority in any Canadian or foreign jurisdiction.
7. The Applicant will pay the increased compliance and case assessment costs of the Commission due to the Applicant's location outside Ontario, including the cost of hiring a third party to perform a compliance review on behalf of the Commission.
8. The Applicant will make its books and records outside Ontario, including electronic records, readily accessible in Ontario, and will produce physical records for the Commission within a reasonable time if requested.
9. If the laws of the jurisdiction in which the Applicant's books and records are located prohibit production of the books and records in Ontario without the consent of the relevant client the Applicant shall, upon a request by the Commission:
 - (a) so advise the Commission; and
10. The Applicant will, upon the Commission's request, provide a representative to assist the Commission in compliance and enforcement matters.
11. The Applicant and each of its registered directors or officers will comply, at the Applicant's expense, with requests under the Commission's investigation powers and orders under the Act in relation to the Applicant's dealings with Ontario clients, including producing documents and witnesses in Ontario, submitting to audit or search and seizure process or consenting to an asset freeze, to the extent such powers would be enforceable against the Applicant if the Applicant were resident in Ontario.
12. If the laws of the Applicant's jurisdiction of residence that are otherwise applicable to the giving of evidence or production of documents prohibit the Applicant or the witnesses from giving the evidence without the consent or leave of the relevant client or any third party, including a court of competent jurisdiction, the Applicant shall:
 - (a) so advise the Commission; and
 - (b) use its best efforts to obtain the client's consent to the giving of the evidence.
13. The Applicant will maintain appropriate registration and regulatory organization membership, in the jurisdiction of its principal operations, and if required, in its jurisdiction of residence.

"Carol S. Perry"

"Suresh Thakrar"

2.2.4 Bennett Environmental Inc. - paras. 127(1)2 and 2.1

**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
BENNETT ENVIRONMENTAL INC.
(BEING THE PERSONS AND COMPANIES LISTED
IN SCHEDULE "A" HERETO)**

ORDER

(Paragraph 127(1)2 and 2.1)

WHEREAS on April 10, 2006, each of the persons and companies listed in Schedule "A" (individually, a "Respondent" and collectively, the "Respondents") was notified that the Director made an order (the "Temporary Order") that day under paragraph 2 of subsection 127(1) and subsection 127(5) of the Act that the Respondents cease trading in any securities of Bennett Environmental Inc. ("BEI") for a period of 15 days from the date of Temporary Order;

AND WHEREAS the Respondents were notified that a hearing would be held to determine if it would be in the public interest to make an order under paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act that the Respondents cease trading in and acquisitions of any securities of BEI permanently or for such period as is specified in the order;

AND WHEREAS the hearing was held on the 24th day of April, 2006;

AND UPON hearing the following evidence:

1. BEI is incorporated under the *Canada Business Corporations Act* and is a reporting issuer in the Province of Ontario.
2. Each of the Respondents is, or was, at some time since the end of the period covered by the last financial statements filed by BEI, namely September 30, 2005, a director, officer or insider of BEI and during that time had, or may have had, in the ordinary course access to material information with respect to BEI that has not been generally disclosed.
3. On March 6, 2006, BEI issued and subsequently filed on SEDAR a press release disclosing that BEI will restate its financial results for 2003 and 2004. The press release further indicated that the previously filed financial statements of BEI for such periods, including the related interim financial statements, should not be relied upon.

4. BEI further failed to file its annual financial statements for the year ended December 31, 2005 as required to be filed under Ontario securities law on or before March 31, 2006.

5. As of the date of this order, BEI has not restated the financial results for such prior periods and has not filed its annual financial statements for the year ended December 31, 2005.

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

IT IS ORDERED under paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act that all trading in and acquisitions of securities of BEI, whether direct or indirect, by any of the Respondents cease until two business days following the receipt by the Commission of all filings BEI is required to make pursuant to Ontario securities laws.

DATED at Toronto, this 24th day of April, 2006.

"Paul M. Moore"
Vice Chair

"Suresh Thakrar"
Commissioner

Schedule "A"

Allan G. Bulckaert
Andrew Boulanger
Bryan Maskell
Tomasz Wesolowski
Michael B. McSweeney
David William

Adam Lapointe
George Ploder
James J. Blanchard
Pierre B. Meunier
Stewart McInnes
Danny Ponn

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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
Aurado Energy Inc.	06 Apr 06	18 Apr 06	18 Apr 06	25 Apr 06
Gibraltar Springs Capital Corporation	12 Apr 06	24 Apr 06	24 Apr 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
Bennett Environmental Inc.	10 Apr 06	24 Apr 06	24 Apr 06		
Genesis Land Development Corp.	11 Apr 06	24 Apr 06	24 Apr 06		
Harte Gold Corp.	05 Apr 06	18 Apr 06		19 Apr 06	
Precision Assessment Technology Corporation	07 Apr 06	20 Apr 06	20 Apr 06		

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		
Bennett Environmental Inc.	10 Apr 06	24 Apr 06	24 Apr 06		
Big Red Diamond Corporation	03 Mar 06	16 Mar 06	16 Mar 06		
Fareport Capital Inc.	13 Sept 05	26 Sept 05	26 Sept 05		
Genesis Land Development Corp.	11 Apr 06	24 Apr 06	24 Apr 06		
Harte Gold Corp.	05 Apr 06	18 Apr 06		19 Apr 06	
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
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		
Mindready Solutions Inc.	06 Apr 06	19 Apr 06	19 Apr 06		

Cease Trading Orders

Nortel Networks Corporation	27 Mar 06	10 Apr 06	10 Apr 06		
Nortel Networks Limited	27 Mar 06	10 Apr 06	10 Apr 06		
Novelis Inc.	18 Nov 05	01 Dec 05	01 Dec 05		
Precision Assessment Technology Corporation	07 Apr 06	20 Apr 06	20 Apr 06		
Radiant Energy Corporation	01 Mar 06	14 Mar 06	14 Mar 06		
Royal Group Technologies Limited	03 Apr 06	18 Apr 06	18 Apr 06		
Specialty Foods Group Income Fund	04 Apr 06	17 Apr 06	17 Apr 06		
Sterlite Gold Ltd.	04 Apr 06	17 Apr 06	17 Apr 06		
WGI Heavy Minerals, Incorporated	04 Apr 06	17 Apr 06	17 Apr 06		

Chapter 6

Request for Comments

6.1.1 CSA Notice and Request for Comment - Proposed NI 62-104 Take-Over Bids and Issuer Bids, and Related Forms and Companion Policy 62-104CP Take-Over Bids and Issuer Bids, Proposed Amendments to NI 62-103, and Proposed Repeal of CSA Policy 62-201 Bids Made Only in Certain Jurisdictions

NOTICE AND REQUEST FOR COMMENT

**PROPOSED NATIONAL INSTRUMENT 62-104 TAKE-OVER BIDS AND ISSUER BIDS
AND RELATED FORMS AND COMPANION POLICY 62-104CP TAKE-OVER BIDS AND ISSUER BIDS**

AND

**PROPOSED AMENDMENTS TO NATIONAL INSTRUMENT 62-103
THE EARLY WARNING SYSTEM AND RELATED TAKE-OVER BID AND INSIDER REPORTING ISSUES**

AND

PROPOSED REPEAL OF CSA POLICY 62-201 BIDS MADE ONLY IN CERTAIN JURISDICTIONS

April 28, 2006

Introduction

We, the Canadian Securities Administrators (the CSA), seek comment on proposed National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument), which introduces a harmonized take-over bid and issuer bid regime across all Canadian jurisdictions. The Instrument

- consolidates and harmonizes most of the requirements and restrictions governing take-over bids and issuer bids and related early-warning requirements in a single national instrument,
- updates selected take-over bid and issuer bid provisions, and
- provides exemptions from the bid requirements currently contained in various provincial statutes, regulations and rules.

The Instrument requires the use of specified forms of circulars and notices by persons involved in take-over bids and issuer bids:

- Form 62-104F1 *Take-Over Bid Circular*,
- Form 62-104F2 *Issuer Bid Circular*,
- Form 62-104F3 *Directors' Circular*,
- Form 62-104F4 *Director's or Officer's Circular*, and
- Form 62-104F5 *Notice of Change or Notice of Variation*

(collectively, the Forms).

Proposed Companion Policy 62-104CP *Take-Over Bids and Issuer Bids* (the Companion Policy) provides guidance on how the CSA will interpret and apply the Instrument and the Forms.

We are also proposing to make consequential amendments (the Consequential Amendments) to update National Instrument 62-103 *The Early Warning System and Related and Take-over Bid and Insider Reporting Issues* (NI 62-103). We are publishing the Instrument, Forms and Companion Policy together with the Consequential Amendments for a 90-day comment period.

The Instrument and Consequential Amendments will be implemented as

- rules in British Columbia, Alberta, Manitoba, Ontario, Prince Edward Island, Nova Scotia, New Brunswick and Newfoundland and Labrador,
- regulations in Quebec, the Northwest Territories, Nunavut and Yukon, and
- commission regulations in Saskatchewan,

The text of the Instrument and the Consequential Amendments will be available on websites of CSA members, including the following:

www.albertasecurities.com

www.bcsc.bc.ca

www.msc.gov.on.ca

www.osc.gov.on.ca

www.gov.ns.ca/hssc

www.nbsc-cvmnb.ca

www.lautorite.qc.ca

www.sfsc.gov.sk.ca

Background

The Instrument is designed to harmonize most of the requirements and restrictions governing take-over bids and issuer bids and related early warning requirements across all Canadian jurisdictions, including the four jurisdictions that do not currently regulate bids.

To achieve harmonization, amendments will be needed to securities legislation in those jurisdictions that currently regulate bids. The CSA have recommended to their respective governments legislative amendments and rule-making authority that would remove detailed bid provisions from statutes and substitute general "platform" provisions to enable regulators to harmonize, streamline and update bid requirements in a national rule. Provincial and territorial governments have agreed, in principle, with CSA efforts to further harmonize and streamline securities laws and are considering the proposed Act amendments with a target implementation date by the end of 2006.

Local regulations and rules governing take-over bids and issuer bids in certain jurisdictions will also be repealed. Notice of those proposed repeals may be published separately in each jurisdiction.

Purpose and Benefits

The Instrument will eliminate duplication and inconsistencies in existing take-over bid and issuer bid regimes and codify discretionary exemptions that we have routinely granted.

At present, nine jurisdictions have similar but not identical take-over bid and issuer bid requirements. Offerors that wish to conduct a multi-jurisdictional take-over bid or issuer bid must familiarize themselves with the regimes of the jurisdictions in which offeree security holders are located. This typically necessitates consulting the various acts, regulations and rules of the different jurisdictions. On implementation of the Instrument, offerors and other market participants will generally have to look no further than the Instrument for a single set of requirements and restrictions governing a bid made in Canada.

Where possible, we have organized existing requirements, restrictions and exemptions in chronological order to make them more straightforward. We have modified the scope of various current exemptions and introduced several new exemptions in response to a number of relatively routine exemptive relief applications. These changes should yield additional benefits to market participants.

Summary of Key Features of the Instrument

Part 1 Definitions and Interpretation

Part 1 of the Instrument identifies defined terms used in the Instrument. We have added a definition of "person" that includes an individual, corporation, partnership, trust or fund for purposes of the Instrument. We have also modified the definition of issuer bid to exclude gifts and bids that are a step in a business combination or reorganization. We have also defined several terms such as "offer to acquire" and "offeror" for the purposes of the various *Securities Acts* and this Instrument.

For purposes of determining when a person is acting jointly or in concert, we have introduced a deeming provision in section 1.7 of the Instrument in respect of certain specified persons. Associates of the offeror will only be presumed to be acting jointly or in concert with the offeror, which for most jurisdictions represents no change. Under the existing securities legislation of most jurisdictions the following are presumed to be acting jointly or in concert with an offeror in determining whether the take-over bid and early warning thresholds have been triggered and integration requirements apply:

- (a) every person or company that, as a result of any agreement, commitment or understanding with the offeror or with any person or company acting jointly or in concert with the offeror, acquires or offers to acquire securities of the same class as those subject to the offer to acquire;
- (b) every person or company, that as a result of any agreement, commitment or understanding with the offeror or with any person or company acting jointly or in concert with the offeror, intends to exercise jointly or in concert with the offeror or with any person acting jointly or in concert with the offeror any voting rights attaching to any securities of the offeree issuer;
- (c) every affiliate of the offeror; and
- (d) every associate of the offeror.

However, under the existing securities legislation of at least one jurisdiction, both affiliates and associates of the offeror are currently deemed to be acting jointly or in concert with the offeror. The Instrument would establish a deeming provision for the persons or companies in paragraphs (a), (b) and (c). In most jurisdictions this change means that a deeming provision would replace a presumption for determining the status of persons or companies in paragraphs (a), (b) and (c) above, but in at least one jurisdiction, associates of an offeror would now only be presumed to be acting jointly or in concert instead of being deemed to be acting jointly or in concert with the offeror. In our view, these relationships are of such significance that any purchases made by persons in these circumstances should come within the ambit of the Instrument. The persons and companies identified in paragraph (d) would be subject to a rebuttable presumption due to the range of entities that might be caught by a deeming provision including persons who have no relevant connection to the acquisition activities of the offeror. Although a deeming provision may be the subject of exemptive relief, it is intended that a deeming provision cannot be rebutted by evidence to the contrary unlike a presumption.

Part 2 Bids

Part 2 of the Instrument consists of five divisions dealing with the formal bid process:

Division 1 - focuses on restrictions on acquisitions or sales prior to, during and after the bid. These restrictions are similar to the current restrictions on acquisitions found in existing take-over bid and issuer bid regimes.

Division 2 - outlines the procedures to be followed when making a bid, including making the bid to all security holders in Canada, methods for delivery of bid circulars and notices of change or variation, and obtaining the consent of experts. These procedures do not differ significantly from current procedures in place under existing bid regimes.

Division 3 - deals with the obligations of an offeree issuer relating to the preparation and delivery of a directors' circular and related notices of change or variation to its security holders. These obligations remain essentially unchanged from current obligations of offeree issuers under existing securities legislation.

Division 4 - sets out the obligations of the offeror, including requirements for identical consideration and adequate financial arrangements for cash bids, which are very similar to their current counterparts in existing legislation. We have, however, introduced some modifications to the current variation, collateral benefit and proportionate take-up and payment provisions.

A key change contained in Division 4 is the addition of the restriction in subsection 2.21(3) of the Instrument which restricts the type of variations to the terms of an offer that an offeror is permitted to make after a bid has commenced. An offeror would not be able to

- lower the consideration offered under the bid,
- change the form of consideration offered under the bid, other than to add to the consideration already offered under the bid,
- lower the proportion of outstanding securities for which the bid is made, or
- add new conditions.

The variations listed make the terms of the bid less favourable to offeree security holders. We are concerned that a notice of variation would not provide security holders of the offeree issuer with sufficient time or disclosure to consider these types of changes. We are seeking comment on whether changes of this nature to a bid are so fundamental to the bid that they should trigger a new bid.

The purpose of the bid requirements is to ensure that offeree security holders are provided with sufficient time and information to make an informed decision about tendering to the offer. Offerors have a responsibility to launch their bid on appropriate terms. These restrictions do not limit the type of conditions that an offeror can attach to a bid.

Current take-over bid requirements generally prohibit offeree security holders from being offered different consideration for their targeted securities. We frequently deal with the issue of whether employment contracts, often designed to encourage key personnel of the offeree issuer to remain in place in the event that a bid is successful, constitute a prohibited collateral benefit, and discretionary relief is often sought and routinely granted.

To address this issue, the collateral agreement prohibition in section 2.22 of the Instrument incorporates a provision that makes it clear that the collateral benefit prohibition under certain conditions excludes consideration offered and paid under employment compensation, severance or other employee benefit arrangements entered into with employees or directors of the offeree issuer. This should reduce or eliminate the necessity for discretionary relief. Coincidentally, the issue is also being considered in the US and we will monitor the US developments during our comment period.

The proportionate take-up and payment provision in section 2.23 of the Instrument has also been drafted to exclude the popular modified "dutch auction" process and odd lot purchases from the strict application of the proportionate take-up requirements to issuer bids. This change is intended to eliminate the need for exemptive relief under the existing requirement.

Division 5 - deals with bid mechanics such as the minimum deposit period, prohibition on take-up, withdrawal rights, take-up and payment for deposited securities, and return of deposited securities. Sections 2.30 and 2.31 are new provisions requiring the prompt issuance and filing of a news release on the expiry of a bid and when an offeror knows that it will not take-up securities deposited under a bid. The offeror must also promptly return the securities to the security holder.

Part 3 General

Part 3 contains provisions related to the language of bid documents, the filing of documents such as lock-up and support agreements by the offeror, and certification of circulars and notices by authorized officers and directors of the offeror or offeree issuer.

Section 3.3 imposes a new filing requirement under which an offeror would be obligated to file copies of documents related to the take-over bid, including agreements between an offeror and a security holder of the offeree issuer, directors or officers of the offeree issuer, the offeree issuer itself, or any other material agreement that the offeror has access to that affects control of the offeree issuer if those documents have not already been filed. The purpose of this requirement is to provide greater transparency regarding agreements that affect control as well as to address the ambiguity and mixed practice as to whether current early warning requirements require the filing of some of these agreements. Lastly, this requirement would create a more level playing field with merger and acquisition transactions subject to a vote of all shareholders as issuers are already obligated to file many of these documents under Part 12 of National Instrument 51-102 *Continuous Disclosure Obligations*, if they have access to them.

Section 3.4 of the Instrument obligates any non-corporate entity such as an income trust that is the target of a take-over bid to provide a list of its security holders at the request of the offeror. This will ensure that an offeror has the right to obtain a list of offeree security holders regardless of the structure of the offeree issuer.

Part 4 Required Forms

Part 4 of the Instrument identifies the five forms of circulars and notices required to be used by offerors and offeree issuers under the Instrument. These include a form of notice of change or variation. The existing notice of intention to make an issuer bid would be replaced by an obligation to promptly issue and file a news release.

Part 5 Exemptions

Part 5 sets out exemptions from the bid requirements in Part 2 of the Instrument, many of which are based on current exemptions in existing securities legislation. Notable changes have been made to the "private agreement" exemption and we have also added two new take-over bid and issuer bid exemptions.

Key features of various exemptions are summarized below:

- The “private agreement” exemption in section 5.3 of the Instrument, like its current counterpart, provides that an offer to purchase made to not more than 5 persons is exempt from the requirements of Part 2. We have addressed a current area of uncertainty by clarifying that the exemption cannot be relied on for additional purchases by the same offeror.

The Instrument provides that offerors relying on the “private agreement” exemption in section 5.3 must complete their purchases within 6 months of the initial purchase and are restricted to using the exemption only once in relation to that offeree issuer. There is a carve-out for intra-group transactions. The most significant proposed change is the restriction on the number of times an offeror may make use of the exemption. In our view, this restriction is necessary to ensure that the exemption is used for its original purpose of allowing limited transfers by groups of controlling security holders rather than for the purpose of avoiding the formal bid requirements by characterizing the bid as a series of exempt “private agreements”. Permitting an offeror to make continuous exempt purchases of a small number of securities effectively drains the control premium from minority security holders and is inconsistent with the equal treatment principles of the bid requirements.

- Sections 5.5 and 5.12 of the Instrument provide new exemptions for take-over bids and issuer bids where the bulk of the targeted securities (more than 90%) are held outside Canada and the offeror is a foreign issuer. These provisions allow a bid to be made to Canadian residents in accordance with the offeror’s home-jurisdiction rules, provided the consideration offered to Canadian residents is substantially similar to that offered to security holders in the offeror’s home jurisdiction.
- Sections 5.6 and 5.13 of the Instrument provide harmonized *de minimis* exemptions for take-over bids and issuer bids where there are fewer than 50 beneficial owners of securities of the targeted subject in the jurisdiction and their targeted securities held in the jurisdiction constitute less than 2% of the total outstanding.
- Section 5.8 of the Instrument provides an exemption for issuer bids where the acquisition is being made from current or former employees, executive officers, directors or consultants. This exemption has been expanded in scope to include executive officers, directors and consultants and tracks the wording of the exemption from the prospectus and registration requirements in section 2.24 of National Instrument 45-106 *Prospectus and Registration Exemptions*.

Part 6 Early Warning

The early warning provisions in existing securities legislation of those jurisdictions that currently regulate bids have been harmonized and moved into Part 6 of the Instrument.

Part 7 Exemption

Part 7 allows the regulator or securities regulatory authority to grant an exemption from the requirements of the Instrument.

Part 8 Transition

Part 8 provides for a transitional provision that will allow offerors that have commenced a bid under the existing bid requirements prior to the Instrument being implemented to complete their bid in accordance with the existing bid requirements.

Valuation

The Instrument does not address valuation and other requirements for insider bids and related party transactions (which may arise in a take-over bid) currently found in Ontario Securities Commission Rule 61-501 *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions*, Quebec Regulation Q-27 *Respecting Protection of Minority Securityholders in the Course of Certain Transactions* and in TSX Venture Exchange Policy 5.9 *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions*. These rules and policy do not form part of the NI 62-104 harmonization project.

Forms

The Forms would modify and modernize the requirements of existing local forms in those jurisdictions that currently regulate bids.

Modifications to the Forms include the addition of general instructions at the beginning of each form, dealing with such things as defined terms, plain language, numbering and headings and incorporation of information by reference where appropriate. The prescribed statement of rights in each of the Forms has also been modified to include the right of price revision provided for under Quebec securities legislation.

Request for Comments

Form 62-104F1 sets out the disclosure required to be provided by an offeror in its take-over bid circular. A number of disclosure items in this form have been reordered and modified. The form explicitly permits offerors that are eligible to use the short form prospectus system under National Instrument 44-101 Short Form Prospectus Distributions to incorporate by reference previously filed information (such as financial statements) required where securities are provided as consideration.

Form 62-104F2 sets out the disclosure required to be provided by an issuer making an issuer bid. A number of disclosure items in this form have been reordered and modified. The form explicitly permits issuers that are eligible to use the short form prospectus system under National Instrument 44-101 Short Form Prospectus Distributions to incorporate by reference previously filed information (such as financial statements) required where securities are provided as consideration.

Form 62-104F3 sets out the disclosure required to be included in a circular prepared and circulated by the board of directors of an offeree issuer.

Form 62-104F4 sets out the disclosure required to be included in a individual director's or officer's circular.

Form 62-104F5 sets out the disclosure required to be included in a notice of change or variation.

Companion Policy

The Companion Policy provides guidance on how we will interpret and apply the Instrument and Forms. The contents of several CSA policies and notices have been modernized and incorporated into the companion policy. As a result, the following CSA policies and notices will be repealed or withdrawn:

- National Policy 62-201 *Bids Made Only in Certain Jurisdictions* (Policy 62-201),
- CSA Staff Notice 62-301 *Implementation of Zimmerman Amendments Governing the Conduct of Take-Over Bids and Issuer Bids*,
- CSA Staff Notice 62-303 *Identifying the Offeror in a Take-over Bid*, and
- CSA Staff Notice 62-304 *Conditions in Financing Arrangements for Take-over Bids and Issuer Bids*.

Related Amendments**Amendments to NI 62-103**

The Consequential Amendments would amend NI 62-103 to update definitions, early warning procedures and the various appendices. The text of the Consequential Amendments is set out in **Schedule 1** to this Notice.

Local Repeals

The list of proposed repeals of local take-over bid and issuer bid rules or regulations in a particular jurisdiction is set out in **Schedule 2** to this Notice published in that particular jurisdiction or may be published separately in each jurisdiction. Some jurisdictions may need to implement the Instrument using a local implementing rule. Jurisdictions that must do so will separately publish the implementing rule.

Alternatives Considered

No other alternatives were considered.

Anticipated Costs and Benefits

The Instrument and Forms will harmonize and modify most of the requirements and restrictions governing take-over bids, issuer bids and related early warning requirements across Canadian jurisdictions. We believe that harmonizing these requirements will ease the regulatory burden of issuers by reducing the sheer number of requirements that would otherwise require consideration. Modifications to the existing requirements and restrictions include changing the scope of certain current exemptions and the introduction of several new exemptions in response to routine exemptive relief applications. In our view, the Instrument and Forms will impose little, if any, additional costs on market participants.

Unpublished Materials

No unpublished study, report, or other written materials were relied on in proposing the Instrument, Forms, Companion Policy, Consequential Amendments or the repeal of Policy 62-201.

Request for Comment

We request your comments on the Instrument and related amendments to NI 62-103. In addition to any general comments you may have, we also invite comments on the following specific questions.

1. *Acting jointly or in concert* – When determining whether or not certain persons are acting jointly or in concert with an offeror, is the proposed distinction between the use of a rebuttable presumption and a deeming provision appropriate with respect to the various persons listed? If so, why? If not, why not?
2. *Restriction on variation of bids* – Are the proposed restrictions on certain variations of bids appropriate? If so, why? If not, why not?
3. *Collateral benefit prohibition* – Does the new collateral agreement provision in section 2.22 of the Instrument provide appropriate relief? If so, why? If not, why not?
4. *Filing agreements* – Does the new requirement in section 3.2 of the Instrument to file agreements related to a take-over bid meet the stated policy objectives? If so, why? If not, why not?
5. *Private agreement exemption* – Does the proposed amendment to the private agreement exemption meet the policy objectives of the exemption? Given the relative reduction in levels of commissions and brokerage fees and the general increase in liquidity since the private agreement exemption was first established, is the maximum 15% premium (including brokerage fees or commissions) to the market price of the securities acquired currently allowed by the exemption excessive? Would a 10% maximum premium be preferable? Should the exemption be eliminated entirely? If so, why? If not, why not?
6. *Early warning system* – Should the early warning requirements be located in NI 62-103 with other related early warning matters rather than in Part 6 of the Instrument. If so, why?

How to Provide Your Comments

Please provide your comments by July 28, 2006.

Please e-mail your submission as indicated below, but address your submission to all of the CSA member commissions, as follows:

Alberta Securities Commission
British Columbia Securities Commission
Manitoba Securities Commission
New Brunswick Securities Commission
Securities Commission of Newfoundland and Labrador
Registrar of Securities, Department of Justice, Government of the Northwest Territories
Nova Scotia Securities Commission
Registrar of Securities, Legal Registries Division, Department of Justice, Government of Nunavut
Ontario Securities Commission
Prince Edward Island Securities Office
Autorité des marchés financiers
Saskatchewan Financial Services Commission
Registrar of Securities, Government of Yukon

You do not need to deliver your comments to all of the CSA member commissions. Please deliver your comments to the two addresses that follow, and they will be distributed to all other jurisdictions by CSA staff.

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T2P 3C4
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Request for Comments

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e-mail: consultation-en-cours@lautorite.qc.ca

If you are not able to send your comments by e-mail, please send a diskette containing your comments in Word.

We cannot keep submissions confidential because securities legislation in certain provinces requires that a summary of the written comments received during the comment period be published.

Questions

Questions relating to this notice may be referred to:

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Request for Comments

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susan.powell@nbsc-cvmnb.ca

SCHEDULE 1

AMENDMENTS TO NATIONAL INSTRUMENT 62-103
THE EARLY WARNING SYSTEM AND RELATED TAKE-OVER BID AND INSIDER REPORTING ISSUES

PART 1 AMENDMENTS TO NATIONAL INSTRUMENT 62-103

1.1 **Amendment** - National Instrument 62-103 *The Early Warning System and Related Take-over Bid and Insider Reporting Issues* is amended to:

- (a) in section 1.1(1)
- (i) in the definition of "acquisition announcement provisions" strike the first reference to "securities legislation" and substitute "section 6.3 of NI 62-104" and strike the second reference to "securities legislation" and substitute "NI 62-104";
 - (ii) repeal the definition of "acting jointly or in concert" and substitute the following:

"acting jointly or in concert" has the same meaning as given the phrase in NI 62-104, and, when used in connection with an entity, has the same meaning as in NI 62-104 as if the term "entity" replaced the term "person or company" or similar term;
 - (iii) in the definition of "applicable definitions" strike "the take-over bid" and substitute "NI 62-104";
 - (iv) add the following after the definition of "applicable provisions":

"associate" has the same meaning as in NI 62-104;
 - (v) repeal the definition of "early warning requirements" and substitute the following:

"early warning requirements" means the requirements set out in Part 6 of NI 62-104;
 - (vi) repeal the definition of "equity security" and substitute the following:

"equity security" has the same meaning as in NI 62-104;
 - (vii) repeal the definition of "formal bid" and substitute the following:

"formal bid" means a take-over bid or issuer bid made in accordance with Part 2 of NI 62-104;
 - (viii) repeal the definition of "moratorium provision" and substitute the following:

"moratorium provision" means the provisions set out in subsection 6.2(4) of NI 62-104;
 - (ix) add the following after the definition of "news release":

"NI 62-104" means National Instrument 62-104 *Take-Over Bids and Issuer Bids*;
 - (x) repeal the definition of "offeror" and substitute the following:

"offeror" has the same meaning as in NI 62-104;
 - (xi) repeal the definition of "offeror's securities" and substitute the following:

"offeror's securities" has the same meaning as in NI 62-104;
 - (xii) repeal the definition of "private mutual fund" and substitute:

"private mutual fund" means

 - (a) a private investment club referred to in section 2.20 of National Instrument 45-106 *Prospectus and Registration Exemptions*, or

- (b) a private investment fund referred to in section 2.21 of National Instrument 45-106 *Prospectus and Registration Exemptions*;
- (xiii) repeal the definition of "take-over provisions" and substitute the following:
 - "take-over provisions" means the provisions set out in NI 62-104;
- (b) in subsection 2.1(1), strike "or under section 2.1 of National Instrument 62-102 *Disclosure of Outstanding Share Data or*" and ", whichever contains the most recent relevant information";
- (c) in paragraph 3.1(2)(a), strike "securities legislation" and substitute "section 6.2 or 6.3 of NI 62-104";
- (d) in paragraph 3.2(b), strike "securities legislation" and substitute "section 6.2 or 6.3 of NI 62-104";
- (e) in paragraph 5.1(b), strike "the presumption in securities legislation " and substitute "the deeming provision in subsection 1.7(2) of NI 62-104" and strike "presumed" and substitute "deemed";
- (f) in section 10.1, strike "moratorium provisions" and substitute "moratorium provision" everywhere that term appears;
- (g) repeal Appendix B;
- (h) repeal Appendix C;
- (i) repeal Appendix D and substitute:

**NATIONAL INSTRUMENT 62-103
APPENDIX D
BENEFICIAL OWNERSHIP**

JURISDICTION	SECURITIES LEGISLATION REFERENCE
ALL JURISDICTIONS	Sections 1.6 and 1.7 of NI 62-104
ALBERTA	Sections 5 and 6 of the <i>Securities Act</i> (Alberta)
BRITISH COLUMBIA	Subsection 1(4) of the <i>Securities Act</i> (British Columbia)
MANITOBA	Subsections 1(6) and 1(7) of the <i>Securities Act</i> (Manitoba)
NEW BRUNSWICK	Subsections 1(5) and 1(6) of the <i>Securities Act</i> (New Brunswick)
NEWFOUNDLAND AND LABRADOR	Subsections 2(5) and 2(6) of the <i>Securities Act</i> (Newfoundland and Labrador)
NOVA SCOTIA	Subsections 2(5) and 2(6) of the <i>Securities Act</i> (Nova Scotia)
ONTARIO	Subsections 1(5) and 1(6) of the <i>Securities Act</i> (Ontario)
SASKATCHEWAN	Subsections 2(5) and 2(6) of <i>The Securities Act, 1988</i> (Saskatchewan)

- (j) in Appendix E,
 - (i) add the following after paragraph (e):
 - (e.1) the value, in Canadian dollars, of any consideration offered per security if the offeror acquired ownership of a security in the transaction or occurrence giving rise to the obligation to file a news release;
 - (ii) in paragraph (i), add ", in Canadian dollars" after "value" and strike "and" at the end of the paragraph;
 - (iii) add the following after paragraph (j):

- (k) if applicable, a description of the exemption under Part 5 of NI 62-104 being relied on by the offeror and the facts supporting that reliance.

PART 2 EFFECTIVE DATE

2.1 Effective Date - These amendments are effective ●.

SCHEDULE 2

RELATED AMENDMENTS TO ONTARIO SECURITIES RULES AND REGULATION AND ADDITIONAL INFORMATION REQUIRED IN ONTARIO

Provisions of Regulation to be Revoked or Amended

The Ontario Securities Commission (the Commission) proposes to revoke the following provisions of the Regulation made under the *Securities Act* (Ontario) (the Act) R.R.O. 1990 Reg. 1015, as am. (the Regulation):

- sections 183-189, 193-196, 198, and 200-203
- Forms 31, 32, 33, 34 and 35

The Commission proposes to amend the following provisions of the Regulation so that they refer to the corresponding provisions in the Instrument:

- section 43
- subsection 252(2)

Authority

To achieve harmonization, amendments will be needed to securities legislation in those jurisdictions that currently regulate bids. The CSA have recommended to their respective governments legislative amendments and rule-making authority that would remove detailed bid provisions from statutes and substitute general "platform" provisions to enable regulators to harmonize, streamline and update bid requirements in a national rule. Provincial and territorial governments have agreed, in principle, with CSA efforts to further harmonize and streamline securities laws and are considering the proposed Act amendments with a target date by the end of 2006. The Commission will publish a notice referring to the specific provisions of the Act, if amended, providing authority for the Commission to make the Instrument, the Forms and the Consequential Amendments.

The provisions of the Act that currently provide the Commission with rule making authority with respect to take-over bids and issuer bids are as follows:

- Paragraph 143(1)28 authorizes the Commission to make rules regulating take-over bids and issuer bids, including: (i) providing for exemptions, in addition to those set out in subsections 93(1) and (3) of the Act, or removing any exemption set out in those subsections; (ii) varying the requirements of or providing for exemptions from section 94 of the Act or removing any exemption set out in that section; (iii) varying the requirements set out in sections 95, 96, 97, 98, 99 or 100 of the Act or providing exemptions therefrom; (iv) varying the requirements of or providing exemptions from section 101 of the Act; (v) varying any or all of the time periods in Part XX of the Act; and (vi) prescribing manners of disseminating advertisements in accordance with subsection 100 (7) of the Act.
- Paragraph 143(1)39 authorizes the Commission to make rules requiring or respecting the media, format, preparation, form, content, execution, certification, dissemination and other use, filing and review of all documents required under or governed by the Act, the regulations or the rules and all documents determined by the regulations or the rules to be ancillary to the documents, including take-over bid circulars, issuer bid circulars and directors' circulars.
- Paragraph 143(1)39.1 authorizes the Commission to make rules governing the approval of any document described in paragraph 143(1) 39.

NATIONAL INSTRUMENT 62-104

TAKE-OVER BIDS AND ISSUER BIDS

(PUBLICATION FOR COMMENT DRAFT - APRIL 28, 2006)

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NATIONAL INSTRUMENT 62-104

TAKE-OVER BIDS AND ISSUER BIDS

(PUBLICATION FOR COMMENT DRAFT - APRIL 28, 2006)

PART 1 DEFINITIONS AND INTERPRETATION

Definitions

1.1 For the purposes of this Instrument

“associate”, when used to indicate a relationship with a person, means

- (a) an issuer of which the person beneficially owns or controls, directly or indirectly, voting securities entitling the person to more than 10% of the voting rights attached to outstanding securities of the issuer,
- (b) any partner of the person,
- (c) any trust or estate in which the person has a substantial beneficial interest or in respect of which a person serves as trustee or in a similar capacity,
- (d) a relative of that person, including
 - (i) the spouse or, in Alberta, adult interdependent partner of that person, or
 - (ii) a relative of the person’s spouse or, in Alberta, adult interdependent partner

if the relative has the same home as that person;

“bid” means a take-over bid or an issuer bid;

“business day” means a day other than a Saturday, Sunday or a statutory holiday in the local jurisdiction;

“class of securities” includes a series of a class of securities;

“equity security” means a security of an issuer that carries a residual right to participate in the earnings of the issuer and, on liquidation or winding up of the issuer, in its assets;

“issuer bid” means an offer to acquire or redeem securities of an issuer made by the issuer to one or more persons, any of whom are in the local jurisdiction and also includes an acquisition or redemption of securities of the issuer by the issuer from those persons, but does not include an offer to acquire, acquisition or redemption

- (a) of debt securities that are not convertible into securities other than debt securities,
- (b) in which no valuable consideration is offered or paid by the issuer, or
- (c) that is a step in an amalgamation, merger, reorganization or arrangement that requires the approval in a vote of the security holders;

“marketplace” has the same meaning as in National Instrument 21-101 *Marketplace Operation*;

“offer to acquire” means

- (a) an offer to purchase, or a solicitation of an offer to sell, securities,
- (b) an acceptance of an offer to sell securities, whether or not the offer has been solicited, or
- (c) any combination of the above;

“offeree issuer” means the issuer whose securities are the subject of a take-over bid or an issuer bid;

“offeror” means a person that makes a take-over bid, an issuer bid or other offer to acquire;

“offeror’s securities” means securities of an offeree issuer beneficially owned, or over which control or direction is exercised, on the date of an offer to acquire, by an offeror or any person acting jointly or in concert with the offeror;

“person” includes

- (a) an individual,
- (b) a corporation,
- (c) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not, and
- (d) an individual or other person in that person’s capacity as a trustee, executor, administrator or personal or other legal representative;

“published market” means, with respect to any class of securities, a marketplace on which the securities are traded, if the prices at which they have been traded on that marketplace are regularly

- (a) disseminated electronically, or
- (b) published in a newspaper or business or financial publication of general and regular paid circulation;

“recognized exchange” means either the Toronto Stock Exchange or the TSX Venture Exchange;

“subsidiary” means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary;

“take-over bid” means an offer to acquire outstanding voting securities or equity securities of a class made to one or more persons, any of whom are in the local jurisdiction, where the securities subject to the offer to acquire, together with the offeror’s securities, constitute in the aggregate 20 per cent or more of the outstanding securities of that class of securities at the date of the offer to acquire.

Definitions for purposes of the Act

1.2 (1) For the purposes of the Act,

- (a) **“offer to acquire”** has the same meaning as in this Instrument, and
- (b) **“offeror”** has the same meaning as in this Instrument.

(2) For the purposes of the definition of **“issuer bid”** in the Act, the prescribed class of bids is that set out in the definition of **“issuer bid”** in this Instrument.

(3) For the purposes of the definition of **“take-over bid”** in the Act, the prescribed class of bids is that set out in the definition of **“take-over bid”** in this Instrument.

Controlled Entities

1.3 An issuer is controlled by a person if

- (a) voting securities of the issuer are held, other than by way of security only, by or for the benefit of that person, and
- (b) the voting rights attached to those voting securities are entitled, if exercised, to elect a majority of the directors of the issuer.

Computation of time and expiry of bid

1.4 In this Instrument,

- (a) a period of days is to be computed as

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- (i) beginning on the day following the event that began the period, and
 - (ii) ending at 5:00 p.m. on the last day of the period if that day is a business day or ending at 5:00 p.m. on the next business day if the last day of the period does not fall on a business day; and
- (b) a bid expires at the later of
- (i) the end of the period, including any extension, during which securities may be deposited pursuant to the bid, and
 - (ii) the time at which the offeror becomes obligated by the terms of the bid to take up or reject securities deposited under the bid.

Convertible securities

1.5 In this Instrument,

- (a) a security is deemed to be convertible into a security of another class if, whether or not on conditions, it is or may be convertible into or exchangeable for, or if it carries the right or obligation to acquire, a security of the other class, whether of the same or another issuer, and
- (b) a security that is convertible into a security of another class is deemed to be convertible into a security or securities of each class into which the second mentioned security may be converted, either directly or through securities of one or more other classes of securities that are themselves convertible.

Deemed beneficial ownership

1.6 (1) In determining the beneficial ownership of securities of an offeror or of any person acting jointly or in concert with the offeror, at any given date, any security or right or obligation permitting or requiring the offeror or the person acting jointly or in concert with the offeror, whether or not on conditions, to acquire a security, including an unissued security, of a particular class within 60 days by a single transaction or a series of linked transactions is deemed to be a security of a particular class.

(2) A security or right or obligation described in subsection (1) is deemed to be outstanding for the purpose of calculating the number of outstanding securities of that class in respect of the offeror's offer to acquire or acquisition.

(3) If two or more offerors acting jointly or in concert make one or more offers to acquire securities of a class, the securities subject to any such offer or offers to acquire are deemed to be securities subject to the offer to acquire of each such offeror for the purpose of determining whether any such offeror is making a take-over bid.

Acting jointly or in concert

1.7 (1) For the purposes of this Instrument, it is a question of fact as to whether a person is acting jointly or in concert with an offeror.

(2) The following are deemed to be acting jointly or in concert with an offeror:

- (a) every person that, as a result of any agreement, commitment or understanding with the offeror or with any person acting jointly or in concert with the offeror, acquires or offers to acquire securities of the same class as those subject to the offer to acquire;
- (b) every person that, as a result of any agreement, commitment or understanding with the offeror or with any person acting jointly or in concert with the offeror, intends to exercise jointly or in concert with the offeror or with any person acting jointly or in concert with the offeror any voting rights attaching to any securities of the offeree issuer; and
- (c) every affiliate of the offeror.

(3) Every associate of the offeror is presumed to be acting jointly or in concert with the offeror.

(4) Despite subsection (2) or (3), a registered dealer acting solely in an agency capacity for the offeror in connection with a bid and not executing principal transactions in the class of securities subject to the offer to acquire or performing services beyond customary dealer's functions is not to be deemed or presumed, as the case may be, solely by reason of the agency relationship to be acting jointly or in concert with the offeror in connection with the bid.

Application to direct or indirect offers

1.8 In this Instrument, a reference to an offer to acquire or to the acquisition or ownership of securities or to control or direction over securities shall be construed to include a direct or indirect offer to acquire or the direct or indirect acquisition or ownership of securities, or the direct or indirect control or direction over securities, as the case may be.

PART 2 BIDS

Division 1: Restrictions on Acquisitions or Sales

Definition of offeror

2.1 In this Division, “*offeror*” means

- (a) an offeror making a bid that is not exempt under Part 5,
- (b) a person acting jointly or in concert with an offeror referred to in paragraph (a),
- (c) a control person, or an affiliate of a control person, of an offeror referred to in paragraph (a), or
- (d) a person that has a relationship described in paragraphs 1.7(2)(a) or (b) with a control person of an offeror referred to in paragraph (a).

Restrictions on acquisitions during take-over bid

2.2 (1) An offeror must not offer to acquire, or make or enter into an agreement, commitment or understanding to acquire beneficial ownership of any securities of the class that are subject to a take-over bid otherwise than under the bid on and from the day of the announcement of the offeror’s intention to make the bid until the bid’s expiry.

(2) Subsection (1) does not apply to an agreement between a security holder and the offeror to the effect that the security holder will, in accordance with the terms and conditions of a take-over bid that is not exempt under Part 5, deposit the security holder’s securities under the bid.

(3) Despite subsection (1), an offeror may purchase securities of the class that are subject to the take-over bid and securities convertible into securities of that class beginning on the third business day following the date of the bid until the expiry of the bid if

- (a) the intention to make those purchases is stated in the take-over bid circular,
- (b) the aggregate number of securities beneficially acquired under this subsection does not constitute in excess of 5% of the outstanding securities of that class as at the date of the bid,
- (c) the purchases are made in the normal course through the facilities of a recognized exchange,
- (d) the offeror issues and files a news release immediately after the close of business of the recognized exchange on each day on which securities have been purchased under this subsection disclosing the following information:
 - (i) the name of the purchaser,
 - (ii) if the purchaser is a person referred to in paragraph 2.1(b), (c) or (d), the relationship of the purchaser and the offeror,
 - (iii) the number of securities purchased on the day for which the news release is required,
 - (iv) the highest price paid for the securities on the day for which the news release is required,
 - (v) the aggregate number of securities purchased through the facilities of the recognized exchange,
 - (vi) the average price paid for the securities that were purchased through the facilities of the exchange, and

- (vii) the total number of securities owned by the purchaser after giving effect to the purchases that are the subject of the news release,
- (e) any broker acting for the offeror does not, in regard to the purchases, perform services beyond the customary broker's functions and does not receive more than the usual fees or commissions charged for comparable services performed by the broker in the normal course,
- (f) the offeror or any person acting for the offeror does not solicit or arrange for the solicitation of offers to sell securities of the class subject to the bid, except for the solicitation by the offeror or members of the soliciting dealer group under the take-over bid, and
- (g) the seller or any person acting for the seller does not, to the knowledge of the offeror, solicit or arrange for the solicitation of offers to buy securities of the class subject to the bid.

Restrictions on acquisitions during issuer bid

2.3 (1) An offeror making an issuer bid must not offer to acquire, or make or enter into an agreement, commitment or understanding to acquire, beneficial ownership of any securities of the class that are subject to an issuer bid, or securities that are convertible into securities of that class, otherwise than under the bid on and from the day of the announcement of the offeror's intention to make the bid until the bid's expiry.

(2) Subsection (1) does not prevent the offeror from purchasing, redeeming or otherwise acquiring any securities of the class subject to the bid during this period in reliance on an exemption under paragraph 5.7(a), (b) or (c).

Restrictions on pre-bid and post-bid acquisitions during take-over bid

2.4 (1) If within the period of 90 days immediately preceding a take-over bid, an offeror acquired beneficial ownership of securities of the class subject to the bid in a transaction not generally available on identical terms to holders of that class of securities,

- (a) the offeror must offer
 - (i) consideration for securities deposited under the bid at least equal to and in the same form as the highest consideration that was paid on a per security basis under the transaction, or
 - (ii) at least the cash equivalent of that consideration, and
- (b) the offeror must offer to acquire under the bid that percentage of the securities of the class subject to the bid that is at least equal to the highest percentage that the number of securities acquired from a seller in that prior transaction was of the total number of securities of that class beneficially owned by that seller at the time of that prior transaction.

(2) Subsection (1) does not apply if the transaction that occurred within 90 days immediately preceding the bid was

- (a) a trade in a security of the issuer that had not been previously issued, or
- (b) a trade by or on behalf of the issuer in a previously issued security of that issuer that had been redeemed or purchased by, or donated to, that issuer.

(3) During the period beginning with the expiry of a take-over bid and ending at the end of the 20th business day after that, whether or not any securities are taken up under the bid, an offeror must not acquire beneficial ownership of securities of the class that were subject to the bid except by way of a transaction that is generally available to holders of that class of securities on terms identical to those under the bid.

(4) Despite subsections (1) and (3), an offeror may make purchases in the normal course through the facilities of a recognized exchange if

- (a) any broker acting for the offeror does not, in regard to the purchases, perform services beyond the customary broker's functions and does not receive more than the usual fees or commissions charged for comparable services performed by the broker in the normal course,

- (b) the offeror or any person acting for the offeror does not solicit or arrange for the solicitation of offers to sell securities of the class subject to the bid, except for the solicitation by the offeror or members of the soliciting dealer group under the take-over bid, and
- (c) the seller or any person acting for the seller does not, to the knowledge of the offeror, solicit or arrange for the solicitation of offers to buy securities of the class subject to the bid.

Sales during bid prohibited

2.5 (1) Except pursuant to the bid, an offeror must not sell, or make or enter into an arrangement, agreement, commitment or understanding to sell, any securities of the class subject to the bid, or securities that are convertible into securities of that class, on and from the day of the announcement of the offeror's intention to make the bid until the bid's expiry.

(2) Despite subsection (1), an offeror may, before the expiry of a bid, make or enter into an arrangement, agreement, commitment or understanding to sell securities that may be taken up by the offeror under the bid, after the expiry of the bid, if the intention to sell is disclosed in the bid circular.

(3) Subsection (1) does not apply to an offeror under an issuer bid in respect of the issue of securities pursuant to a dividend plan, dividend reinvestment plan, employee purchase plan or another similar plan.

Division 2: Making a Bid

Bid made to all security holders

2.6 An offeror must make the bid to all holders of the class of securities subject to the bid who are in the local jurisdiction by sending the bid to

- (a) the holders of that class of securities whose last address as shown on the books of the offeree issuer is in the local jurisdiction, and
- (b) the holders of securities that, before the expiry of the deposit period referred to in section 2.25, are convertible into securities of that class, whose last address as shown on the books of the offeree issuer is in the local jurisdiction.

Commencement of bid

2.7 (1) An offeror must commence a take-over bid by

- (a) publishing an advertisement containing a summary of the take-over bid in at least one major daily newspaper of general and regular paid circulation in the local jurisdiction, and in Québec, a daily French language newspaper, or
- (b) sending the take-over bid to security holders as required by section 2.6.

(2) An issuer bid must be commenced by sending the bid to security holders as required by section 2.6.

Offeror's circular

2.8 (1) An offeror must send, with or as part of a take-over bid or issuer bid, a bid circular in the required form.

(2) If a take-over bid is commenced by way of an advertisement under paragraph 2.7(1)(a), the offeror must

- (a) on or before the date of first publication of the advertisement, deliver the bid to the offeree issuer's principal office and file the bid and the advertisement,
- (b) on or before the date of first publication of the advertisement, request from the offeree issuer a list of security holders referred to in section 2.6, and
- (c) not later than 2 business days after receipt of the list of security holders referred to in paragraph (b), send the bid, including the bid circular, to those security holders.

(3) If a take-over bid is commenced under paragraph 2.7(1)(b), the offeror must file the bid and deliver it to the offeree issuer's principal office on the day the bid is sent, or as soon as practicable after that.

(4) An offeror making an issuer bid must file the issuer bid on the day the bid is sent or as soon as practicable after that.

Change in Information

2.9 (1) If, before the expiry of a take-over bid or issuer bid or after the expiry of the bid but before the expiry of all rights to withdraw the relevant securities, a change has occurred in the information contained in the bid circular or any notice of change or notice of variation that would reasonably be expected to affect the decision of the security holders of the offeree issuer to accept or reject the bid, the offeror must promptly

- (a) issue and file a news release, and
- (b) deliver a notice of the change to every person to whom a bid circular was required to be sent and whose securities were not taken up before the date of the change.

(2) Subsection (1) does not apply to a change that is not within the control of the offeror or of an affiliate of the offeror unless it is a change in a material fact relating to the securities being offered in exchange for securities of the offeree issuer.

(3) For the purposes of this section, a change in information does not include a variation in the terms of the bid.

(4) A notice of change must be in the required form.

Variation of terms

2.10 (1) If there is a variation in the terms of a bid, including any extension of the period during which securities may be deposited under the bid, and whether or not that variation results from the exercise of any right contained in the bid, the offeror must promptly issue and file a news release and deliver a notice of variation to every person to whom the bid circular was required to be sent under section 2.6 and whose securities were not taken up before the date of the variation.

(2) A notice of variation must be in the required form.

(3) If there is a variation in the terms of a bid, the period during which securities may be deposited pursuant to the bid must not expire before 10 days after the sending of the notice of variation.

(4) Subsection (3) does not apply to a variation in the terms of a bid consisting solely of the waiver of a condition in the bid and any extension of the bid resulting from the waiver where the consideration offered for the securities consists solely of cash.

(5) A variation in the terms of a bid, other than a variation that is the waiver by the offeror of a condition that is specifically stated in the bid as being waivable at the sole option of the offeror, must not be made after the expiry of the period, including any extension of the period, during which the securities may be deposited under the bid.

(6) If there is a variation in the terms of a bid that is the waiver by the offeror of a condition that is specifically stated in the bid as being waivable at the sole option of the offeror, subsection (1) does not apply in respect of that bid if

- (a) the waiver occurs, and the offeror has promptly issued and filed a news release announcing the waiver, and
- (b) the consideration offered for the securities consists solely of cash.

Notice of change or variation - filing and sending requirements

2.11 A notice of change or variation in respect of a bid must be filed and, in the case of a take-over bid, delivered to the offeree issuer's principal office, on the day the notice of change or variation is sent to security holders of the offeree issuer, or as soon as practicable after that.

Change or variation in advertised take-over bid

2.12 (1) If a change or variation occurs to a take-over bid that has been advertised in accordance with subsection 2.8(2), and the offeror has complied with paragraphs (a) and (b) of that subsection but has not yet delivered the bid under paragraph (c) of that subsection, the offeror must

- (a) publish an advertisement that contains a brief summary of the change or variation in at least one major daily newspaper of general and regular paid circulation in the local jurisdiction and, in Québec, a daily French language newspaper,

- (b) concurrently with the date of first publication of the advertisement,
 - (i) file the advertisement, and
 - (ii) file and send the notice of change or notice of variation to the offeree issuer's principal office, and
- (c) subsequently send the bid and the notice of change or notice of variation to the security holders of the offeree issuer before the expiration of the period prescribed under paragraph 2.8(2)(c).

(2) If an offeror satisfies the requirements of subsection (1), the notice of change or variation is not required to be filed and sent under section 2.11.

Consent of expert to use of name

2.13 (1) In this section and section 2.19, an expert includes any solicitor, and a notary in Québec, auditor, accountant, engineer, geologist or appraiser or any other person whose profession or business gives authority to a report, appraisal or statement made by that person.

(2) If a report, appraisal or statement of an expert is included in or accompanies a bid circular or any notice of change or variation to the circular, the written consent of the expert to the use of the report, appraisal or statement must be filed concurrently with the circular or notice.

Methods of delivery of bid documents

2.14 (1) A bid, a bid circular and every notice of change or variation in relation to the bid or bid circular must be

- (a) mailed by pre-paid mail to the intended recipient, or
- (b) delivered to the intended recipient by personal delivery, courier or other manner acceptable to the regulator.

(2) Any bid, bid circular or notice sent in accordance with this section is deemed to be dated as of the date it was sent to all or substantially all of the persons entitled to receive it, except for a take-over bid commenced in accordance with paragraph 2.7(1)(a), in which case the bid, bid circular or notice is deemed to have been dated as of the date of first publication of the relevant advertisement.

Division 3: Offeree Issuer's Obligations

Directors' circular

2.15 (1) If a take-over bid has been made, the board of directors of the offeree issuer must send a directors' circular to every person to whom a take-over bid was required to be sent under section 2.6 not later than 15 days after the date of the bid.

(2) The board of directors must include in a directors' circular either

- (a) a recommendation to accept or to reject a take-over bid and the reasons for the recommendation, or
- (b) a statement that they are unable to make, or are not making, a recommendation and the reasons for not making a recommendation.

(3) If a board of directors is considering recommending acceptance or rejection of a take-over bid after the sending of the directors' circular, it

- (a) must, at the time of sending the circular, advise the security holders of this fact, and
- (b) may advise them not to tender their securities until further communication is received from the directors.

(4) If subsection (3) applies, the board of directors must deliver the recommendation or the decision not to make recommendation at least 7 days before the scheduled expiry of the period during which securities may be deposited under the bid.

(5) A directors' circular must be in the required form.

Notice of change

2.16 (1) If, before the expiry of a take-over bid or after the expiry of the bid but before the expiry of all rights to withdraw the securities that have been deposited under the bid, a change has occurred in the information contained in a directors' circular or in any notice of change to a directors' circular that would reasonably be expected to affect the decision of the security holders to accept or reject the bid, the board of directors of the offeree issuer must promptly issue and file a news release relating to the change and send a notice of the change to every person to whom the circular was required to be sent disclosing the nature and substance of the change.

(2) A notice of change in relation to it must be in the required form.

Filing directors' notice of change

2.17 The board of directors of the offeree issuer must concurrently file the directors' circular or a notice of change in relation to it and deliver it to the principal office of the offeror no later than the date on which it is sent to the security holders of the offeree issuer, or as soon as practicable after that.

Director's or officer's circular

2.18 (1) An individual director or officer may recommend acceptance or rejection of a take-over bid if the director or officer sends with the recommendation a separate director's or officer's circular to every person to whom a take-over bid was required to be sent under section 2.6.

(2) If, before the expiry of a take-over bid or after the expiry of the bid but before the expiry of all rights to withdraw the securities that have been deposited under the bid, a change has occurred in the information contained in an individual director's or officer's circular or any notice of change in relation to it that would reasonably be expected to affect the decision of the security holders to accept or reject the bid, other than a change that is not within the control of the individual director or officer, as the case may be, that individual director or officer must immediately deliver a notice of change to every person to whom a bid circular was required to be sent under section 2.6.

(3) If an individual director or officer submits a circular under subsection (1) or a notice of change under subsection (2) to the board of directors, the board, at the offeree issuer's expense, must send a copy of the circular or notice to every person to whom a take-over bid was required to be sent under section 2.6.

(4) The board of directors of the offeree issuer or the individual director or officer, as the case may be, must concurrently file the director's or officer's circular or a notice of change in relation to it and send it to the principal office of the offeror no later than the date on which it is sent to the security holders of the offeree issuer, or as soon as practicable after that.

(5) A director or officer's circular or a notice of change in relation to it must be in the required form.

Consent of expert to use of name

2.19 If a report, appraisal or statement of an expert is included in or accompanies a directors' circular, an individual director's or officer's circular or any notice of change or variation to the circular, the written consent of the expert to the use of the report, appraisal or statement must be filed concurrently with the circular or notice.

Methods of delivery of offeree issuer's documents

2.20 (1) A directors' circular, an individual director's or officer's circular and every notice of change must be

- (a) mailed by pre-paid mail to the intended recipient, or
- (b) delivered to the intended recipient by personal delivery, courier or other manner acceptable to the regulator.

(2) Any circular or notice sent in accordance with this section is deemed to be dated as of the date it was sent to all or substantially all of the persons entitled to receive it.

Division 4: Offeror's Obligations

Bid consideration

2.21 (1) If a take-over bid or issuer bid is made, all security holders of the same class of securities must be offered identical consideration or an identical choice of consideration.

(2) If a variation in the terms of the bid before the expiry of the bid increases the value of the consideration offered for the securities subject to the bid, the offeror must pay that increased consideration to each person whose securities are taken up pursuant to the bid, whether or not the securities were taken up by the offeror before the variation of the bid.

(3) After a bid has been commenced, an offeror must not

- (a) lower the consideration offered under the bid,
- (b) change the form of consideration offered under the bid, other than to add to the consideration already offered under the bid,
- (c) lower the proportion of outstanding securities for which the bid is made, or
- (d) add new conditions.

Collateral Agreements

2.22 (1) For the purposes of this section, in determining the beneficial ownership of securities of a holder at a given date, any security or right or obligation permitting or requiring the security holder or any person acting jointly or in concert with the security holder, whether or not on conditions, to acquire a security, including an unissued security, of a particular class within 60 days by a single transaction or a series of linked transactions is deemed to be a security of a particular class.

(2) If an offeror makes or intends to make a bid, neither the offeror nor any person acting jointly or in concert with the offeror shall enter into any collateral agreement, commitment or understanding that has the effect, directly or indirectly, of providing a security holder of the offeree issuer with consideration of greater value than that offered to the other security holders of the same class of securities.

(3) Subsection (2) does not apply if the agreement, commitment or understanding relates to:

- (a) a payment or distribution per equity security that is identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class,
- (b) an enhancement of employee benefits resulting from participation by the holder of securities of the offeree issuer in a group plan, other than an incentive plan, for employees of a successor to the business of the offeree issuer, if the benefits provided by the group plan are generally provided to employees of the successor to the business of the offeree issuer who hold positions of a similar nature to the position held by the security holder, or
- (c) a benefit, not described in paragraph (b), that is received solely in connection with the security holder's services as an employee, director or consultant of the offeree issuer, of an affiliated entity of the offeree issuer, or of a successor to the business of the offeree issuer, if
 - (i) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the security holder for securities tendered under the bid or providing an incentive to tender to the bid,
 - (ii) the conferring of the benefit is not, by its terms, conditional on the security holder supporting the bid in any manner,
 - (iii) full particulars of the benefit are disclosed in the issuer bid circular or, in the case of a take-over bid, in the directors' circular, and
 - (iv) either
 - (A) at the time the bid is publicly announced, the security holder and its associated entities beneficially own or exercise control or direction over less than one per cent of the outstanding securities of each class of equity securities of the offeree issuer, or
 - (B) if the offeree issuer has an independent committee of directors,
 - (i) the security holder discloses to the independent committee of the offeree issuer the amount of consideration that the security holder expects it will be beneficially

entitled to receive under the terms of the bid in exchange for the equity securities beneficially owned by the security holder,

- (II) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the security holder, is less than five per cent of the value referred to in clause (A), and
- (III) the independent committee's determination is disclosed in the issuer bid circular or, in the case of a take-over bid, in the directors' circular.

Proportionate take-up and payment

2.23 (1) If a bid is made for less than all of the class of securities subject to the bid and a greater number of securities is deposited under the bid than the offeror is bound or willing to acquire under the bid, the offeror must take-up and pay for the securities pro rata, disregarding fractions, according to the number of securities deposited by each security holder.

(2) Subsection (1) does not apply if an issuer, under the terms of an issuer bid, acquires securities that, if not acquired, would constitute an odd lot for the security holder.

(3) Subsection (1) does not apply if an issuer, under the terms of an issuer bid, acquires securities, if security holders who deposit securities under the bid are entitled to elect a minimum price per security, within a range of prices, at which they are willing to sell their securities under the bid and a security holder elects a minimum price which is higher than the price that the offeror pays for securities under the bid.

(4) For the purposes of subsection (1), any securities acquired in a pre-bid transaction to which subsection 2.4(1) applies are deemed to have been deposited under the bid by the person who was the seller in the pre-bid transaction.

Financing arrangements

2.24 (1) If a bid provides that the consideration for the securities deposited under the bid is to be paid in cash or partly in cash, the offeror must make adequate arrangements before the bid to ensure that the required funds are available to make full payment for the securities that the offeror has offered to acquire.

(2) For the purposes of subsection (1), the financing arrangements required to be made by the offeror before the bid may be subject to conditions if, at the time the bid is commenced, the offeror reasonably believes the possibility to be remote that, if the conditions of the bid are satisfied or waived, the offeror will be unable to pay for the securities deposited under the bid due to a financing condition not being satisfied.

Division 5: Bid Mechanics

Minimum deposit period

2.25 An offeror must allow securities to be deposited pursuant to the bid for at least 35 days from the date of the bid.

Prohibition on take-up

2.26 An offeror must not take-up securities deposited under the bid until the expiration of 35 days from the date of the bid.

Withdrawal

2.27 (1) A security holder may withdraw securities deposited under the bid

- (a) at any time before the securities have been taken up by the offeror,
- (b) at any time before the expiration of 10 days from the date of a notice of change under section 2.9 or a notice of variation under section 2.10, or
- (c) if the securities have not been paid for by the offeror within 3 business days after the securities have been taken up.

(2) The right of withdrawal under paragraph (1)(b) does not apply

- (a) if the securities have been taken up by the offeror before the date of the change or variation,

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- (b) if a variation in the terms of a bid consists only of an increase in consideration offered for the securities and an extension of the time for deposit to no later than 10 days after the notice of variation has been sent, or
- (c) if a variation is limited to the waiver of one of the terms of a bid where the consideration consists solely of cash.

(3) The withdrawal of any securities under subsection (1) is made by sending a written notice to the designated depository and becomes effective on its receipt by the depository.

(4) If notice is given in accordance with subsection (3), the offeror must promptly return the securities to the security holder.

Effect of market purchases

2.28 If an offeror purchases securities as permitted by section 2.2(3), those purchased securities must be counted in determining whether a condition as to the minimum number of securities to be deposited to the bid has been fulfilled, but must not reduce the number of securities the offeror is bound to take up under the bid.

Take-up and payment for deposited securities

2.29 (1) The offeror must take up and pay for securities deposited under the bid, if all the terms and conditions of the bid have been complied with or waived, not later than 10 days after the expiry of the bid or the earlier time as may be required by subsection (2) or (3).

(2) An offeror must pay for any securities taken up under the bid as soon as possible, and in any event not later than 3 business days after the taking up of the securities deposited under the bid.

(3) Securities deposited under the bid subsequent to the date on which the offeror first takes up securities deposited under the bid must be taken up and paid for by the offeror not later than 10 days after the deposit of the securities.

(4) An offeror may not extend its bid if all the terms and conditions of the bid have been complied with or waived, unless the offeror first takes up all securities deposited under the bid and not withdrawn.

(5) Despite subsections (3) and (4), if a bid is made for less than all of the class of securities subject to the bid, an offeror is only required to take up, by the times specified in those subsections, the maximum number of securities that the offeror can take up without contravening section 2.21 or 2.23.

(6) Despite subsection (4), if the offeror waives any terms or conditions of a bid and extends the bid in circumstances where the rights of withdrawal conferred by paragraph 2.27(1)(b) are applicable, the bid must be extended without the offeror first taking up the securities which are subject to the right of withdrawal.

Return of deposited securities

2.30 If an offeror knows that it will not take-up securities deposited under the bid, the offeror must promptly issue and file a news release to that effect and return the securities to the security holders.

News release required on expiry of bid

2.31 If all terms and conditions of the bid have been complied with or waived, the offeror must issue and file a news release to that effect promptly after the expiry of the bid, which news release must disclose

- (a) the approximate number of securities deposited, and
- (b) the approximate number that will be taken up.

PART 3 GENERAL**Language of bid documents**

3.1 (1) A person must file a document required under this Instrument in the French language or in the English language.

(2) In Québec, the take-over bid circular, issuer bid circular, directors' circular, director's or officer's circular, notice of change or notice of variation required under this Instrument must be in the French language or in both French and English languages.

(3) Subsection (1) does not apply to an exempt take-over bid made under section 5.5, or an exempt issuer bid made under section 5.12.

(4) Despite subsection (1), if a person files a document only in the French language or in the English language but delivers to a security holder a version of the document in the other language, the person must file that other version not later than when it is first delivered to the security holder.

Filing Agreements

3.2 (1) An offeror making a take-over bid under Part 2 must file copies of the following documents and any amendments to those documents, unless previously filed:

- (a) any agreement between an offeror and a security holder relating to the take-over bid, including an agreement to the effect that the security holder will deposit its securities to the take-over bid made by the offeror,
- (b) any agreement between an offeror and directors or officers of an offeree issuer relating to the take-over bid,
- (c) any agreement between an offeror and an offeree issuer relating to the take-over bid, or
- (d) any other agreement of which the offeror is aware that could affect control of the offeree issuer, including an agreement with change of control provisions or a security holder or voting trust agreement, that the offeror has access to and can reasonably be regarded as material to a tendering security holder under the bid.

(2) The documents required to be filed under subsection (1) must be filed on the day the take-over bid circular is filed under section 2.8 or as soon as practicable after that.

Certification

3.3 (1) Every person required to file and send a take-over bid circular, issuer bid circular or a notice of change or notice of variation in respect of a bid circular under this Instrument must ensure that the circular or notice contains a certificate in the required form and signed by each of the following:

- (a) the chief executive officer or, in the case of a person that does not have a chief executive officer, the individual who performs similar functions to a chief executive officer,
- (b) the chief financial officer or, in the case of a person that does not have a chief financial officer, the individual who performs similar functions to a chief financial officer, and
- (c) two directors, other than the chief executive officer and the chief financial officer, who are duly authorized by the directors of that person to sign on their behalf.

(2) Every person required to file and send a directors' circular or a notice of change in respect of a directors' circular under this Instrument must ensure that the circular or notice contains a certificate in the required form and signed by two directors who are duly authorized by the directors of that person to sign on their behalf.

(3) Every person that files and sends an individual director's or officer's circular or a notice of change in respect of an individual director's or officer's circular under this Instrument must ensure that the circular or notice contains a certificate in the required form and signed by or on behalf of the director or officer sending the circular or notice.

(4) If the regulator is satisfied on evidence or submissions made to the regulator that a chief executive officer or chief financial officer is, for adequate cause, not available to sign a certificate required under this Instrument, the regulator may permit the certificate to be signed by another responsible officer or director.

Obligation to furnish security holder list

3.4 (1) If a person makes or proposes to make a take-over bid under Part 2 for a class of securities of an issuer that is not otherwise required by law to furnish a list of its security holders to the person, the issuer must furnish a list of holders of that class of securities, and any known holder of an option or right to acquire securities of that class, to enable the person to carry out the bid in compliance with this Instrument.

(2) For the purposes of subsection (1), the provisions of section 21 of the *Canada Business Corporations Act* apply with appropriate modifications, except that the affidavit that accompanies the request for the list of security holders must state that the list will not be used except in connection with a bid made under Part 2 for securities of the issuer.

PART 4 REQUIRED FORMS

Take-over bid circular

4.1 The required form of take-over bid circular under section 2.8 is Form 62-104F1.

Issuer bid circular

4.2 The required form of issuer bid circular under section 2.8 is Form 62-104F2.

Directors' circular

4.3 The required form of directors' circular under section 2.15 is Form 62-104F3.

Director's or officer's circular

4.4 The required form of director's or officer's circular under section 2.18 is Form 62-104F4.

Notice of change or notice of variation

4.5 The required form of notice of change under section 2.9 and 2.16 and subsection 2.18(5) or notice of variation under section 2.10 is Form 62-104F5.

PART 5 EXEMPTIONS

Division 1: Interpretation

Market price

5.1 (1) The market price of a class of securities for which there is a published market, at any date, is an amount equal to the simple average of the closing price of securities of that class for each of the business days on which there was a closing price in the 20 business days preceding that date.

(2) If a published market does not provide a closing price, but provides only the highest and lowest prices of securities traded on a particular day, the market price of the securities, at any date, is an amount equal to the average of the simple averages of the highest and lowest prices for each of the business days on which there were highest and lowest prices in the 20 business days preceding that date.

(3) If there has been trading of securities in a published market for fewer than 10 of the 20 business days preceding the date as of which the market price of the securities is being determined, the market price is the average of the following prices established for each day of the 20 business days preceding that date:

- (a) the average of the closing bid and ask prices for each day on which there was no trading,
- (b) either
 - (i) the closing price of securities of the class for each day that there has been trading, if the published market provides a closing price, or
 - (ii) the average of the highest and lowest prices of securities of that class for each day that there has been trading, if the published market provides only the highest and lowest prices of securities traded on a particular day.

(4) If there is more than one published market for a security, the market price for the purposes of subsections (1), (2) and (3) must be determined as follows:

- (a) if only one of the published markets is in Canada, the market price must be determined solely by reference to that market,
- (b) if there is more than one published market in Canada, the market price must be determined solely by reference to the published market in Canada on which the greatest dollar volume of trading in the particular class of securities occurred during the 20 business days preceding the date as of which the market price is being determined, or

- (c) if there is no published market in Canada, the market price must be determined solely by reference to the published market on which the greatest volume of trading in the particular class of securities occurred during the 20 business days preceding the date as of which the market price is being determined.

(5) Despite subsections (1), (2), (3) and (4), for the purpose of section 5.2, if an offeror acquires securities on a published market, the market price for those securities is the price of the last board lot of securities of that class purchased, before the acquisition by the offeror, by a person that was not acting jointly or in concert with the offeror.

(6) In the case of a class of equity securities that is not traded on a published market and is convertible into a class of equity securities traded on a published market, the market price of the convertible security must be based on the market price of that class of equity securities determined in accordance with this section.

Division 2: Exempt take-over bids

Normal course purchase exemption

5.2 A take-over bid is exempt from Part 2 if:

- (a) the bid is for not more than 5% of the outstanding securities of a class of securities of the offeree issuer,
- (b) the aggregate number of securities acquired in reliance on this exemption by the offeror and any person acting jointly or in concert with the offeror within any period of 12 months, when aggregated with acquisitions otherwise made by the offeror and any person acting jointly or in concert with the offeror within the same 12 month period other than under a bid that is subject to the requirements in Part 2, does not constitute a total number of securities in excess of 5% of the outstanding securities of that class at the beginning of the period,
- (c) there is a published market for the class of securities that are the subject of the bid, and
- (d) the value of the consideration paid for any of the securities acquired is not in excess of the market price at the date of acquisition as determined in accordance with section 5.1, plus reasonable brokerage fees or commissions actually paid.

Private agreement exemption

5.3 (1) A take-over bid is exempt from Part 2 if:

- (a) purchases are made from not more than 5 persons in the aggregate, including persons located outside the local jurisdiction,
- (b) all of the purchases referred to in paragraph (a) are negotiated at approximately the same time and are completed within 6 months of the first purchase under this exemption,
- (c) the bid is not made generally to security holders of the class of securities that is the subject of the bid, provided there are more than 5 security holders of the class,
- (d) there is a published market for the securities acquired, the value of the consideration paid for any of the securities, including brokerage fees or commissions, is not greater than 115% of the market price of securities of that class at the date of the acceptance of the bid, determined in accordance with section 5.1, and
- (e) there is no published market for the securities acquired, there is a reasonable basis for determining that the value of the consideration paid for any of the securities is not greater than 115% of the value of the securities.

(2) An offeror, and a person acting jointly or in concert with an offeror, that relies on the exemption referred to in subsection (1) is not entitled to subsequently rely on this exemption to purchase additional securities of the same issuer or a successor to that issuer, but this restriction does not apply to trades between affiliates or between a person and its associate.

(3) For the purposes of subsection (1), if an offeror makes an offer to acquire securities from a person and the offeror knows or ought to know after reasonable inquiry

- (a) that the person from whom the acquisition is being made is acting as a nominee, agent, trustee, executor, administrator or other legal representative for one or more other persons having a direct beneficial interest in those securities, then each of those other persons must be included in the determination of the number of persons to which an offer to acquire has been made, or

- (b) that the person acquired the securities in order that the offeror might make use of the exemption under subsection (1), then each person from whom those securities were acquired must be included in the determination of the number of persons to whom an offer to acquire has been made.

(4) Despite subsection (3)(a), a trust or estate is to be considered a single security holder in the determination of the number of persons to whom an offer to acquire has been made if

- (a) an inter vivos trust has been established by a single settlor, or
- (b) an estate has not vested in all persons beneficially entitled to it.

Non-reporting issuer exemption

5.4 A take-over bid is exempt from Part 2 if:

- (a) the offeree issuer is not a reporting issuer,
- (b) there is no published market for the securities that are the subject of the bid, and
- (c) the number of security holders of that class at the commencement of the bid is not more than 50, exclusive of holders who
 - (i) are in the employment of the offeree issuer or an affiliate of the offeree issuer, or
 - (ii) were formerly in the employment of the offeree issuer or in the employment of an entity that was an affiliate of the offeree issuer at the time of that employment, and who while in that employment were, and have continued after that employment to be, security holders of the offeree issuer.

Foreign take-over bid exemption

5.5 A take-over bid is exempt from Part 2 if:

- (a) persons whose last address as shown on the books of the offeree issuer is in Canada hold less than 10% of the outstanding securities of the class subject to the bid at the commencement of the bid,
- (b) the offeror reasonably believes that Canadian security holders beneficially own less than 10% of the outstanding securities of the class subject to the bid at the commencement of the bid,
- (c) the published market on which the greatest dollar volume of trading in securities of that class occurred during the 12 months immediately preceding the date of the bid was not in Canada,
- (d) security holders in Canada are entitled to participate in the bid on terms at least as favourable as the terms that apply to the general body of security holders,
- (e) all of the material relating to the bid that is sent by or on behalf of the offeror is concurrently sent to security holders whose last address as shown on the books of the offeree issuer is in Canada and filed, and
- (f) if the materials referred to in paragraph (e) are published in its home jurisdiction, the offeror publishes the information in Canada in a manner reasonably calculated to inform Canadian security holders of the bid.

De minimis exemption

5.6 A take-over bid is exempt from Part 2 in a local jurisdiction if:

- (a) the number of beneficial owners of securities of the class of securities subject to the bid in the local jurisdiction is fewer than 50,
- (b) the securities held by the beneficial owners referred to in paragraph (a) constitute, in aggregate, less than 2% of the outstanding securities of that class,
- (c) security holders in the local jurisdiction are entitled to participate in the bid on terms at least as favourable as the terms that apply to the general body of security holders, and

- (d) all the material relating to the bid that is sent by or on behalf of the offeror to holders of securities of the class of securities subject to the bid is concurrently filed and sent to security holders in the local jurisdiction.

Division 3: Exempt issuer bids

Issuer acquisition or redemption exemption

5.7 An issuer bid for a class of securities is exempted from the requirements of Part 2 if:

- (a) the securities are purchased, redeemed or otherwise acquired in accordance with the terms and conditions attaching to the class of securities that permit the purchase, redemption or acquisition of the securities by the issuer without the prior agreement of the owners of the securities, or the securities are acquired to meet sinking fund or purchase fund requirements,
- (b) the purchase, redemption or other acquisition is required by the terms and conditions attaching to the class of securities or by the statute under which the issuer was incorporated, organized or continued, or
- (c) the terms and conditions attaching to the class of securities contain a right of the owner to require the issuer of the securities to redeem, repurchase, or otherwise acquire the securities, and the securities are acquired pursuant to the exercise of the right.

Employee, executive officer, director and consultant exemption

5.8 (1) An issuer bid is exempt from the requirements of Part 2 if the securities are acquired from a current or former employee, executive officer, director or consultant of the issuer or of an affiliate of the issuer and, if there is a published market in respect of the securities,

- (a) the value of the consideration paid for any of the securities acquired is not greater than the market price of the securities at the date of the acquisition, determined in accordance with section 5.1, and
- (b) the aggregate number or, in the case of convertible debt securities, the aggregate principal amount of securities acquired by the issuer within any period of 12 months in reliance on the exemption provided by this paragraph is not greater than 5% of the securities of that class issued and outstanding at the beginning of the 12-month period.

(2) For the purposes of this section, “**consultant**” has the same meaning as it has in National Instrument 45-106 *Prospectus and Registration Exemptions*.

Normal course issuer bid exemption

5.9 (1) An issuer bid is exempt from the requirements of Part 2 if:

- (a) the issuer purchases securities in the normal course on a published market,
- (b) the bid is for not more than 5% of the outstanding securities of a class of securities of the issuer,
- (c) the aggregate number or, in the case of convertible debt securities, the aggregate principal amount, of securities acquired in reliance on this exemption by the offeror and any person acting jointly or in concert with the offeror within any period of 12 months, when aggregated with acquisitions otherwise made by the offeror and any person acting jointly or in concert with the offeror within the same 12 month period, other than under a bid that is subject to the requirements in Part 2, does not constitute a total number of securities in excess of 5% of the outstanding securities of that class at the beginning of the 12-month period, and
- (d) the value of the consideration paid for any of the securities acquired is not in excess of the market price at the date of acquisition as determined in accordance with section 5.1, plus reasonable brokerage fees or commissions actually paid.

(2) Every issuer making a bid under this section must issue and file, at least 5 days before the commencement of the bid, a news release that identifies

- (a) the class and number of securities or principal amount of debt securities sought,
- (b) the dates, if known, on which the issuer bid will commence and expire,

- (c) the value, in Canadian dollars, of the consideration offered per security,
- (d) the manner in which the securities will be acquired, and
- (e) the reasons for the issuer bid.

(3) An issuer bid that is made in reliance on this section through the facilities of an exchange must be made in accordance with the bylaws, rules, regulations and policies of that exchange.

Exchange issuer bid exemption

5.10 (1) An issuer bid that is made through the facilities of a recognized exchange is exempt from the requirements of Part 2 if the bid is made in accordance with the bylaws, rules, regulations and policies of that exchange.

(2) Every issuer making a bid under this section must promptly file any news release required to be issued by the exchange referred to in subsection (1).

Non-reporting issuer exemption

5.11 An issuer bid is exempt from the requirements of Part 2 if:

- (a) the issuer is not a reporting issuer,
- (b) there is no published market for the class of securities that are the subject of the bid, and
- (c) the number of security holders of that class at the commencement of the bid is not more than 50, exclusive of holders who
 - (i) are in the employment of the issuer or an affiliate of the issuer, or
 - (ii) were formerly in the employment of the issuer or in the employment of an entity that was an affiliate of the issuer at the time of that employment, and who while in that employment were, and have continued after the employment to be, security holders of the issuer.

Foreign issuer bid exemption

5.12 An issuer bid is exempt from the requirements of Part 2 if:

- (a) persons whose last address as shown on the books of the offeree issuer is in Canada hold less than 10% of the outstanding securities of the class subject to the bid at the commencement of the bid,
- (b) the offeror reasonably believes that Canadian security holders beneficially own less than 10% of the outstanding securities of the class subject to the bid at the commencement of the bid,
- (c) the published market on which the greatest dollar volume of trading in securities of that class occurred during the 12 months immediately preceding the date of the bid was not in Canada,
- (d) security holders in Canada are entitled to participate in the bid on terms at least as favourable as the terms that apply to the general body of security holders,
- (e) all of the material relating to the bid that is sent by or on behalf of the offeror is concurrently sent to security holders whose last address as shown on the books of the offeree issuer is in Canada and filed, and
- (f) the materials referred to in paragraph (e) are published in its home jurisdiction, the offeror must publish the information in Canada in a manner reasonably calculated to inform Canadian security holders of the bid.

De minimis exemption

5.13 An issuer bid is exempt from the requirements of Part 2 in the local jurisdiction if:

- (a) the number of beneficial owners of securities of the class of securities subject to the bid in the local jurisdiction is fewer than 50,

- (b) the securities held by the beneficial owners referred to in paragraph (a) constitute, in aggregate, less than 2% of the outstanding securities of that class,
- (c) security holders in the local jurisdiction are entitled to participate in the bid on terms at least as favourable as the terms that apply to the general body of security holders, and
- (d) all the material relating to the bid that is sent by or on behalf of the offeror to security holders of the class of securities subject to the bid is concurrently sent to security holders in the local jurisdiction and is filed.

PART 6 EARLY WARNING

Definition of offeror

6.1 For the purposes of this Part, “**offeror**” means a person who acquires a security, whether or not by way of a take-over bid, issuer bid or other offer to acquire.

Reports of acquisitions

6.2 (1) Every offeror, other than an offeror that has made a bid in compliance with Part 2 of this Instrument, that directly or indirectly acquires control or direction over, or beneficial ownership of

- (a) voting or equity securities of any class of a reporting issuer, or
- (b) securities convertible into voting or equity securities of any class of a reporting issuer,

that, together with the offeror’s securities of that class, would constitute 10% or more of the outstanding securities of that class, must

- (c) promptly issue and file a news release containing the information set out in Appendix E of National Instrument 62-103 *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, and
- (d) within 2 business days from the day of the acquisition, file a report containing the same information contained in the news release issued under paragraph (c).

(2) If an offeror that is required to file a report under subsection (1) or a further report under this subsection or any person acting jointly or in concert with the offeror acquires control or direction over, or beneficial ownership of, an additional 2% or more of the outstanding securities of the class of securities that was the subject of a report required to be filed by the offeror under subsection (1), the offeror must issue a news release and file a report in accordance with the requirements of subsection (1).

(3) Any material change in the information contained in the report referred to in subsection (1) or (2) must be the subject of a news release and a report in accordance with the requirements of subsection (1).

(4) During the period beginning on the occurrence of an event in respect of which a report or further report is required to be filed under this section and ending on the expiry of one business day after the date that the report or further report is filed, the offeror required to file the report or any person acting jointly or in concert with the offeror must not acquire or offer to acquire beneficial ownership of any securities of the class in respect of which the report or further report is required to be filed or any securities convertible into securities of that class.

(5) Subsection (4) does not apply to an offeror that has control or direction over, or beneficial ownership of, securities that, together with the offeror’s securities of that class, constitute 20% or more of the outstanding securities of that class.

Acquisitions during bid by person other than offeror

6.3 (1) If, after a bid has been made in compliance with Part 2 for voting or equity securities of an offeree issuer that is a reporting issuer and before the expiry of the bid, an offeror, other than the offeror making the bid, that acquires control or direction over, or beneficial ownership of, securities of the class subject to the bid which, when added to the offeror’s securities of that class, constitute 5% or more of the outstanding securities of that class, the offeror must, prior to the opening of trading on the next business day, issue and file a news release containing the information required by subsection (3).

(2) If an offeror that is required to file a news release under subsection (1) or a further news release under this subsection or any person acting jointly or in concert with the offeror acquires control or direction over, or beneficial ownership of, securities of the class subject to the bid which, when added to the securities of that class acquired after the filing of the news release by the offeror and any person acting jointly or in concert with the offeror, aggregates an additional 2% or more of the class of

outstanding securities, the offeror must, before the opening of trading on the next business day, issue and file a further news release containing the information required by subsection (3).

(3) A news release or further news release required under subsection (1) or (2) must set out

- (a) the name of the offeror acquiring the securities,
- (b) the number of securities of the offeree issuer that were beneficially acquired, or over which the power to exercise control or direction was acquired, in the transaction that gave rise to the requirement under subsection (1) or (2) to issue the news release,
- (c) the beneficial ownership of, and the control and direction over, any of the securities of the offeree issuer, by the offeror and all persons acting jointly or in concert with the offeror, immediately after the acquisition described in paragraph (b),
- (d) the number of securities of the offeree issuer that were beneficially acquired, or over which the power to exercise control or direction was acquired, by the offeror and all persons acting jointly or in concert with the offeror, since the commencement of the bid,
- (e) the name of the marketplace in which the acquisition described in paragraph (b) took place, and
- (f) the purpose of the offeror and all persons acting jointly or in concert with the offeror making the acquisition described in paragraph (b), including any intention of the offeror and all persons acting jointly or in concert with the offeror to increase the beneficial ownership of, or control or direction over, any of the securities of the offeree issuer.

Duplicate reports not required

6.4 If the facts required to be reported or in respect of which a news release is required to be filed under sections 6.2 and 6.3 are identical, a report or news release is required only under the provision requiring the earlier report or news release, as the case may be.

Copies of news release and report

6.5 An offeror that files a news release and report under sections 6.2 and 6.3 must promptly send a copy of the news release or report to the reporting issuer.

PART 7 EXEMPTION

Exemption

7.1 (1) The regulator or the securities regulatory authority may grant an exemption to this Instrument, in whole or in part, subject to those conditions or restrictions as may be imposed in the exemption.

(2) In Ontario, only the regulator may grant an exemption to this Instrument, in whole or in part, subject to those conditions or restrictions as may be imposed in the exemption.

(3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions*, opposite the name of the local jurisdiction.

PART 8 TRANSITION AND COMING INTO FORCE

Transition

8.1 A take-over bid or issuer bid commenced before the coming into force of this Instrument in reliance on the take-over bid and issuer bid provisions in securities legislation at that time may be completed in accordance with those provisions, as applicable.

Coming into force

8.2 This Instrument comes into force on ●.

FORM 62-104F1

TAKE-OVER BID CIRCULAR

Part 1 - General Provisions

(a) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument) and to National Instrument 14-101 *Definitions*.

(b) Incorporating information by reference

If you are eligible to file a short form prospectus under National Instrument 44-101 *Short Form Prospectus Distributions*, you may incorporate information required under item 19 to be included in your take-over bid circular by reference to another document. Clearly identify the referenced document or any excerpt of it that you incorporate into your take-over bid circular. Unless you have already filed the referenced document, you must file it with your take-over bid circular. You must also disclose that the document is on SEDAR at www.sedar.com and that, on request, you will promptly provide a copy of the document free of charge to a security holder of the offeree issuer.

(c) Plain Language

Write the take-over bid circular so that readers are able to understand it. Refer to the plain language principles listed in section 2.6 of Companion Policy 62-104CP. If you use technical terms, explain them in a clear and concise manner.

(d) Numbering and Headings

The numbering, headings and ordering of items included in this Form are guidelines only. You do not need to include the heading or numbering or follow the order of items in this Form. You do not need to refer to inapplicable items and, unless otherwise required in this Form, you may omit negative answers to items. Disclosure provided in response to any item need not be repeated elsewhere in the circular.

Part 2 - Contents of Take-Over Bid Circular

Item 1. Name and Description of Offeror

State the corporate name of the offeror or, if the offeror is an unincorporated entity, the full name under which it exists and carries on business, and give a brief description of its activities.

Item 2. Name of Offeree Issuer

State the corporate name of the offeree issuer or, if the offeree issuer is an unincorporated entity, the full name under which it exists and carries on business.

Item 3. Securities Sought

State the class and number of securities that are the subject of the take-over bid and a description of the rights of the holders of any other class of securities that have a right to participate in the offer.

Item 4. Time Period

State the dates on which the take-over bid will commence and expire.

Item 5. Consideration

State the consideration to be offered. If the consideration includes securities, state the full particulars of the terms and conditions attaching to those securities.

Item 6. Ownership of Securities of Offeree Issuer

State the number, designation and percentage of outstanding securities of any class of securities of the offeree issuer beneficially owned or over which control or direction is exercised

Request for Comments

- (a) by the offeror,
- (b) by each director, officer or other insider of the offeror, and
- (c) if known after reasonable enquiry, by
 - (i) each associate or affiliate of an insider of the offeror, and
 - (ii) any person acting jointly or in concert with the offeror,

or, in each case where no securities are owned, directed or controlled, provide a statement to that effect.

Item 7. Trading in Securities of Offeree Issuer

State, if known after reasonable enquiry has been made, the following information about any securities of the offeree issuer purchased or sold by the persons referred to in item 6 during the six-month period preceding the date of the take-over bid;

- (a) the description of the security,
- (b) the number of securities purchased or sold,
- (c) the purchase or sale price of the security, and
- (d) the date of the transaction.

If no such securities were purchased or sold, so state.

Item 8. Commitments to Acquire Securities of Offeree Issuer

Disclose all arrangements, agreements, commitments or understandings made by the offeror, and, if known after reasonable enquiry, by the persons referred to in item 6 to acquire securities of the offeree issuer, and the terms and conditions of those arrangements, agreements, commitments or understandings.

Item 9. Terms and Conditions of the Bid

State the terms of the take-over bid. If the obligation of the offeror to take up and pay for securities under the take-over bid is conditional, state the particulars of each condition.

Item 10. Payment for Deposited Securities

State the particulars of the method and time of payment of the cash or other consideration to be paid.

Item 11. Right to Withdraw Deposited Securities

Describe the withdrawal rights of the security holders of the offeree issuer under the take-over bid. State that the withdrawal is made by sending a written notice to the designated depository and becomes effective on its receipt by the depository.

Item 12. Source of Funds

State the source of any funds to be used for payment of deposited securities. If the funds are to be borrowed, state

- (a) the name of the lender,
- (b) the terms and financing conditions of the loan,
- (c) whether the offeror reasonably believes the possibility to be remote that, if the conditions are satisfied or waived, the offeror will be unable to pay for securities deposited under the take-over bid due to a financing condition not being satisfied,
- (d) the circumstances under which the loan must be repaid, and
- (e) the proposed method of repayment.

Item 13. Trading in Securities to be Acquired

State the principal market or markets for the securities sought under the take-over bid and indicate any change in a principal market that is planned by the offeror following the bid, including but not limited to listing or de-listing on an exchange. Furnish, where reasonably ascertainable, a summary showing in reasonable detail the volume of trading and price range of the securities in the six-month period preceding the date of the take-over bid. State the date that the take-over bid was announced to the public and the market price of the securities immediately before such announcement.

Item 14. Arrangements Between the Offeror and the Directors and Officers of Offeree Issuer

Disclose the particulars of any arrangement, agreement, commitment or understanding made or proposed to be made between the offeror and any of the directors or officers of the offeree issuer, including particulars of any payment or other benefit proposed to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office, if the take-over bid is successful.

Item 15. Arrangements Between the Offeror and Security Holders of Offeree Issuer

Disclose the particulars of any arrangement, agreement, commitment or understanding made or proposed to be made between the offeror and a holder of the securities of the offeree issuer, including particulars of any agreement to the effect that the security holder will deposit its securities to a take-over bid made by the offeror. Disclosure with respect to each arrangement, agreement, commitment or understanding must include

- (a) a summary of its purpose,
- (b) the value attributed to it,
- (c) the nature and value of the consideration payable in respect of it, and
- (d) an explanation as to how the offeror determined that entering into it was not prohibited by section 2.22 of the Instrument.

Item 16. Arrangements Between the Offeror and the Offeree Issuer

Disclose the particulars of any arrangement, agreement, commitment or understanding made between the offeror and the offeree issuer relating to the take-over bid and any other agreement, arrangement, commitment or understanding of which the offeror is aware that could affect control of the offeree issuer, including an agreement with change of control provisions or a security holder or voting trust agreement, that the offeror has access to and can reasonably be regarded as material to a tendering security holder under the take-over bid.

Item 17. Reasons for Bid

State the purpose of the take-over bid. Disclose the particulars of any plans or proposals for

- (a) subsequent transactions involving the offeree issuer such as a going private transaction, or
- (b) material changes in the affairs of the offeree issuer, including, for example, any proposal to liquidate the issuer, to sell, lease or exchange all or a substantial part of its assets, to amalgamate it with any other business organization or to make any material changes in its business, corporate structure (debt or equity), management or personnel.

Item 18. Valuation

If the take-over bid is an insider bid, as defined in applicable securities legislation, include the disclosure, if any, regarding valuations as required by securities legislation.

If a valuation is otherwise provided, the offeror must provide a summary of the valuation in sufficient detail to allow the reader to understand the principal judgements and principal underlying reasoning of the valuator so as to be able to form a reasoned judgment of the valuation opinion or conclusion. The summary must

- (a) disclose the basis of computation, scope of review, relevant factors and their values, and the key assumptions on which the valuation is based, and

- (b) advise where copies of the valuation are available for inspection and state that a copy of the valuation will be sent to any security holder of the offeree issuer on request, for a nominal charge sufficient to cover printing and postage.

Item 19. Securities of an Offeror or Other Issuer to be Exchanged for Securities of Offeree Issuer

(1) If a take-over bid provides that the consideration for the securities of the offeree issuer is to be, in whole or in part, securities of the offeror or other issuer, include the financial, including pro forma information, and other information prescribed for a prospectus of the issuer whose securities are being offered in exchange for the securities of the offeree issuer.

(2) Despite subsection (1), the financial statements of the offeree issuer are not required to be included in this circular.

Item 20. Right of Appraisal and Acquisition

State any rights of appraisal the security holders of the offeree issuer have under the laws or constating document governing, or contracts binding, the offeree issuer and state whether or not the offeror intends to exercise any right of acquisition the offeror may have.

Item 21. Market Purchases of Securities

State whether or not the offeror intends to purchase in the market securities that are the subject of the take-over bid.

Item 22. Approval of Take-Over Bid Circular

If the take-over bid is made by or on behalf of an offeror that has directors, state that the take-over bid circular has been approved and its sending has been authorized by the directors.

Item 23. Other Material Information

State the particulars of any other information known to the offeror not already disclosed that might reasonably affect the decision of the security holders of the offeree issuer to accept or reject the offer.

Item 24. Solicitations

Disclose any person retained by or on behalf of the offeror to make solicitations in respect of the take-over bid and the particulars of the compensation arrangements.

Item 25. Statement of Rights

Include the following statement of rights provided under the securities legislation of the jurisdiction relating to this circular:

Securities legislation in the provinces and territories of Canada provides security holders of the offeree issuer with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

Item 26. Certificate

Include a certificate in the following form signed,

- (a) if the take-over bid is made by or on behalf of a person, other than an individual, by the chief executive officer, the chief financial officer (or, if no such officers have been appointed, persons acting in a similar capacity) and on behalf of the directors, by any two directors of the person other than the foregoing, all duly authorized to sign, and
- (b) if the take-over bid is made by or on behalf of an individual, by the individual:

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Instruction

Where the person has fewer than four directors and officers, the certificate must be signed by all of them.

Item 27. Date of Take-Over Bid Circular

Specify the date of the take-over bid circular.

FORM 62-104F2

ISSUER BID CIRCULAR

Part 1 - General Provisions

(a) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument) and to National Instrument 14-101 *Definitions*.

(b) Incorporating information by reference

If you are eligible to file a short form prospectus under National Instrument 44-101 *Short Form Prospectus Distributions*, you may incorporate information required under item 21 to be included in your issuer bid circular by reference to another document. Clearly identify the referenced document or any excerpt of it that you incorporate into your take-over bid circular. Unless you have already filed the referenced document, you must file it with your issuer bid circular. You must also disclose that the document is on SEDAR at www.sedar.com and that, on request, you will promptly provide a copy of the document free of charge to a security holder of the issuer.

(c) Plain Language

Write the issuer bid circular so that readers are able to understand it. Refer to the plain language principles listed in section 2.6 of Companion Policy 62-104CP. If you use technical terms, explain them in a clear and concise manner.

(d) Numbering and Headings

The numbering, headings and ordering of items included in this Form are guidelines only. You do not need to include the heading or numbering or follow the order of items in this Form. You do not need to refer to inapplicable items and, unless otherwise required in this Form, you may omit negative answers to items. Disclosure provided in response to any item need not be repeated elsewhere in the circular.

Part 2 - Contents of Issuer Bid

Item 1. Name of Offeree Issuer

State the corporate name of the offeree issuer or, if the offeree issuer is an unincorporated entity, the full name under which it exists and carries on business.

Item 2. Securities Sought

State the class and number of securities that are the subject of the issuer bid and a description of the rights of the holders of any other class of securities that have a right to participate in the offer.

If the number of securities sought is subject to additional purchases by the issuer under the issuer bid for the purpose of preventing security holders from being left with odd lot holdings, this fact must be disclosed under this item, but the number of securities that could be purchased for this purpose need not be disclosed.

Item 3. Time Period

State the dates on which the issuer bid will commence and expire.

Item 4. Consideration

State the consideration to be offered. If the consideration includes securities, state the full particulars of the terms and conditions attaching to those securities.

Item 5. Payment for Deposited Securities

State the particulars of the method and time of payment of the cash or other consideration.

Item 6. Right to Withdraw Deposited Securities

Request for Comments

Describe the rights to withdraw securities deposited under the issuer bid. State that the withdrawal is made by sending a written notice to the designated depository and becomes effective on its receipt by the depository.

Item 7. Source of Funds

State the source of any funds to be used for payment of deposited securities. If the funds are to be borrowed, state

- (a) the name of the lender,
- (b) the terms and financing conditions of the loan,
- (c) whether the offeror reasonably believes the possibility to be remote that, if the conditions are satisfied or waived, the offeror will be unable to pay for securities deposited under the issuer bid due to a financing condition not being satisfied,
- (d) the circumstances under which the loan must be repaid, and
- (e) the proposed method of repayment.

Item 8. Participation

If the issuer bid is for less than all of the outstanding securities of that class, state that if a greater number or principal amount of the securities are tendered than the issuer is bound or willing to take up and pay for, the issuer will take up as nearly as may be pro rata, disregarding fractions, according to the number or principal amount of the securities tendered. To the extent that this is not the case, as permitted by securities legislation, the response to this Item should be modified accordingly.

If an issuer intends to rely on the exceptions from the proportionate take-up and payment requirements found in subsections (2) and (3) of section 2.23 of the Instrument relating to odd lots and "dutch auctions", describe the mechanism under which securities would be tendered and taken up without pro ration.

Item 9. Reasons for Bid

State the purpose for the issuer bid, and if it is anticipated that the issuer bid will be followed by a going private transaction or other transaction such as a business combination, describe the proposed transaction.

Item 10. Trading in Securities to be Acquired

Furnish, where reasonably ascertainable, a summary showing

- (a) the name of each principal marketplace on which the securities sought are traded,
- (b) in reasonable detail for the six months preceding the date of the issuer bid, the volume of trading and price range of the class of the securities sought, or in the case of debt securities the prices quoted, on each principal market, and
- (c) the date that the issuer bid to which the circular relates was announced to the public and the market price of the securities of the issuer immediately before such announcement.

Indicate any change in a principal marketplace or marketplaces that is planned following the issuer bid.

Item 11. Ownership of Securities of Issuer

State the number, designation and the percentage of outstanding securities of any class of securities of the issuer beneficially owned or over which control or direction is exercised

- (a) by each director and officer or other insider of the issuer and
- (b) if known after reasonable enquiry, by
 - (i) each associate or affiliate of an insider of the issuer,
 - (ii) every associate or affiliate of the issuer, and

- (iii) any person acting jointly or in concert with the issuer.

In each case where no securities are owned, directed or controlled, so state.

Item 12. Commitments to Acquire Securities of Issuer

Disclose all arrangements, agreements, commitments or understandings made by the issuer and, where known after reasonable enquiry, by the persons referred to in item 11, to acquire securities of the issuer, and the terms and conditions of those arrangements, agreements, commitments or understandings.

Item 13. Acceptance of Issuer Bid

If known after reasonable enquiry, state the name of every person named in item 11 who has accepted or intends to accept the issuer bid and the number of securities in respect of which the person has accepted or intends to accept the issuer bid.

Item 14. Benefits from Bid

State the direct or indirect benefits to any of the persons named in item 11 of accepting or refusing the issuer bid.

Item 15. Material Changes in the Affairs of Issuer

Disclose the particulars of any plans or proposals for material changes in the affairs of the issuer, including, for example, any contract or agreement under negotiation, any proposal to liquidate the issuer, to sell, lease or exchange all or a substantial part of its assets, to amalgamate it or to make any material changes in its business, corporate structure (debt or equity), management or personnel.

Item 16. Other Benefits

If any material changes or subsequent transactions are contemplated, as described in item 9 or 15, state if known, any specific benefit, direct or indirect, as a result of such changes or transactions to any of the persons named in item 11.

Item 17. Arrangements Between Issuer and Security Holder

Provide the details of any arrangement, agreement, commitment or understanding between the issuer and

- (a) any security holder of the issuer, including a summary of its purpose, the value attributed to it, the nature and value of the consideration payable in respect of it and an explanation as to how the issuer determined that entering into it was not prohibited by section 2.22 of the Instrument, and
- (b) any person with respect to any securities of the issuer in relation to the issuer bid.

Item 18. Previous Purchases and Sales

State the following information about any securities of the issuer purchased or sold by the issuer, excluding securities purchased or sold pursuant to the exercise of employee stock options, warrants and conversion rights during the twelve months preceding the date of the issuer bid:

- (a) the description of the security,
- (b) the number of securities purchased or sold,
- (c) the purchase or sale price of the security, and
- (d) the date and purpose of each transaction.

If no securities were purchased or sold, so state.

Item 19. Financial Statements

If the most recently available interim financial statements are not included, include a statement that the most recent interim financial statements will be sent without charge to any security holder requesting them.

Item 20. Valuation

Include the disclosure required by applicable securities legislation regarding valuations, if any.

If a valuation is otherwise provided, the issuer must provide a summary of the valuation in sufficient detail to allow the reader to understand the principal judgements and principal underlying reasoning of the valuator so as to be able to form a reasoned judgment of the valuation opinion or conclusion. The summary must

- (a) disclose the basis of computation, scope of review, relevant factors and their values, and the key assumptions on which the valuation is based, and
- (b) advise where copies of the valuation are available for inspection and state that a copy of the valuation will be sent to any security holder of the issuer on request, for a nominal charge sufficient to cover printing and postage.

Item 21. Securities of Issuer to be Exchanged for Others

If an issuer bid provides that the consideration for the securities of the issuer is to be, in whole or in part, different securities of the issuer, include the financial and other information prescribed for a prospectus of the issuer.

Item 22. Approval of Issuer Bid Circular

State that the issuer bid circular has been approved by the issuer's directors, disclosing the name of any individual director of the issuer who has informed the directors in writing of his or her opposition to the issuer bid and that the delivery of the issuer bid circular to the security holders of the issuer has been authorized by the issuer's directors.

If the issuer bid is part of a transaction or to be followed by a transaction required to be approved by minority security holders, state the nature of the approval required.

Item 23. Previous Distribution

If the securities of the class subject to the issuer bid were distributed during the five years preceding the issuer bid, state the distribution price per share and the aggregate proceeds received by the issuer or selling security holder.

Item 24. Dividend Policy

State the frequency and amount of dividends with respect to shares of the issuer during the two years preceding the date of the issuer bid, any restrictions on the issuer's ability to pay dividends and any plan or intention to declare a dividend or to alter the dividend policy of the issuer.

Item 25. Tax Consequences

Provide a general description of the Canadian income tax consequences of the issuer bid to the issuer and to the security holders of any class affected.

Item 26. Expenses of Bid

Provide a statement of the expenses incurred or to be incurred in connection with the issuer bid.

Item 27. Right of Appraisal and Acquisition

State any rights of appraisal the security holders of the offeree issuer have under the laws or constating documents governing, or contracts binding, the offeree issuer and state whether or not the offeror intends to exercise any right of acquisition the offeror may have.

Item 28. Statement of Rights

Include the following statement of rights provided under the securities legislation of the jurisdiction relating to this circular:

Securities legislation of the provinces and territories of Canada provides security holders of the offeree issuer with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such

rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

Item 29. Other Material Information

Describe any matter not disclosed in the foregoing that has not previously been generally disclosed and is known to the issuer but which would reasonably be expected to affect the decision of the security holders of the issuer to accept or reject the offer.

Item 30. Solicitations

Disclose any person retained by or on behalf of the issuer to make solicitations in respect of the issuer bid and the particulars of the compensation arrangements.

Item 31. Certificate

Include a certificate in the following form signed by the chief executive officer and the chief financial officer (or, if no such officers have been appointed, persons acting in a similar capacity) of the issuer, and on behalf of the directors, by any two directors of the issuer other than the foregoing, all duly authorized to sign.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Instruction

If the issuer has fewer than four directors and officers, the certificate must be signed by all of them.

Item 32. Date of Issuer Bid Circular

Specify the date of the issuer bid circular.

FORM 62-104F3

DIRECTORS' CIRCULAR

Part 1 - General Provisions

(a) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument) and to National Instrument 14-101 *Definitions*.

(b) Plain Language

Write the directors' circular so that readers are able to understand it. Refer to the plain language principles listed in section 2.6 of Companion Policy 62-104CP. If you use technical terms, explain them in a clear and concise manner.

(c) Numbering and Headings

The numbering, headings and ordering of items included in this Form are guidelines only. You do not need to include the heading or numbering or follow the order of items in this Form. You do not need to refer to inapplicable items and, unless otherwise required in this Form, you may omit negative answers to items. Disclosure provided in response to any item need not be repeated elsewhere in the circular.

Part 2 Contents of Directors' Circular

Item 1. Name of Offeror

State the corporate name of the offeror or, if the offeror is an unincorporated entity, the full name under which it exists and carries on business.

Item 2. Name of Offeree Issuer

State the corporate name of the offeree issuer or, if the offeree issuer is an unincorporated entity, the full name under which it exists and carries on business.

Item 3. Names of Directors of the Offeree Issuer

State the name of each director of the offeree issuer.

Item 4. Ownership of Securities of Offeree Issuer

State the number, designation and the percentage of outstanding securities of any class of securities of the offeree issuer beneficially owned or over which control or direction is exercised

- (a) by each director and officer or other insider of the offeree issuer, and
- (b) where known after reasonable enquiry, by
 - (i) each associate or affiliate of an insider of the offeree issuer,
 - (ii) every associate or affiliate of the offeree issuer, and
 - (iii) any person acting jointly or in concert with the offeree issuer,

or, in each case where none are owned, directed or controlled, provide a statement to that effect.

Item 5. Acceptance of Take-Over Bid

If known after reasonable enquiry, state the name of every person named in item 4 who has accepted or intends to accept the offer and the number of securities in respect of which such person has accepted or intends to accept the offer.

Item 6. Ownership of Securities of Offeror

If a take-over bid is made by or on behalf of an offeror that is an issuer, state the number, designation and percentage of outstanding securities of any class of securities of the offeror beneficially owned or over which control or direction is exercised

- (a) by the offeree issuer,
- (b) by each director, officer or other insider of the offeree issuer, and
- (c) if known after reasonable enquiry, by
 - (i) each associate or affiliate of an insider of the offeree issuer,
 - (ii) every affiliate or associate of the offeree issuer, and
 - (iii) any person acting jointly or in concert with the offeree issuer,

or, in each case where no securities are so owned, directed or controlled, provide a statement to that effect.

Item 7. Relationship Between the Offeror and the Directors and Officers of the Offeree Issuer

Disclose the particulars of any arrangement, agreement, commitment or understanding made or proposed to be made between the offeror and any of the directors or officers of the offeree issuer, including particulars of any payment or other benefit proposed to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the take-over bid is successful. State also whether any directors or officers of the offeree issuer are also directors or officers of the offeror or any subsidiary of the offeror and identify those persons.

Item 8. Arrangements Between Offeree Issuer and Officers and Directors

Disclose the particulars of any arrangement, agreement, commitment or understanding made or proposed to be made between the offeree issuer and any of the directors or officers of the offeree issuer, including particulars of any payment or other benefit proposed to be made or given by way of compensation for loss of office or as to their remaining in or retiring from office if the take-over bid is successful.

Item 9. Interests of Directors and Officers of the Offeree Issuer in Material Transactions With Offeror

State whether any director or officer of the offeree issuer and their associates and, where known to the directors or officers after reasonable inquiry, whether any person who owns more than 10 per cent of any class of equity securities of the offeree issuer for the time being outstanding has any interest in any material transaction to which the offeror is a party, and if so, state particulars of the nature and extent of such interest.

Item 10. Trading by Directors, Officers and Other Insiders

(1) State the number of securities of the offeree issuer traded, the purchase or sale price and the date of each transaction during the six month period preceding the date of the directors' circular by the offeree issuer and each director, officer or other insider of the offeree issuer, and, if known after reasonable enquiry, by

- (a) each associate or affiliate of an insider of the offeree issuer,
- (b) every affiliate or associate of the offeree issuer, and
- (c) any person acting jointly or in concert with the offeree issuer.

(2) Disclose the number and price of securities of the offeree issuer of the class of securities subject to the bid or convertible into securities of that class that have been issued to the directors, officers and other insiders of the offeree issuer during the two-year period preceding the date of the circular.

Item 11. Additional Information

If any information required to be disclosed by the take-over bid circular prepared by the offeror has been presented incorrectly or is misleading, supply any additional information which would make the information in the circular correct or not misleading.

Item 12. Material Changes in the Affairs of Offeree Issuer

State the particulars of any information known to any of the directors or officers of the offeree issuer that indicates any material change in the affairs of the offeree issuer since the date of the last published interim or annual financial statement of the offeree issuer.

Item 13. Other Material Information

State the particulars of any other information known to the directors of the offeree issuer not already disclosed that would reasonably be expected to affect the decision of the security holders of the offeree issuer to accept or reject the offer. This would include

- (a) any securityholder or voting trust agreement that the offeree issuer has access to and that can reasonably be regarded as material to an investor in securities of the offeree issuer,
- (b) any securityholders' rights plans or other similar plans,
- (c) any valuation or fairness opinion obtained by the directors of the offeree issuer,
- (d) any plans or proposals for material changes in the affairs of the offeree issuer or a going private or other transaction, or
- (e) any other contract of the offeree issuer or a subsidiary of the offeree issuer that creates or can reasonably be regarded as materially affecting the rights or obligations of its securityholders generally.

Item 14. Recommending Acceptance or Rejection of Bid

Include either a recommendation to accept or reject the take-over bid and the reasons for such recommendation or a statement that the directors are unable to make or are not making a recommendation. If no recommendation is made, state the reasons for not making a recommendation. If the directors of an offeree issuer are considering recommending acceptance or rejection of a take-over bid at the time of sending a directors' circular, state that fact.

Item 15. Response of Offeree Issuer

(1) Describe any transaction, directors' resolution, agreement in principle or signed contract of the offeree issuer in response to the bid.

(2) Disclose whether there are any negotiations underway in response to the bid which relate to or would result in

- (a) an extraordinary transaction such as a merger or reorganization involving the offeree issuer or a subsidiary,
- (b) the purchase, sale or transfer of a material amount of assets by the offeree issuer or a subsidiary,
- (c) a competing take-over bid,
- (d) a bid by the offeree issuer for its own securities or for those of another issuer, or
- (e) any material change in the present capitalization or dividend policy of the offeree issuer.

If there is an agreement in principle, give full particulars.

Item 16. Approval of Directors' Circular

State that the directors' circular has been approved by the directors of the offeree issuer and that the delivery of the directors' circular has been authorized by the directors of the offeree issuer.

Item 17. Statement of Rights

Include the following statement of rights provided under the securities legislation of the jurisdiction relating to this circular:

Securities legislation in the provinces and territories of Canada provides security holders of the offeree issuer with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages, if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However,

such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

Item 18. Certificate

Include a certificate in the following form signed by two directors of the issuer, duly authorized to sign on behalf of the directors.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Item 19. Date of Directors' Circular

Specify the date of the directors' circular.

FORM 62-104F4

DIRECTOR'S OR OFFICER'S CIRCULAR

Part 1 - General Provisions

(a) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument) and to National Instrument 14-101 *Definitions*.

(b) Plain Language

Write the director's or officer's circular so that readers are able to understand it. Refer to the plain language principles listed in section 2.6 of Companion Policy 62-104CP. If you use technical terms, explain them in a clear and concise manner.

(c) Numbering and Headings

The numbering, headings and ordering of items included in this Form are guidelines only. You do not need to include the heading or numbering or follow the order of items in this Form. You do not need to refer to inapplicable items and, unless otherwise required in this Form, you may omit negative answers to items. Disclosure provided in response to any item need not be repeated elsewhere in the circular.

Part 2 - Contents of Director's or Officer's Circular

Item 1. Name of Offeror

State the corporate name of the offeror or, if the offeror is an unincorporated entity, the full name under which it exists and carries on business.

Item 2. Name of Offeree Issuer

State the corporate name of the offeree issuer or, if the offeree issuer is an unincorporated entity, the full name under which it exists and carries on business.

Item 3. Name of Director or Officer of Offeree Issuer

State the name of each director or officer delivering the circular.

Item 4. Ownership of Securities of Offeree Issuer

State the number, designation and percentage of outstanding securities of any class of securities of the offeree issuer beneficially owned or over which control or direction is exercised

- (a) by the director or officer, and
- (b) if known after reasonable enquiry, by the associates of the director or officer

or, in each case where no securities are so owned, directed or controlled, provide a statement to that effect.

Item 5. Acceptance of Bid

State whether the director or officer of the offeree issuer and whether any associate of such director or officer whose acceptance is known to the director or officer, after reasonable inquiry, has accepted or intends to accept the offer and state the number of the securities in respect of which the director or officer, or where known after reasonable enquiry, any associate, has accepted or intends to accept the offer.

Item 6. Securities of Offeror Owned by Director or Officer

If a take-over bid is made by or on behalf of an issuer, state the number, designation and percentage of outstanding securities of any class of securities of the offeror beneficially owned or over which control or direction is exercised by the director or officer, or, where known after reasonable enquiry, by the associates of such director or officer.

Item 7. Arrangements between Offeror and Director or Officer

Disclose the particulars of any arrangement, agreement, commitment or understanding made or proposed to be made between the offeror and the director or officer, including particulars of any payment or other benefit proposed to be made or given by way of compensation for loss of office or as to the director's or officer's remaining in or retiring from office if the take-over bid is successful. State whether the director or officer is also a director or officer of the offeror or any subsidiary of the offeror.

Item 8. Arrangements between Offeree Issuer and Director or Officer

Disclose the particulars of any arrangement, arrangement, commitment or understanding made or proposed to be made between the offeree issuer and the director or officer, including particulars of any payment or other benefit proposed to be made or given by way of compensation for loss of office or as to his or her remaining in or retiring from office if the take-over bid is successful.

Item 9. Interests of Director or Officer in Material Transactions With Offeror

State whether the director or officer or the associates of the director or officer have any interest in any material transaction to which the offeror is a party, and if so, state particulars of the nature and extent of such interest.

Item 10. Additional Information

If any information required to be disclosed by the take-over bid circular prepared by the offeror has been presented incorrectly or is misleading, supply any additional information within the knowledge of the director or officer which would make the information in the circular correct or not misleading.

Item 11. Material Changes in the Affairs of Offeree Issuer

State the particulars of any information known to the director or officer that indicates any material change in the affairs of the offeree issuer since the date of the last published interim or annual financial statement of the offeree issuer and not generally disclosed or in the opinion of the director or officer not adequately disclosed in the take-over bid circular or directors' circular.

Item 12. Other Information

State the particulars of any other information known to the director or officer not already disclosed that would reasonably be expected to affect the decision of the security holders of the offeree issuer to accept or reject the offer.

Item 13. Recommendation

State the recommendation of the director or officer and the reasons for the recommendation.

Item 14. Statement of Rights

Include the following statement of rights provided under the securities legislation of the jurisdiction relating to this circular:

Securities legislation of the provinces and territories of Canada provides security holders of the offeree issuer with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

Item 15. Certificate

Include a certificate in the following form signed by or on behalf of each director or officer delivering the circular.

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

Item 16. Date of Director's or Officer's Circular

Specify the date of the director's or officer's circular.

FORM 62-104F5

NOTICE OF CHANGE OR NOTICE OF VARIATION

Part 1 - General Provisions

(a) Defined Terms

If a term is used but not defined in this Form, refer to Part 1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument) and to National Instrument 14-101 *Definitions*.

(b) Plain Language

Write the notice of change or notice of variation so that readers are able to understand it. Refer to the plain language principles listed in section 2.6 of Companion Policy 62-104CP. If you use technical terms, explain them in a clear and concise manner.

(c) Numbering and Headings

The numbering, headings and ordering of items included in this Form are guidelines only. You do not need to include the heading or numbering or follow the order of items in this Form. You do not need to refer to inapplicable items and, unless otherwise required in this Form, you may omit negative answers to items. Disclosure provided in response to any item need not be repeated elsewhere in the circular.

Part 2 - Contents of Notice of Change or Notice of Variation

Item 1. Name of Offeror

Item 2. Name of Offeree Issuer (if applicable)

Item 3. Particulars of Notice of Change or Variation

(1) A notice of change required under section 2.9 of the Instrument must contain

- (a) a description of the change in the information contained in
 - (i) the take-over bid circular,
 - (ii) the issuer bid circular, and
 - (iii) any notice of change previously delivered under section 2.9,
- (b) the date of the change,
- (c) the date up to which securities may be deposited,
- (d) the date by which securities deposited must be taken up by the offeror, and
- (e) a description of the rights of withdrawal that are available to security holders.

(3) A notice of variation required under section 2.10 of the Instrument must contain

- (a) a description of the variation in the terms of the take-over bid or issuer bid,
- (b) the date of the variation,
- (c) the date up to which securities may be deposited,
- (d) the date by which securities deposited must be taken up by the offeror,
- (e) if the date referred to in paragraph (d) is not known, a description of the legal requirements regarding the timing of take-up of securities deposited under the bid,

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- (f) a description of when payment will be made for deposited securities in relation to the time in which they are taken up by the offeror, and
- (g) a description of the rights of withdrawal that are available to security holders.

(4) A notice of change required under section 2.16 or subsection 2.18(2) of the Instrument must contain, as applicable, a description of the change in the information contained in

- (a) the directors' circular,
- (b) any notice of change previously delivered under section 2.16,
- (c) the director's or officer's circular, or
- (d) any notice of change previously delivered under subsection 2.18(2).

Item 4. Statement of Rights

Include the following statement of rights provided under the securities legislation of the jurisdiction relating to this notice:

Securities legislation of the provinces and territories of Canada provides security holders of the offeree issuer with, in addition to any other rights they may have at law, one or more rights of rescission, price revision or to damages if there is a misrepresentation in a circular or notice that is required to be delivered to such security holders. However, such rights must be exercised within prescribed time limits. Security holders should refer to the applicable provisions of the securities legislation of their province or territory for particulars of those rights or consult with a lawyer.

Item 5. Certificate

Include the signed certificate required in the bid circular, directors' circular or director's or officer's circular, amended to refer to the initial circular and to all subsequent notices of change or notices of variation.

Item 6. Date of Notice of Change or Notice of Variation

Specify the date of the notice of change or notice of variation.

COMPANION POLICY 62-104CP

TAKE-OVER BIDS AND ISSUER BIDS

PART 1: INTRODUCTION AND PURPOSE

1.1 Application – National Instrument 62-104 *Take-Over Bids and Issuer Bids* (the Instrument) consolidates and harmonizes requirements governing the conduct of take-over bids and issuer bids in Canada. The Instrument has been implemented in all jurisdictions as a rule or regulation.

1.2 Purpose – The purpose of this companion policy is to help you understand how the provincial and territorial regulatory authorities interpret or apply certain provisions of the Instrument and to provide guidance on the conduct of parties involved in a bid.

PART 2: BID REGIME

2.1 General – The Instrument is designed to establish a clear and predictable framework for the conduct of bids in a manner that achieves three primary objectives:

- equal treatment of offeree issuer security holders,
- provision of adequate information to offeree issuer security holders,
- an open and even-handed bid process that does not unfairly discriminate among, or exert pressure on, offeree issuer security holders.

Those involved in a take-over bid or issuer bid are encouraged to conduct themselves in a manner consistent with these objectives.

2.2 Identifying the Offeror – More than one person may constitute an offeror under a take-over bid. This can arise if an offer is made indirectly, because the terms *offer to acquire* and *take-over bid* include direct and indirect offers to acquire securities.

For example, a party (the primary party) that uses an acquisition entity, subsidiary or other affiliate (the named offeror) to make a take-over bid, may itself be making an indirect bid. In that case, the named offeror and the primary party may be joint offerors. Both would be subject to the bid requirements of the Instrument, including the requirements to certify and deliver the bid circular.

If a take-over bid is made by a wholly-owned entity, we regard the entity's parent to be a joint offeror. If the named offeror is not a wholly-owned entity, assessment of whether the primary party is a joint offeror would depend on its role, taking into account, among other factors, the answers to the following questions:

- Did the primary party play a significant role in initiating, structuring and negotiating the take-over bid?
- Does the primary party control any of the terms of the offer?
- Is the primary party financing the bid, guaranteeing the financing, or integral to obtaining the financing?
- Does the primary party directly or indirectly control the named offeror?
- Did the primary party form, or cause to be formed, the named offeror?
- Are the primary party's securities being offered as consideration under the bid?
- Will the primary party beneficially own the assets or securities of the target?

A yes answer to any of these questions may, in our view, mean that the primary party is making an indirect offer, and is a joint offeror under the bid.

2.3 Collateral agreements – Subsection 2.22(2) of the Instrument prohibits an offeror from entering into a collateral agreement, understanding or commitment that has the effect of providing a security holder of the offeree issuer with greater consideration than that offered to other security holders of the same class. This prohibition against collateral agreements extends to any direct or indirect benefit being provided by the offeror to the holder.

If a party is able to demonstrate that a particular agreement, understanding or arrangement is undertaken for a valid business purpose and that the terms of the agreement, understanding or arrangement provide for a mutual exchange of consideration of equivalent value, the securities regulatory authority or regulator will consider granting an exemption from the collateral benefit prohibition under section 7.1 of the Instrument.

Subsection 2.22(3) of the Instrument excludes certain employment-related arrangements from the scope of the collateral agreement prohibition in subsection 2.22(2) if an independent committee, acting in good faith, determines that the value of the consideration, net of any offsetting costs to the security holder, is less than five per cent of the value the security holder expects it will be beneficially entitled to receive under the terms of the bid in exchange for the equity securities beneficially owned by the security holder. For this purpose, we consider an independent committee to mean a committee composed exclusively of directors who are disinterested in the bid or any related transactions.

2.4 Lockup and support agreements – Documents required to be filed under section 3.2 of the Instrument that have been previously filed (for example under NI 44-101 or National Instrument 51-102 *Continuous Disclosure Obligations*) should not be refiled. Instead, the offeror should file a letter with the regulator describing the previously filed documents and the filing date and SEDAR project number.

2.5 Valuations – Issuer bids and insider bids may be subject to valuation requirements under the securities legislation of certain jurisdictions. Offerors whose securities are listed on the TSX Venture Exchange may also be subject to exchange valuation requirements. In these circumstances, offerors and offeree issuers are reminded to consider whether the valuation requirements contained in local rules or regulations such as OSC Rule 61-501 *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions* or Quebec Regulation Q-27 *respecting Protection of Minority Securityholders in the Course of Certain Transactions*, or in TSX Venture Policy 5.9 *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions* apply.

2.6 Plain language principles – Plain language will help investors understand your disclosure so that they can make informed investment decisions:

- use short sentences
- use the active voice
- use personal pronouns to speak directly to the reader
- avoid superfluous words
- organize the document in clear, concise sections, paragraphs and sentences
- avoid jargon
- avoid reliance on glossaries and defined terms unless it facilitates understanding of the discipline
- avoid boilerplate wording
- avoid multiple negatives
- use technical terms only when necessary and explaining them
- use charts, tables, and examples to make disclosure easier to understand.

2.7 Determination of shareholdings – For the purposes of sections 5.5, 5.6, 5.12 and 5.13 of the Instrument, in determining the outstanding voting securities that are owned, directly or indirectly, by residents of Canada, an offeror should

- (a) use reasonable efforts to identify securities held by registrants, financial institutions or nominees for the accounts of customers resident in Canada;
- (b) count securities beneficially owned by residents of Canada as disclosed in insider reports and early warning reports; and
- (c) assume that a customer is a resident of the jurisdiction or foreign jurisdiction in which the nominee has its principal place of business if, after reasonable inquiry, information regarding the jurisdiction or foreign jurisdiction of residence of the customer is unavailable.

Lists of beneficial owners of securities maintained by intermediaries under SEC Rule 14a-13 under the 1934 Act or other securities laws analogous to National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* may also be helpful.

2.8 Equal Treatment – The failure to make a bid to security holders of an offeree issuer in one or more jurisdictions if the bid is made to security holders in other jurisdictions is inconsistent with the equal treatment requirement in section 2.6 of the Instrument because of the prejudice to the interests of security holders in the excluded jurisdictions. Offerors are reminded that securities regulatory authorities in the jurisdictions in which the bid is made may issue cease trade orders in respect of the bid.

2.9 Odd Lots – For purposes of subsection 2.23(2) of the Instrument, an offeror should refer to the definition of *board lot* as that term is defined in section 1-101 of The Rules of The Toronto Stock Exchange or TSX Venture Policy 1.1 to determine what constitutes an odd lot as an odd lot consists of security holdings of less than a board lot.

2.10 Early Warning – Persons acquiring securities of a reporting issuer may trigger the obligation to issue and file a news release and file a report under sections 6.2 and 6.3 of the Instrument by acquiring ownership through market purchases or through the issuance of treasury securities under an exempt offering.

6.1.2 OSC Notice and Request for Comment - Proposed Rule 62-801 Implementing National Instrument 62-104 Take-Over Bids And Issuer Bids

**NOTICE AND REQUEST FOR COMMENT
PROPOSED RULE 62-801 IMPLEMENTING
NATIONAL INSTRUMENT 62-104 TAKE-OVER BIDS AND ISSUER BIDS**

Substance and Purpose

Proposed Rule 62-801 *Implementing National Instrument 62-104 Take-Over Bids and Issuer Bids* (the Proposed Implementing Rule) is a local rule implementing National Instrument 62-104 *Take-Over Bids and Issuer Bids* (NI 62-104) in Ontario. The Proposed Implementing Rule revokes certain Ontario rules and recognition orders that will be incorporated in NI 62-104, and also makes consequential amendments to Rule 13-502 *Fees* and the local Ontario rule which implements National Instrument 71-101 *Multijurisdictional Disclosure System*.

Summary

The Proposed Implementing Rule revokes each of the following Ontario rules:

- Rule 62-501 *Prohibited Stock Market Purchases of the Offeree's Securities by the Offeror During a Take-Over Bid*, and
- Rule 62-503 *Financing of Take-over Bids and Issuer Bids*.

In addition, the Proposed Implementing Rule revokes Recognition Order 62-904 *In the Matter of the Recognition of Certain Jurisdictions (ss. 93(1)(e) and 93(3)(h))*. Each of the revocations is necessary as the substance of the rules and the recognition order will be incorporated into NI 62-104.

The Proposed Implementing Rule also makes consequential amendments to Rule 13-502 *Fees* and Rule 71-801 *Implementing the Multijurisdictional Disclosure System*. The consequential amendments update these rules by substituting references to NI 62-104 in place of earlier references to the *Securities Act* (Ontario).

Alternatives Considered

None.

Authority

The following provisions of the Act provide the Ontario Securities Commission (the Commission) with authority to adopt the Proposed Implementing Rule:

- Paragraph 143(1)28 authorizes the Commission to make rules regulating take-over bids and issuer bids.
- Paragraph 143(1)36 authorizes the Commission to make rules varying the Act with respect to foreign issuers to facilitate distributions, compliance with requirements applicable or relating to reporting issuers and the making of take-over bids and issuer bids where the foreign issuers are subject to requirements of the laws of other jurisdictions that the Commission considers are adequate in light of the purposes and principles of the Act.
- Paragraph 143(1)39 authorizes the Commission to make rules requiring or respecting the media, format, preparation, form, content, execution, certification, dissemination and other use, filing and review of all documents required under or governed by the Act, the regulations or the rules and all documents determined by the regulations or the rules to be ancillary to the documents, including, take-over bid circulars, issuer bid circulars and directors' circulars. Paragraph 143(1)39.1 also authorizes the Commission to make rules governing the approval of any document described in paragraph 143(1)39.
- Paragraph 143(1)40 authorizes the Commission to make rules respecting the designation or recognition of any person, company or jurisdiction if advisable for purposes of the Act.

Unpublished Studies

The Commission relied upon no unpublished study, report or other written materials in proposing the Proposed Implementing Rule.

Anticipated Costs and Benefits

For a summary of the anticipated costs and benefits of NI 62-104, see CSA Notice and Request for Comment regarding NI 62-104.

Comments

Interested parties are invited to make written submissions with respect to the Proposed Implementing Rule. Submissions received by July 28, 2006 will be considered. Submissions should be addressed to the Commission at the following address:

John Stevenson
Secretary to the Commission
Ontario Securities Commission
20 Queen Street West, Suite 800, Box 55
Toronto, Ontario M5H 3S8
Fax: (416) 593- 2318
e-mail: jstevenson@osc.gov.on.ca

If you are not sending your comments by e-mail, please send a diskette containing your comments (in DOS or Windows format, preferably Word).

We cannot keep submissions confidential because securities legislation requires that a summary of the written comments received during the comment period be published.

Questions may be referred to:

Naizam Kanji
Manager, Mergers & Acquisitions
Ontario Securities Commission
20 Queen Street West, Suite 800, Box 55
Toronto, Ontario M5H 3S8
(416) 593-8060
e-mail: nkanji@osc.gov.on.ca

Text of Proposed Rule

The text of the Proposed Implementing Rule follows.

Date: April 28, 2006

ONTARIO SECURITIES COMMISSION

**RULE 62-801 IMPLEMENTING
NATIONAL INSTRUMENT 62-104
TAKE-OVER BIDS AND ISSUER BIDS**

- 1.1 Rule 62-501** – Rule 62-501 *Prohibited Stock Market Purchases of the Offeree’s Securities by the Offeror During a Take-Over Bid* is revoked.
- 1.2 Rule 62-503** – Rule 62-503 *Financing of Take-Over Bids and Issuer Bids* is revoked.
- 1.3 Recognition Order 62-904** – Recognition Order 62-904 *In the Matter of the Recognition of Certain Jurisdictions* is revoked.
- 1.4 Rule 13-502** –
- (1) Item 1, Part G of Appendix C to Rule 13-502 Fees is amended by replacing the words “subsection 100(3) or (7) of the Act” with “section 2.8 of National Instrument 62-104 *Take-Over Bids and Issuer Bids*”.
 - (2) Item 2, Part G of Appendix C to Rule 13-502 is amending by replacing the words “subsection 100(4) of the Act” with “section 2.11 of National Instrument 62-104 *Take-Over Bids and Issuer Bids*”.
- 1.5 Rule 71-801** –
- (1) Section 1.1 of Rule 71-801 *Implementing the Multijurisdictional Disclosure System* is amended by adding the following immediately following subsection (2):
 - “(3) In this Rule, “NI 62-104” means “National Instrument 62-104 *Take-Over Bids and Issuer Bids*”.”
 - (2) Part 3 of Rule 71-801 is hereby deleted and replaced by the following:

“PART 3 BIDS FOR SECURITIES OF U.S. ISSUERS

3.1 Application of NI 62-104 to Offerors in Take-over Bids and Issuer Bids – The following do not apply to a bid made in compliance with Part 12 of NI 71-101 and otherwise in accordance with the NI 62-104:

 - (a) sections 2.2, 2.3, 2.4 and 2.5 of NI 62-104 , except that section 2.4(1) of NI 62-104 applies to a bid if security holders of the offeree issuer whose last address as shown on the books of the issuer is in Canada, as determined in accordance with sections 12.1(2) through (4) of NI 71-101, hold 20% or more of a class of securities that is the subject of the bid;
 - (b) 2.6 of NI 62-104;
 - (c) sections 2.21 and 2.24 of NI 62-104;
 - (d) sections 2.8, 2.9 and 2.10 of NI 62-104, other than:
 - (i) the requirement in section 2.8(1) to deliver a take-over bid circular or an issuer bid circular to all holders in Ontario of securities of the class that is subject to the bid;
 - (ii) the requirement in section 2.9(1), subject to section 2.9(2), to deliver a notice of change to every person or company to whom the take-over bid circular or issuer bid circular was required to be delivered and whose securities were not taken up at the date of the occurrence of the change; and
 - (iii) the requirement in section 2.10(1) to deliver a notice of variation to every person or company to whom the take-over bid circular or issuer bid circular was required to be delivered and whose securities were not taken up at the date of the variation;
 - (e) section 2.8(1), 2.9(4) and 2.10(2) of NI 62-104;

- (f) section 2.8 and 2.11 of NI 62-104, other than the requirements in section 2.11 to file any notice of change or variation;
- (g) section 4.1 of NI 62-104 other than:
 - (i) if the take-over bid does not satisfy the eligibility requirements of section 12.3 of NI 71-101, any requirement in Form 62-104F1 prescribed under section 4.1 of NI 62-104 that is applicable because the bid provides that the consideration for the securities of the offeree issuer is to be, in whole or in part, securities of the offeror or other issuer; and
 - (ii) any requirement in Form 62-104 prescribed under section 4.1 of NI 62-104 that is applicable because the offeror anticipates that a going private transaction will follow the take-over bid;
- (h) section 4.2 of NI 62-104 other than, if the issuer bid does not satisfy the eligibility requirements of section 12.3 of NI 71-101, any requirement in Form 62-104 F1 prescribed under section 4.2 of NI 62-104 that is applicable because the bid provides that the consideration for the securities of the offeree issuer is to be, in whole or in part, different securities of the issuer; and
- (i) sections 2.10(5) and 4.5 of NI 62-104.

3.2 Application of NI 62-104 to MJDS Directors' Circulars and MJDS Individual Director's or Officer's Circulars – The following do not apply to the directors or the individual directors or officers of an offeree issuer who elect to comply with Part 12 of NI 71-101 instead of provisions of NI 62-104 otherwise applicable in preparation of a directors' circular or individual director's or officer's circular for a take-over bid made for securities of the offeree issuer under Part 12 of NI 71-101:

- (a) sections 2.15, 2.16, 2.17, 2.18, 4.3 and 4.4 of NI 62-104, other than:
 - (i) section 2.15(1), except the requirement that a directors' circular be sent to holders of securities that, before the expiration of the bid, are convertible into securities of the class that is subject to the bid;
 - (ii) the requirement in section 2.16(1) to deliver a notice of change to every person or company to whom the directors' circular was required to be delivered, in respect of holders of securities that were not taken up at the date of the occurrence of the change; and
 - (iii) section 2.18(3) of NI 62-104 of NI 62-104, except the requirement to deliver a copy of an individual director's or officer's circular and a notice of change to holders of securities that, before the expiration of the bid, are convertible into securities of the class that is subject to the bid;
- (b) section 2.17 and 2.18 of NI 62-104 other than the requirement in section 140(3) to file every directors' circular, individual director's or officer's circular and any notice of change; and
- (c) sections 2.8(3) and (4), 2.17, 2.18(4), 4.3 and 4.5 of NI 62-104."

1.6 Effective Date – This rule comes into force on ●.

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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 FORMS 45-106F1 & 45-501F1

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
04/12/2006	1	AADCO Automotive Inc. - Debentures	500,000.00	500,000.00
03/31/2006	3	ABC American -Value Fund - Units	465,000.00	59,059.62
03/31/2006	200	ABC Dirt Cheap Stock Fund - Units	38,649,287.00	3,864,928.70
03/31/2006	1	ABC Fully-Managed Fund - Units	403,120.31	36,834.82
03/31/2006	15	ABC Fundamental - Value Fund - Units	2,856,085.60	137,352.75
04/11/2006	1	Accredited Home Lenders Canada Trust II - Notes	177,778,418.67	177,778,418.67
03/06/2006	8	AMADOR GOLD CORP. - Common Shares	27,125.00	175,000.00
04/07/2006	18	Amerix Precious Metals Corporation - Units	3,000,000.00	6,000,000.00
04/12/2006	62	Andina Minerals Inc. - Units	17,600,000.00	16,000,000.00
04/07/2006	84	Anterra Corporation - Units	2,176,299.80	2,104,000.00
04/12/2006	21	Aon Finance N.S. 1 ULC - Debentures	375,000,000.00	3,750,000.00
04/12/2006	13	Apex Silver Mines Limited - Common Shares	30,188,132.84	1,075,700.00
03/24/2006	32	Arctic Star Diamond Corp. - Flow-Through Shares	1,165,000.00	5,825,000.00
03/24/2006	41	Arctic Star Diamond Corp. - Non-Flow Through Units	756,344.68	3,400,692.00
03/24/2006	58	Arctic Star Diamond Corp. - Units	1,557,705.24	9,361,113.00
04/03/2006	2	A.O. Smith Enterprises Ltd. - Notes	30,000,000.00	15,000,000.00
04/03/2006	6	A.O. Smith Enterprises Ltd. - Notes	83,000,000.00	83,000,000.00
04/13/2006	54	Breaker Energy Ltd. - Flow-Through Shares	6,000,000.00	1,000,000.00
04/10/2006	38	Buffalo Gold Ltd. - Units	4,067,665.00	3,565,000.00
04/11/2006	7	CanAlaska Ventures Ltd. - Flow-Through Units	2,691,150.00	4,893,000.00
04/18/2006	3	Clairvest Equity Partners III Limited Partnership - L.P. Units	120,000,000.00	120,000.00
04/12/2006	33	Cluff Gold plc - Common Shares	31,358,696.00	22,600,000.00
04/06/2006	45	Consolidated Ecoprogress Technology Inc. - Units	381,952.00	3,819,520.00
04/11/2006	39	Consolidated Pine Channel Gold Corp. - Units	1,250,000.00	12,500,000.00
04/12/2006	2	Cumberland Resources Ltd. - Flow-Through Shares	4,999,998.00	833,333.00
03/17/2006 to 04/15/2006	34	Currency Capital Corp. - Common Shares	142,800.00	35,700.00
04/07/2006	3	Dyno Nobel Limited - Common Shares	3,408,489.60	1,725,000.00
04/11/2006	1	Everton Resources Inc. - Units	1,500,000.00	3,000,000.00
03/15/2006	1	Fletcher Nickel Inc. - Common Shares	1,000,000.00	1,000,000.00
03/15/2006	1	Fletcher Nickel Inc. - Preferred Shares	8,000,000.00	8,000,000.00
04/10/2006 to 04/13/2006	14	General Motors Acceptance Corporation of Canada, Limited - Notes	5,122,416.71	51,224.16
04/17/2006	25	General Motors Acceptance Corporation of Canada, Limited - Notes	6,699,351.30	66,993.51
03/31/2006	22	Genesis Limited Partnership #6 - L.P. Units	993,032.00	202.00
03/31/2006	15	Gladiator Absolute Return Canadian Equity Fund - Units	593,985.05	47,132.97
04/07/2006	21	Golden Band Resources Inc. - Common Shares	3,496,895.43	7,777,777.00
04/04/2006	48	Golden Oasis Exploration Corp. - Units	2,317,500.00	5,150,000.00
03/31/2006	15	Golden Tag Resources Ltd. - Flow-Through Shares	433,755.00	1,671,110.00
03/31/2006	24	Golden Tag Resources Ltd. - Units	896,250.00	9,494,669.00
04/06/2006	47	Goldnev Resources Inc. - Units	500,000.00	6,250,000.00

Notice of Exempt Financings

02/01/2006	58	Goldneve Resources Inc. - Units	500,000.00	10,000,000.00
03/27/2006	36	Goldneve Resources Inc. - Units	500,000.00	6,250,000.00
04/03/2006	2	Groundlayer Capital Inc. - Units	1,250,000.00	4.89
01/01/2006 to 03/31/2006	4	GWLIM Canadian Growth Fund - Units	820,001.02	58,562.00
01/01/2006 to 03/31/2006	3	GWLIM Canadian Mid Cap Fund - Units	500,526.47	35,068.00
01/01/2006 to 03/31/2006	5	GWLIM Corporate Bond Fund - Units	1,925,534.20	190,069.00
01/01/2006 to 03/31/2006	2	GWLIM US Mid Cap Fund - Units	518,169.20	41,847.00
04/07/2006	1	Hausmann Holdings Fund - Common Shares	68,879.35	29.14
04/12/2006	4	Helius Canada Limited Partnership - Units	150,000.00	122.84
01/01/2005 to 12/31/2005	218	IAFM Bond Fund - Units	6,280,361.00	18,719.00
01/01/2005 to 12/31/2005	314	IAFM Canadian Equities Fund-Defensive - Units	4,423,030.00	2,761.00
01/01/2005 to 12/31/2005	50	IAFM Canadian Equities Fund-Quality - Units	1,284,994.00	1,000.00
01/01/2005 to 12/31/2005	318	IAFM Money Market Fund - Units	15,294,324.00	18,586.00
01/01/2005 to 12/31/2005	78	IAFM Preferred Shares Fund - Units	2,067,710.00	6,403.00
01/31/2006	1	IBI Corporation - Units	13,937,500.00	1.00
04/06/2006	63	Impact Silver Corp. - Units	8,030,000.00	7,300,000.00
04/06/2006	25	Inspiration Mining Corporation - Common Shares	787,500.00	2,250,000.00
04/13/2006	2	Jet Gold Corp. - Units	562,500.00	2,250,000.00
04/11/2006	10	Kommunalbanken AS - Bonds	207,000,000.00	2,060,899.58
04/07/2006	4	KWG Resources Inc. - Common Shares	115,500.00	1,650,000.00
04/07/2006	32	Landrill International Inc. - Units	1,013,750.00	1,843,182.00
12/02/2005	1	LaSalle French Fund II, L.P. - L.P. Interest	54,440,000.00	N/A
04/07/2006	1	Laurion Gold Inc. - Common Shares	15,000.00	100,000.00
04/11/2006	55	Lexington Energy Services Inc. - Common Shares	512,013.42	896,696.00
01/01/2006 to 03/31/2006	3	LLIM Canadian Bond Fund - Units	2,870,535.07	280,204.00
01/01/2006 to 03/31/2006	4	LLIM Canadian Diversified Equity Fund - Units	2,147,057.46	159,764.00
01/01/2006 to 03/31/2006	5	LLIM Income Plus Fund - Units	6,054,619.56	558,846.61
01/01/2006 to 03/31/2006	2	LLIM US Equity Fund - Units	726,353.23	72,029.00
01/01/2006 to 03/31/2006	2	LLIM US Growth Sectors Fund - Units	1,694,119.41	164,241.00
04/03/2006	36	Lynden Ventures Ltd. - Units	2,253,750.00	3,005,000.00
01/01/2006 to 03/31/2006	2	Mackenzie Ivy European Capital Class - Units	886,100.47	80,681.00
01/01/2006 to 03/31/2006	2	Mackenzie Ivy Foreign Equity Fund - Units	9,068,933.89	883,295.29
01/01/2006 to 03/31/2006	5	Mackenzie Maxxum Canadian Balanced Fund - Units	19,139,715.98	1,557,501.76
01/01/2006 to 03/31/2006	6	Mackenzie Maxxum Canadian Equity Growth Fund - Units	6,891,753.55	294,228.78
01/01/2006 to 03/31/2006	8	Mackenzie Maxxum Dividend Fund - Units	14,713,373.30	821,602.41
01/01/2006 to 03/31/2006	2	Mackenzie Select Managers Canada Fund - Units	266,506.93	22,486.00
01/01/2006 to 03/31/2006	3	Mackenzie Select Managers Far East Capital Class - Units	3,113,584.69	238,692.24
01/01/2006 to 03/31/2006	2	Mackenzie Select Managers Japan Capital Class - Units	4,334,482.28	340,971.36

Notice of Exempt Financings

01/01/2006 to 03/31/2006	1	Mackenzie Sentinel Corporate Bond Fund - Units	297,000.00	31,129.66
01/01/2006 to 03/31/2006	2	Mackenzie Universal American Growth Capital Class Series S - Units	561,279.04	50,407.00
01/01/2006 to 03/31/2006	7	Mackenzie Universal Canadian Resource Fund - Units	37,882,183.81	1,701,332.23
01/01/2006 to 03/31/2006	5	Mackenzie Universal Emerging Markets Capital Class - Units	4,555,070.70	256,528.55
01/01/2006 to 03/31/2006	4	Mackenzie Universal Global Future Fund - Units	700,460.42	83,911.62
01/01/2006 to 03/31/2006	1	Mackenzie Universal International Stock Fund - Units	7,338,039.78	653,767.45
01/01/2006 to 03/31/2006	1	Mackenzie Universal Precious Metals Fund - Units	8,734,719.23	466,547.63
01/01/2006 to 03/31/2006	5	Mackenzie Universal U.S. Growth Leaders Fund - Units	1,271,224.98	151,651.03
04/13/2006	22	Mansfield Minerals Inc. - Units	2,485,500.60	1,129,773.00
03/03/2006 to 03/31/2006	22	Mavrix Strategic Small Cap Fund - Units	946,565.89	51,158.87
04/12/2006	7	Medipattern Corporation, The - Common Shares	2,500,000.00	5,000,000.00
03/31/2006	73	Merrill Lynch Canada Finance Company - Notes	6,685,148.00	57,280.00
02/15/2006	2	Metalex Ventures Ltd. - Common Shares	60,000.00	74,074.00
04/07/2006	7	Mines Dynacor Inc. - Common Shares	2,700,000.00	6,750,000.00
04/14/2006	7	Mogul Energy International Inc. - Units	974,050.00	1,250,000.00
04/13/2006	18	Normabec Mining Resources Ltd. - Units	1,005,527.88	5,292,252.00
04/10/2006	84	North Peace Energy Inc. - Units	4,648,000.00	4,648,000.00
04/12/2006	27	Northern Peru Copper Corp. - Common Shares	13,000,000.00	4,000,000.00
04/12/2006	1	NRX Global Corp. - Debentures	5,775,000.00	3,000,000.00
04/11/2006	62	Oro Gold Resources Ltd. - Units	2,520,000.00	3,500,000.00
03/30/2006	72	Pacifica Resources Ltd. - Flow-Through Shares	20,086,010.00	28,694,300.00
04/10/2006	1	Pan American Gold Corporation - Units	573,300.00	1,000,000.00
04/06/2006	1	PharmaGap Inc. - Debentures	200,000.00	200,000.00
04/04/2006	97	Primeline Energy Holdings Inc. - Units	24,999,999.00	16,666,666.00
03/29/2006 to 03/30/2006	2	Priveq III Limited Partnership - L.P. Units	11,850,000.00	11,850.00
01/01/2006 to 03/31/2006	4	Quadrus AIM Canadian Equity Growth Fund - Units	14,035,167.77	739,287.32
01/01/2006 to 03/31/2006	6	Quadrus Laketon Fixed Income Fund - Units	31,679,219.11	5,094,339.34
01/01/2006 to 03/31/2006	4	Quadrus Templeton Canadian Equity Fund - Units	1,066,766.64	87,468.00
01/01/2006 to 03/31/2006	5	Quadrus Templeton International Equity Fund - Units	2,168,674.89	18,271.48
01/01/2006 to 03/31/2006	6	Quadrus Trimark Balanced Fund - Units	5,136,563.10	447,725.14
01/01/2006 to 03/31/2006	4	Quadrus Trimark Global Balanced Fund - Units	1,093,360.71	98,728.01
04/05/2006	3	Rainy River Resources Ltd. - Common Shares	28,500.00	10,000.00
04/11/2006	2	Real Estate Asset Liquidity Trust - Mortgage	27,007,196.07	3.34
04/01/2006	1	Renaissance Institutional Equities Fund International L.P. - L.P. Interest	2,355,800.00	2,000,000.00
04/10/2006	1	Rocket Trust - Bonds	25,000,000.00	1.00
04/13/2006	107	Royal Laser Corp. - Receipts	55,000,000.00	44,000,000.00
04/12/2006	86	Rubicon Minerals Corporation - Common Shares	11,308,028.80	7,640,560.00
04/06/2006	2	SC Stormont Holdings Inc. - Debentures	200,000.00	200,000.00
04/10/2006 to 04/13/2006	27	St Andrew Goldfields Ltd - Common Shares	5,999,998.20	42,857,130.00
02/28/2006	7	Stacey RSP Fund - Trust Units	99,503.00	9,628.79

Notice of Exempt Financings

02/14/2006	12	Stans Energy Corp. - Common Shares	700,000.00	2,800,000.00
04/20/2006	3	Stinson Hospitality Inc. - Notes	115,000.00	115.00
04/13/2006	31	Tamerlane Ventures Inc. - Units	5,000,000.00	14,285,714.00
04/05/2006	24	Tanqueray Resources Ltd. - Flow-Through Shares	1,000,000.00	3,333,333.00
04/05/2006	13	Tanqueray Resources Ltd. - Units	1,475,000.00	4,000,000.00
04/12/2006	116	Timbercreek Real Estate Investment Trust - Units	6,234,196.74	584,273.31
05/25/2005	1	UBS (CH) Bond Fund- Euro High Yield - Units	19,986.52	290.00
02/13/2005 to 12/23/2005	10	UBS (CH) Equity Fund Great Britain - Units	144,410.02	185.84
02/14/2005 to 03/23/2006	33	UBS (CH) Equity Fund Japan - Units	862,388.98	4,878.49
04/03/2006	4	Unio Capital LLC - Notes	13,056,440.00	13,058,440.00
06/13/2006	1	University Finance Trust 2006 - Certificate	273,852,087.50	N/A
03/31/2006	14	Van Arbor Canadian Advantage Fund - Units	76,214.56	4,322.71
03/31/2006	5	Van Arbor U.S. Advantage Fund - Units	86,843.47	7,455.14
04/13/2006	63	Vero Energy Inc. - Common Shares	13,000,015.00	2,131,150.00
03/31/2006	283	Vertex Fund - Trust Units	25,733,187.82	1,550,903.00
04/17/2006	1	VSS Communications Parallel Partners IV, L.P. - L.P. Interest	13,541,827.00	13,541,827.00
04/10/2006	1	Walsingham Fund LP No. 1 - Units	5,000,000.00	5,000.00
04/12/2006	9	Walton International Group Inc. - Notes	390,000.00	390,000.00
04/11/2006	60	WebTech Wireless Inc. - Special Warrants	10,000,000.00	4,137,932.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Art Advanced Research Technologies Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 19, 2006

Offering Price and Description:

\$ * - * Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

Salman Partners Inc.
Canaccord Capital Corporation
Westwind Partners Inc.

Promoter(s):

-

Project #921035

Issuer Name:

Banro Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 19, 2006

Offering Price and Description:

\$ * - * Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES
Raymond James Ltd.
MGI Securities Inc.

Promoter(s):

-

Project #920941

Issuer Name:

Augen Limited Partnership 2006
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

Maximum Offering: \$30,000,000.00 (300,000 Units);
Minimum Offering: \$5,000,000.00 (50,000 Units)
Subscription Price: \$100 per Unit Minimum Subscription:
\$5,000.00

Underwriter(s) or Distributor(s):

Berkshire Securities Inc.
IPC Securities Corporation
HSBC Securities (Canada) Inc.
Blackmont Capital Inc.
Canaccord Capital Corporation
Research Capital Corporation
Wellington West Capital Inc.
Industrial Alliance Securities Inc.
Queensbury Securities Inc.
Sora Group Wealth Advisors Inc.

Promoter(s):

Augen General Partner XII Inc.

Project #922061

Issuer Name:

Chartwell Seniors Housing Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

\$185,009,000.00 - 13,310,000 Units Price: \$13.90 per Unit

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #922463

Issuer Name:

Criterion Global Dividend Currency Protected Fund
Criterion International Equity Currency Protected Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated April 21, 2006
Mutual Reliance Review System Receipt dated April 24, 2006

Offering Price and Description:

Offering Class A, B, C, D and F Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Criterion Investment Limited

Project #915094

Issuer Name:

Eaglestar Ventures Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated April 20, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

\$300,000.00 - OFFERING OF: 3,000,000 Common Shares
PRICE: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Golden Capital Securities Ltd.

Promoter(s):

Bruno Gasbarro

Project #922115

Issuer Name:

frontierAlt All Terrain Bond Fund
frontierAlt All Terrain Canada Fund
frontierAlt All Terrain World Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated April 20, 2006
Mutual Reliance Review System Receipt dated April 25, 2006

Offering Price and Description:

Series A, F, and I Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Feico J. Leemhuis

Project #922636

Issuer Name:

HudBay Minerals Inc.
Principal Regulator - Manitoba

Type and Date:

Preliminary Short Form Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 24, 2006

Offering Price and Description:

Issue of up to 2,054,334 Common Shares upon Early Exercise of the Share Purchase Warrants

Underwriter(s) or Distributor(s):

GMP Securities L.P.

BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #922783

Issuer Name:

Isotechnika Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Shelf Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

\$40,000,000.00 - * Common Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #922401

Issuer Name:

Mackenzie Universal U.S. Dividend Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated April 20, 2006
Mutual Reliance Review System Receipt dated April 24, 2006

Offering Price and Description:

Hedge Class, Series A, F, I and O Units
Unhedge Class, Series A, F, I and O Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #922598

Issuer Name:

QuStream Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated April 24, 2006
Mutual Reliance Review System Receipt dated April 24, 2006

Offering Price and Description:

\$10,080,000.00 - 4,200,000 Units Price: \$2.40 per Unit

Underwriter(s) or Distributor(s):

Orion Securities Inc.
GMP Securities L.P.
MGI Securities Inc.
Paradigm Capital Inc.

Promoter(s):

Frederick L. Godard
Howard G. Sutton

Project #922932

Issuer Name:

SHAW COMMUNICATIONS INC.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated April 25, 2006
Mutual Reliance Review System Receipt dated April 25, 2006

Offering Price and Description:

\$300,000,000.00 - 6.15% Senior Notes due 2016
(unsecured)

Underwriter(s) or Distributor(s):

TD Securities Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
National Bank Financial Inc.
Merrill Lynch Canada Inc.
GMP Securities L.P.

Promoter(s):

-

Project #923701

Issuer Name:

TD Canadian Treasury Management - Financial Institution Fund

TD Canadian Treasury Management - Government of Canada Fund

TD Canadian Treasury Management Fund

TD U.S. Dollar Treasury Management - Government Fund

TD U.S. Dollar Treasury Management Fund

Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated April 21, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

Institutional Class and Investor Class Units

Underwriter(s) or Distributor(s):

TD Asset Management Inc.

Promoter(s):

TD Asset Management Inc.

Project #922325

Issuer Name:

Westcoast Energy Inc.

Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Shelf Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

\$500,000,000.00 - Debt Securities and Preferred Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #922613

Issuer Name:

Westfield Real Estate Investment Trust
Principal Regulator - Manitoba

Type and Date:

Preliminary Short Form Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 20, 2006

Offering Price and Description:

\$30,000,000.00 - 6.25% Series C Convertible Redeemable
Unsecured Subordinated Debentures
Price: \$1,000 per Debentures

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation
CIBC World Markets Inc.
National Bank Financial Inc.
Scotia Capital Inc.
Bieber Securities Inc.
Westwind Partners Inc.

Promoter(s):

-

Project #921584

Issuer Name:

Mutual Fund Series, Series D, Series F and Series O Securities (unless otherwise indicated) of:
AGF Canadian Growth Equity Fund Limited
AGF Canadian Real Value Fund
AGF Canadian Small Cap Fund
AGF Canadian Stock Fund
AGF Diversified Dividend Income Fund
AGF Dividend Income Fund
AGF Monthly High Income Fund
AGF Aggressive Global Stock Fund
AGF Aggressive Growth Fund
AGF Aggressive Japan Class of AGF All World Tax Advantage Group Limited
AGF American Growth Class of AGF All World Tax Advantage Group Limited
AGF Asian Growth Class of AGF All World Tax Advantage Group Limited
AGF Canada Class of AGF All World Tax Advantage Group Limited
AGF China Focus Class of AGF All World Tax Advantage Group Limited
AGF Emerging Markets Fund
AGF European Equity Class of AGF All World Tax Advantage Group Limited
AGF Germany Class of AGF All World Tax Advantage Group Limited
AGF Global Equity Class of AGF All World Tax Advantage Group Limited
AGF Global Perspective Class of AGF All World Tax Advantage Group Limited
AGF International Stock Class of AGF All World Tax Advantage Group Limited
AGF International Value Class of AGF All World Tax Advantage Group Limited
AGF International Value Fund
AGF Japan Class of AGF All World Tax Advantage Group Limited
AGF Special U.S. Class of AGF All World Tax Advantage Group Limited
AGF U.S. Risk Managed Class of AGF All World Tax Advantage Group Limited
AGF U.S. Value Class of AGF All World Tax Advantage Group Limited
AGF World Companies Fund
AGF World Opportunities Fund
AGF Canadian Resources Fund Limited
AGF Global Financial Services Class of AGF All World Tax Advantage Group Limited
AGF Global Health Sciences Class of AGF All World Tax Advantage Group Limited
AGF Global Real Estate Equity Class of AGF All World Tax Advantage Group Limited
AGF Global Resources Class of AGF All World Tax Advantage Group Limited
AGF Global Technology Class of AGF All World Tax Advantage Group Limited
AGF Precious Metals Fund
AGF Canadian Balanced Fund
AGF Canadian Real Value Balanced Fund
AGF World Balanced Fund
AGF Canadian Bond Fund
AGF Canadian Conservative Income Fund

AGF Canadian High Yield Bond Fund
AGF Canadian Money Market Fund
AGF Global Government Bond Fund
AGF Global High Yield Bond Fund
AGF RSP Global Bond Fund
AGF Short-Term Income Class of AGF All World Tax
Advantage Group Limited
AGF U.S. Dollar Money Market Account
(only offers Mutual Fund Series Securities)
and
Mutual Fund Series, Series D, Series F, Series O and
Classic Series Securities of :
AGF Canadian Large Cap Dividend Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated April 18, 2006
Mutual Reliance Review System Receipt dated April 19,
2006

Offering Price and Description:

Mutual Fund Series, Series D, Series F, Series O and
Classic Series Securities @ Net Asset Value

Underwriter(s) or Distributor(s):

AGF Funds Inc.

Promoter(s):

-

Project #901498

Issuer Name:

Alexco Resource Corp.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 20,
2006

Offering Price and Description:

Cdn\$10,500,000.00 - 4,200,000 Common Shares Price:
Cdn\$2.50 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

Asset Liability Management Group ULC
NovaGold Canada Inc.

Project #915926

Issuer Name:

Canyon Services Group Inc.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated April 20, 2006
Mutual Reliance Review System Receipt dated April 21,
2006

Offering Price and Description:

\$55,000,000.00 - 5,000,000 Common Shares Price: \$11.00
per Common Share

Underwriter(s) or Distributor(s):

Peters & Co. Limited
Raymond James Ltd.
Tristone Capital Inc.

Promoter(s):

Dennis Weinberger
Stan G.P. Grad

Project #901283

Issuer Name:

Central Fund of Canada Limited
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 19,
2006

Offering Price and Description:

U.S.\$28,071,855.00 - U.S.\$8.75 3,208,212 non-voting,
fully-participating Class A Shares Price: U.S.\$8.75 per non-
voting, fully-participating Class A Share

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

Promoter(s):

-

Project #917293

Issuer Name:

Corel Corporation
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated April 25, 2006
Mutual Reliance Review System Receipt dated April 25, 2006

Offering Price and Description:

C\$ - - 6,500,000 Common Shares PRICE C\$ - (1)PER SHARE

Underwriter(s) or Distributor(s):

Morgan Stanley Canada Limited
J.P. Morgan Securities Canada Inc.
Deutsche Bank Securities Limited
CIBC World Markets Inc.

Promoter(s):

-

Project #914932

Issuer Name:

EPCOR Power L.P.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

\$ 82,041,000.00 - 2,460,000 Subscription Receipts, each representing the right to receive one Limited Partnership Unit

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
TD Securities Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
CIBC World Markets Inc.

Promoter(s):

-

Project #919357

Issuer Name:

Flint Energy Services Ltd.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated April 24, 2006
Mutual Reliance Review System Receipt dated April 24, 2006

Offering Price and Description:

\$266,800,000.00 - 4,600,000 Common Shares Price: \$58.00 per Common Share

Underwriter(s) or Distributor(s):

TD Securities Inc.
Peters & Co. Limited
FirstEnergy Capital Corp.
Sprott Securities Inc.
Westwind Partners Inc.

Promoter(s):

-

Project #919315

Issuer Name:

Wrap Series and Embedded Series Units of :
Harmony Americas Small Cap Equity Pool
Harmony Canadian Equity Pool
Harmony Canadian Fixed Income Pool
Harmony Money Market Pool
Harmony Overseas Equity Pool
Harmony U.S. Equity Pool
Harmony Balanced and Income Portfolio
Harmony Balanced Portfolio
Harmony Conservative Portfolio
Harmony Growth Plus Portfolio
Harmony Growth Portfolio
Harmony Maximum Growth Portfolio
Harmony RSP Balanced Portfolio
Harmony RSP Growth Plus Portfolio
Harmony RSP Growth Portfolio
Harmony RSP Maximum Growth Portfolio
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated April 11, 2006 to the Simplified Prospectuses and Annual Information Forms dated January 18, 2006
Mutual Reliance Review System Receipt dated April 20, 2006

Offering Price and Description:

Wrap Series and Embedded Series Units

Underwriter(s) or Distributor(s):

AGF Fund Inc.

Promoter(s):

AGF Funds Inc.

Project #869789

Issuer Name:

Horizons BetaPro Gold Bear Plus Fund
Horizons BetaPro Gold Bull Plus Fund
Horizons BetaPro S&P 500® Bear Plus Fund
Horizons BetaPro S&P 500® Bull Plus Fund
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

Class A Units, Class F Units and Class I Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Betapro Management Inc.

Project #882061

Issuer Name:

H&R Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

\$125,086,500.00 - 5,985,000 Units Price: \$20.90 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
Canaccord Capital Inc.
Desjardins Securities Inc.

Promoter(s):

-

Project #918537

Issuer Name:

Martinrea International Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 20, 2006
Mutual Reliance Review System Receipt dated April 20, 2006

Offering Price and Description:

\$54,000,000.00 - 6,000,000 Common Shares Price: \$9.00 per Common Share

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Paradigm Capital Inc.
Scotia Capital Inc.
Jennings Capital Inc.
MGI Securities Inc.
Westwind Partners Inc.
Orion Securities Inc.

Promoter(s):

-

Project #917820

Issuer Name:

Northern Property Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 18, 2006
Mutual Reliance Review System Receipt dated April 19, 2006

Offering Price and Description:

\$69,960,000.00 - 3,300,000 Units Price: \$21.20 per Unit

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #917585

Issuer Name:

Pinnacle Balanced Growth Portfolio
Pinnacle Balanced Income Portfolio
Pinnacle Conservative Balanced Growth Portfolio
Pinnacle Conservative Growth Portfolio
Pinnacle Growth Portfolio
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated April 21, 2006
Mutual Reliance Review System Receipt dated April 24, 2006

Offering Price and Description:

Mutual Fund Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Scotia Capital Inc.

Project #903094

Issuer Name:

Quest Capital Corp.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 21, 2006

Offering Price and Description:

\$50,000,000.00 - 15,625,000 Common Shares PRICE
\$3.20 PER COMMON SHARE

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Desjardins Securities Inc.
Westwind Partners Inc.
Canaccord Capital Corporation
Sprott Securities Inc.

Promoter(s):

-

Project #918530

Issuer Name:

Sanatana Diamonds Inc.
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated April 19, 2006
Mutual Reliance Review System Receipt dated April 19, 2006

Offering Price and Description:

\$10,000,000.00 - 5,714,286 Flow-Through Common
Shares (\$10,000,000) Price \$1.75

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

-

Project #894927

Issuer Name:

SILVERCORP METALS INC.
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated April 20, 2006
Mutual Reliance Review System Receipt dated April 20, 2006

Offering Price and Description:

\$41,542,500.00 - 2,175,000 Units Each Unit comprised of
one common share and one half of one share purchase
warrant Price: \$19.10 per Unit

Underwriter(s) or Distributor(s):

Sprott Securities Inc.
GMP Securities L.P.
CIBC World Markets Inc.
Salman Partners Inc.
MGI Securities Inc.
BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #916385

Issuer Name:

Class A Units and Class B Units of :
TD Emerald Canadian Short Term Investment Fund
TD Emerald Canadian Bond Index Fund
TD Emerald Global Government Bond Index Fund
TD Emerald Balanced Fund
TD Emerald Canadian Equity Index Fund
TD Emerald U.S. Market Index Fund
TD Emerald International Equity Index Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectuses dated April 19, 2006
Mutual Reliance Review System Receipt dated April 20, 2006

Offering Price and Description:

Class A Units and Class B Units @ Net Asset Value

Underwriter(s) or Distributor(s):

TD Asset Management Inc.

Promoter(s):

TD Asset Management Inc.

Project #900316

Issuer Name:

Investor Series and Premium Series Units of :

TD Managed Income Portfolio
TD Managed Income & Moderate Growth Portfolio
TD Managed Balanced Growth Portfolio
TD Managed Aggressive Growth Portfolio
TD Managed Maximum Equity Growth Portfolio
TD Managed Income RSP Portfolio
TD Managed Income & Moderate Growth RSP Portfolio
TD Managed Balanced Growth RSP Portfolio
TD Managed Aggressive Growth RSP Portfolio
TD Managed Maximum Equity Growth RSP Portfolio
TD FundSmart Managed Income Portfolio
TD FundSmart Managed Income & Moderate Growth Portfolio
TD FundSmart Managed Balanced Growth Portfolio
TD FundSmart Managed Aggressive Growth Portfolio
TD FundSmart Managed Maximum Equity Growth Portfolio
TD FundSmart Managed Income RSP Portfolio
TD FundSmart Managed Income & Moderate Growth RSP Portfolio
TD FundSmart Managed Balanced Growth RSP Portfolio
TD FundSmart Managed Aggressive Growth RSP Portfolio
TD FundSmart Managed Maximum Equity Growth RSP Portfolio

Investor Series and e-Series Units of:

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

Type and Date:

Amendment #1 dated April 11, 2006 to the Simplified Prospectuses and Annual Information Forms dated October 20, 2005
Mutual Reliance Review System Receipt dated April 19, 2006

Offering Price and Description:

Investor Series and Premium Series Units

Underwriter(s) or Distributor(s):

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

Promoter(s):

TD Asset Management Inc.

Project #829348

Issuer Name:

Advisor Series Units of :

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

Type and Date:

Amendment #1 dated April 11, 2006 to the Simplified Prospectuses and Annual Information Forms dated October 20, 2005
Mutual Reliance Review System Receipt dated April 19, 2006

Offering Price and Description:

Advisor Series Units

Underwriter(s) or Distributor(s):

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

Promoter(s):

TD Asset Management Inc.

Project #829362

Issuer Name:

Tonbridge Power Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 18, 2006
Mutual Reliance Review System Receipt dated April 19, 2006

Offering Price and Description:

\$15,000,300.00 - 35,715,000 Units (Each Unit comprised of One Common Share and One-Half Share Purchase Warrant) PRICE: \$0.42 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Orion Securities Inc.

Promoter(s):

Tonbridge Corporation

Project #914090

Issuer Name:

Vault Energy Trust
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated April 25, 2006
Mutual Reliance Review System Receipt dated April 25, 2006

Offering Price and Description:

\$50,000,000.00 - 7.20% Convertible Unsecured Subordinated Debentures Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
Orion Securities Inc.
Sprott Securities Inc.
Scotia Capital Inc.
GMP Securities L.P.
National Bank Financial Inc.

Promoter(s):

-

Project #920743

Issuer Name:

Xceed Mortgage Trust
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 21, 2006
Mutual Reliance Review System Receipt dated April 25, 2006

Offering Price and Description:

\$360,423,000.00 - (1) \$200,000,000.00 - 4.452% Class A-1 Senior Notes, Series 2006-T1; (2) \$100,000,000.00 - 4.584% Class A-2 Senior Notes, Series 2006-T1; (3) \$23,644,000.00 - 4.931% Class B Subordinated Notes, Series 2006-T1; (3) \$17,076,000.00 - 5.227% Class C Subordinated Notes, Series 2006-T1; \$19,703,000.00 - 5.925% Class D subordinated Notes, Series 2006-T1 (to be offered at prices to be negotiated)

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
HSBC Securities (Canada) Inc.
National Bank Financial Inc.

Promoter(s):

Xceed Mortgage Corporation

Project #911763

Issuer Name:

Yamana Gold Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated April 25, 2006
Mutual Reliance Review System Receipt dated April 25,
2006

Offering Price and Description:

Cdn.\$200,100,000.00 - 17,400,000 Common Shares Price:
Cdn.\$11.50 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation
Merrill Lynch Canada Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
GMP Securities L.P.
National Bank Financial Inc.
Sprott Securities Inc.
Blackmont Capital Inc.
Raymond James Ltd.
Wellington West Capital Markets Inc.
Jennings Capital Inc,
Paradigm Capital Inc.
Salman Partners Inc.

Promoter(s):

-

Project #918041

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Change in Registration Category	Lawrence Asset Management Inc.	From: Investment Counsel and Portfolio Manager To: Limited Market Dealer, Investment Counsel and Portfolio Manager	April 20, 2006
Registration Reinstated	Maxim Group, LLC	International Dealer	March 29, 2006
New Registration	Baillie Gifford International LLC	International Adviser (Investment Counsel and Portfolio Manager)	April 24, 2006
Change in Name	From: Alliance Capital Management Canada Inc. To: AllianceBernstein Canada Inc.	Limited Market Dealer and Investment Counsel and Portfolio Manager	April 6, 2006
New Registration	Valeurs Mobilières Everest Inc./Everest Securities Inc.	Investment Dealer	April 25, 2006
New Registration	Bedminister Financial Group Ltd.	Limited Market Dealer	April 25, 2006

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Chapter 25

Other Information

25.1 Approvals

"Suresh Thakrar"

25.1.1 Brompton Funds Management Limited - s. 213(3)(b)

Headnote

Approval under clause 213(3)(b) of the Loan and Trust Corporations Act – Manager of trust unable to rely upon Approval 81-901 – Approval of Trustees of Mutual Fund Trusts as units to be sold pursuant to dealer registration and prospectus exemptions – trust created to facilitate public offering by another trust – each trusts' portfolio linked to the other through forward agreement - manager approved to act as trustee.

Statutes Cited

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

April 21, 2006

Stikeman Elliott LLP

5300 Commerce Court West
199 Bay Street, Toronto
M5L 1B9

Attention: Danielle Shields

Dear Sirs/Mesdames:

**Re: Application by Brompton Funds Management Limited (the Applicant)
Application pursuant to clause 213(3)(b) of the Loan and Trust Corporations Act (Ontario) for approval to act as trustee of CGF Trust
Application No. 263/06**

Further to the application dated April 4, 2006 (the Application) filed on behalf of the Applicant, and based on the facts set out in the Application and the representation by the Applicant that the assets of CGF Trust will be held in the custody of a trust company incorporated and licensed or registered under the laws of Canada or a jurisdiction or a bank listed in Schedule I, II or III of the *Bank Act* (Canada) or an affiliate of such bank or trust company, the Ontario Securities Commission (the Commission) makes the following order. Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of CGF Trust which it will manage.

"Carol S. Perry"

25.1.2 Roundtable Capital Partners Inc.

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager, with no prior track record acting as trustee, for approval to act as trustee of pooled funds to be established and managed by the applicant and offered pursuant to a prospectus exemption.

Statutes Cited:

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

April 21, 2006

Fasken Martineau DuMoulin LLP

66 Wellington Street West
Suite 4200, Toronto Dominion Bank Tower
Box 20, Toronto-Dominion Centre
Toronto, ON
M5K 1N6

Attention: Allan G. Beach

Dear Sirs/Medames:

**RE: Roundtable Capital Partners Inc. (the
“Applicant”)
Application pursuant to clause 213(3)(b) of the
Loan and Trust Corporations Act (Ontario) for
approval to act as trustee
Application No. 268/06**

Further to your application dated April 6, 2006 (the “Application”) filed on behalf of the Applicant, and based on the facts set out in the Application, and the representation by the Applicant that the assets of Roundtable Conservative Equity Fund and Roundtable Opportunities Fund and such other funds as the Applicant may establish from time to time will be held in the custody of a bank listed in Schedule I, II, or III of the Bank Act (Canada) or an affiliate of such bank, the Ontario Securities Commission (the “Commission”) makes the following order. Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of Roundtable Conservative Equity Fund and Roundtable Opportunities Fund and such other funds which may be established and managed by the Applicant from time to time, the securities of which will be offered pursuant to a prospectus exemption.

Yours truly,

“Carol S. Perry”

“Suresh Thakrar”

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