The Ontario Securities Commission

OSC Bulletin

September 1, 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)

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

SEPTEMBER 01, 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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Paul K. Bates	—	PKB
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Harold P. Hands	—	HPH
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Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP
Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

September 12, 2006 10:00 a.m.	**Maitland Capital Ltd *et al*** s. 127 and 127.1 D. Ferris in attendance for Staff Panel: PMM/ST
September 12, 2006 10:00 a.m.	**First Global Ventures, S.A. and Allen Grossman** s. 127 D. Ferris in attendance for Staff Panel: PMM/ST
September 13, 2006 10:00 a.m.	**Limelight Entertainment Inc., Carlos A. Da Silva, David C. Campbell, Jacob Moore and Joseph Daniels** s. 127 and 127.1 D. Ferris in attendance for Staff Panel: PMM/ST
September 21, 2006 10:00 a.m.	**Eugene N. Melnyk, Roger D. Rowan, Watt Carmichael Inc., Harry J. Carmichael and G. Michael McKenney** s. 127 and 127.1 J. Superina in attendance for Staff Panel: TBA
September 21, 2006 10:00 a.m.	**Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)** s.127 and 127.1 D. Ferris in attendance for Staff Panel: SWJ/ST

October 12, 2006 10:00 a.m.	**Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton** s. 127 H. Craig in attendance for Staff Panel: TBA
October 19, 2006 10:00 a.m.	**Euston Capital Corporation and George Schwartz** s. 127 Y. Chisholm in attendance for Staff Panel: WSW/ST
October 20, 2006 10:00 a.m.	**Olympus United Group Inc.** s.127 M. MacKewn in attendance for Staff Panel: TBA
October 20, 2006 10:00 a.m.	**Norshield Asset Management (Canada) Ltd.** s.127 M. MacKewn in attendance for Staff Panel: TBA
December 5, 6, & 7, 2006 10:00 a.m.	**Jose Castaneda** s. 127 and 127.1 T. Hodgson in attendance for Staff Panel: TBA
TBA	**Yama Abdullah Yaqeen** s. 8(2) J. Superina in attendance for Staff Panel: TBA
TBA	**Cornwall *et al*** s. 127 K. Manarin 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
TBA	**John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir** S. 127 & 127.1 K. Manarin in attendance for Staff Panel: TBA
TBA	**Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee and Peter Y. Atkinson** s.127 J. Superina in attendance for Staff Panel: TBA
TBA	**Philip Services Corp., Allen Fracassi**, Philip Fracassi**, Marvin Boughton**, Graham Hoey**, Colin Soule*, Robert Waxman and John Woodcroft**** s. 127 K. Manarin in attendance for Staff Panel: TBA * Settled November 25, 2005 ** Settled March 3, 2006
TBA	**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 **Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg**

s. 127

M. MacKewn & T. Hodgson for Staff

Panel: TBA

TBA **Bennett Environmental Inc.*, John Bennett, Richard Stern, Robert Griffiths and Allan Bulckaert***

J. Cotte in attendance for Staff

Panel: TBA

* settled June 20, 2006

TBA **John Daubney and Cheryl Littler**

s. 127 & 127.1

G. Mackenzie in attendance for Staff

Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

Andrew Keith Lech

S. B. McLaughlin

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

Andrew Stuart Netherwood Rankin

1.1.2 Notice of Ministerial Approval of Ontario Amendment Instrument Amending National Instrument 44-101 Short Form Prospectus Distributions

NOTICE OF MINISTERIAL APPROVAL

OF

ONTARIO AMENDMENT INSTRUMENT AMENDING NATIONAL INSTRUMENT 44-101 *SHORT FORM PROSPECTUS DISTRIBUTIONS*

The document listed below is being published in today's Bulletin.

On **August 22, 2006**, the Minister of Government Services approved, pursuant to section 143.3 of the *Securities Act* (Ontario), the Ontario Amendment Instrument Amending National Instrument 44-101 *Short Form Prospectus Distributions* (the **Amendment Instrument**).

The Amendment Instrument was previously approved by the Commission on **June 29, 2006**.

The Amendment Instrument was previously published in the Bulletin on **July 14, 2006**. The Amendment Instrument will come into force in Ontario on **September 6, 2006**.

The text of the Amendment Instrument can be found in Chapter 5 of today's Bulletin.

September 1, 2006

1.1.3 Notice of Commission Order – Application to Vary Approval Order of MFDA Investor Protection Corporation

MFDA INVESTOR PROTECTION CORPORATION
AND
MUTUAL FUND DEALERS ASSOCIATION OF CANADA

APPLICATION TO VARY APPROVAL ORDER

NOTICE OF COMMISSION ORDER

On August 10, 2006, the Commission issued an order (Variation Order) pursuant to section 144 of the *Securities Act* to vary an order dated May 3, 2005, approving the MFDA Investor Protection Corporation (MFDA IPC) as a compensation fund for customers of mutual fund dealers that are members of the Mutual Fund Dealers Association of Canada (Approval Order). The Variation Order extends the deadline for the written report of the MFDA IPC working group to be submitted to the MFDA IPC Board and the Commission, to September 30, 2006.

A copy of the Variation Order is published in Chapter 2 of this bulletin.

1.1.4 Notice of Discontinuance - Patrick Gouveia et al.

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

AND

IN THE MATTER OF
PATRICK GOUVEIA, ANDREW PETERS,
RONALD PERRYMAN AND PAUL VICKERY

NOTICE OF DISCONTINUANCE

Staff hereby discontinue the proceeding commenced by Notice of Hearing dated June 2, 2004 as against Andrew Peters.

"Matthew Britton"

_____

Matthew Britton
Sr. Litigation Counsel
Ontario Securities Commission

August 25, 2006

1.1.5 OSC Staff Notice 33-726 - IOSCO Publishes Final Report on Compliance Function at Market Intermediaries

OSC STAFF NOTICE 33-726

IOSCO PUBLISHES FINAL REPORT ON COMPLIANCE FUNCTION AT MARKET INTERMEDIARIES

Background

In April, 2005, Standing Committee 3 (SC3) of the Technical Committee of the International Organization of Securities Commissions (IOSCO) published a Discussion Paper, *Compliance Function at Market Intermediaries,* for public comment.[1]

Due to the changing nature and importance of the compliance function, SC3 believed it was important to identify and discuss principles that should be considered by all market intermediaries and the organizations that oversee their activities. The Discussion Paper reviewed the current IOSCO Principles for Market Intermediaries and recent initiatives by some regulators in the area of compliance. It also proposed a number of principles designed to help market intermediaries increase the effectiveness of their compliance function.[2]

IOSCO Finalizes Report

In March, 2006, IOSCO published its Final Report, *Compliance Function at Market Intermediaries,* which sets out a number of principles to assist market intermediaries increase the effectiveness of their compliance function. The Final Report also provides the means for implementation of the principles. Included with the Final Report is a summary of the comments received during the consultative process, and IOSCO's responses.

The Final Report has been posted on IOSCO's website at www.iosco.org (Library – IOSCO Public Documents – Public Document 214) and the OSC's website at www.osc.gov.on.ca (International Affairs – Current Consultations – Closed Consultations).

Questions about IOSCO's publication on the compliance function at market intermediaries may be referred to:

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Ontario Securities Commission
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September 1, 2006

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1 The Commission is a member of IOSCO and chairs Standing Committee 3 (Regulation of Market Intermediaries). More information about IOSCO, and the Commission's participation in other international organizations can be found on the Commission's website at www.osc.gov.on.ca (International Affairs – International Organizations).

2 Staff Notice 11-748 about this Discussion Paper was published in the OSC Bulletin on April 22, 2005. The Discussion Paper was posted on IOSCO's website at www.iosco.org (Library – IOSCO Public Documents – Public Document 198) and the Commission's website at www.osc.gov.on.ca (International Affairs – Current Consultations – Closed Consultations). The comment period closed on July 15, 2005.

The public comments received on the Discussion Paper were posted on IOSCO's website at www.iosco.org (Library – IOSCO Public Documents – Public Document 211) and the Commission's website at www.osc.gov.on.ca (International Affairs – Current Consultations – Closed Consultations).

1.4 Notices from the Office of the Secretary

1.4.1 Patrick Gouveia et al.

FOR IMMEDIATE RELEASE
August 29, 2006

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

AND

IN THE MATTER OF
PATRICK GOUVEIA, ANDREW PETERS,
RONALD PERRYMAN AND PAUL VICKERY

TORONTO – Following a hearing on Friday, August 25, 2006, the Commission issued an Order approving the Settlement Agreement reached between Staff of the Commission and Paul Vickery.

Staff also filed a Notice of Discontinuance of proceedings as against Andrew Peters.

A copy of the Order, Settlement Agreement and Notice of Discontinuance are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
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Laurie Gillett
Manager, Public Affairs
416-595-8913

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

1.4.2 Sears Canada Inc. et al.

FOR IMMEDIATE RELEASE
August 29, 2006

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

AND

IN THE MATTER OF
SEARS CANADA INC.,
SEARS HOLDINGS CORPORATION,
AND SHLD ACQUISITION CORP.

AND

IN THE MATTER OF
HAWKEYE CAPITAL MANAGEMENT, LLC,
KNOTT PARTNERS MANAGEMENT, LLC, AND
PERSHING SQUARE CAPITAL MANAGEMENT, L.P.

TORONTO – On August 8, 2006, the Commission issued its Reasons and Decision and made an Order (the "Cease Trade Order") pursuant to subsections 104(1) and 127(1) of the Act that the offer to acquire (the "Offer") made by Sears Holdings Corporation and SHLD Acquisition Corp. (collectively, the "Offerors") for all of the outstanding common shares of Sears Canada Inc. (the "Common Shares") be cease-traded until certain conditions are satisfied.

By notice of appeal dated August 9, 2006, the Offerors have appealed to the Ontario Superior Court of Justice (Divisional Court) to set aside the Cease Trade Order.

By an application dated August 24, 2006 (the "Application"), the Offerors requested that the Commission confirm that the Cease Trade Order does not restrict the Offerors from (a) extending the Offer from time to time in the discretion of the Offerors to preserve the Offerors' rights pending the outcome of the appellate process in relation to the Cease Trade Order, and (b) making certain additional amendments to the Offer, as particularized in the Application and the attachment thereto.

Today, on consent of all the parties, the Commission made an Order which provides that the Cease Trade Order is stayed to the extent necessary only to permit the Offerors to amend the Offer to acquire all of the outstanding common shares of Sears Canada Inc. by extending the expiry time of the Offer until the appellate process in relation to the Cease Trade Order has been exhausted. The Offerors' request to stay the Cease Trade Order to permit the making of the additional amendments to the Offer was dismissed.

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

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1.4.3 Certain Directors, Officers and Insiders of Hollinger Inc.

FOR IMMEDIATE RELEASE
August 26, 2005

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
HOLLINGER INC.

AND

IN THE MATTER OF
CERTAIN DIRECTORS, OFFICERS AND INSIDERS OF
HOLLINGER INTERNATIONAL INC.

(APPLICATIONS FOR STANDING
IN THE HEARING ON THE MERITS
OF THE APPLICATIONS TO VARY
UNDER SECTION 144 OF THE ACT)

TORONTO – The Commission today issued its Decision and Reasons following a hearing on March 21, 2005 in the above noted matter.

A copy of the Decision and Reasons is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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416-593-8314
1-877-785-1555 (Toll Free)

1.4.4 Inco Limited and Teck Cominco Limited

FOR IMMEDIATE RELEASE
August 29, 2006

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

AND

IN THE MATTER OF
INCO LIMITED AND
TECK COMINCO LIMITED

TORONTO – On August 28, 2006, the Commission issued reasons for its order of July 20, 2006 in this matter.

Copies of the Order and Reasons are available at **www.osc.gov.on.ca**.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 BNY Capital Markets, Inc. - s. 6.1(1) of MI 31-102 National Registration Database and s. 6.1 of OSC Rule 13-502 Fees

Headnote

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

Rules Cited

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

August 22, 2006

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

AND

IN THE MATTER OF
BNY CAPITAL MARKETS, INC.

DECISION
(Subsection 6.1(1) of Multilateral Instrument 31-102 National Registration Database and Section 6.1 of Ontario Securities Commission Rule 13-502 Fees)

UPON the Director having received the application of BNY Capital Markets, Inc. (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 a corporation formed under the laws of the State of New York in the United States of America. The Applicant is not a reporting issuer in any province or territory of Canada. The Applicant is seeking registration under the Act as an international dealer. The head office of the Applicant is located in New York City.

2. MI 31-102 requires that all registrants in Canada enrol with CDS Inc. (CDS) and use the national registration database (NRD) to complete certain registration filings. As part of the enrolment process, registrants are required to open an account with a member of the Canadian Payments Association from which fees may be paid with respect to NRD by electronic pre-authorized debit (the electronic funds transfer requirement or EFT Requirement).

3. The Applicant has encountered difficulties in setting up a Canadian based bank account for purposes of fulfilling the EFT Requirement.

4. The Applicant confirms that it does not intend to register in another category to which the EFT Requirement applies and that Ontario is the only jurisdiction in which it is seeking registration.

5. Staff of the Canadian Securities Administrators has indicated that, with respect to applications from international dealers and international advisers (or applicants in equivalent categories of registration) for relief from the EFT Requirement, it is prepared to recommend waiving the fee normally required to accompany applications for discretionary relief (the Application Fee).

6. For Ontario registrants, the requirement for payment of the Application Fee is set out in section 4.1 of Rule 13-502.

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

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

A. makes acceptable alternative arrangements with CDS for the payment of NRD fees and makes such payment within ten (10) 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 other Canadian 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 a limited market dealer 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"

2.1.2 Duke Energy Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications –issuer income fund to offer subscription receipts to fund acquisition from related party - issuer income fund to transfer funds to wholly-owned entity, which in turn will subscribe for units of partnership - partnership jointly owned by issuer income fund and related party - subscription a related party transaction - issuer income fund to comply with valuation and minority approval requirements for acquisition - issuer income fund to comply with minority approval requirement for subscription of partnership units - issuer income fund exempt from valuation requirement in connection with subscription of partnership units

Applicable Ontario Rules

OSC Rule 61-501 Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions, ss. 1.3, 1.4, 5.4, 9.1.

August 16, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO AND QUÉBEC (the "Jurisdictions")

AND

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

AND

IN THE MATTER OF
DUKE ENERGY INCOME FUND (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 Ontario Securities Commission Rule 61-501 *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions* and Section 263 of the *Securities Act* (Québec) (the "Legislation") that the valuation and related disclosure requirement (the "Valuation Requirement") applicable to a "related party transaction" under the Legislation shall not apply to the Subscription (as defined below).

Under the Mutual Reliance Review System (the "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 as therein ascribed unless they are defined in this decision.

Representations

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

1. The Filer was constituted as an open-ended trust on November 2, 2005 under the laws of the Province of Alberta and its head office is located at 2600 Fifth Avenue Place, East Tower, 425 – 1 Street SW, Calgary, Alberta. The Filer is a reporting issuer in each of the provinces of Canada.

2. The beneficial interests in the Filer are represented and constituted by two classes of units described and designated as "Units" and "Special Voting Units". An unlimited number of Units and Special Voting Units may be issued pursuant to the Filer's trust indenture. The Units are listed on the Toronto Stock Exchange (the "TSX") under the symbol "DET.UN".

3. The Filer holds all of the trust units and notes of Duke Energy Commercial Trust ("CT"). The Filer also holds, indirectly through CT, a 42.41% interest in Duke Energy Facilities LP (the "Partnership"), a limited partnership formed under the laws of the Province of Alberta, through its ownership of ordinary limited partnership units of the Partnership ("Ordinary LP Units").

4. The Partnership owns all of the issued and outstanding shares of Duke Energy Midstream Services Canada Corporation (the "Corporation"), which has interests in nine raw gas processing plants and over 1,400 km of natural gas gathering pipelines.

5. Concurrent with the initial public offering of Units, the Partnership issued 20,913,750 exchangeable LP units of the Partnership (the "Exchangeable LP Units"), which represents a 57.59% interest in the Partnership, to DEGT Midstream Holdings Partnership ("DEGT MHP"), a wholly-owned subsidiary of Westcoast Energy Inc. ("Westcoast").

6. As described in detail below, the Exchangeable LP Units are exchangeable, directly or indirectly, on a one-for-one basis for Units of the Filer at the option of the holder at any time.

7. Each Exchangeable LP Unit is accompanied by a Special Voting Unit that entitles the holder to receive notice of, attend and to vote at all meetings of Unitholders. The Special Voting Units entitle holders thereof to vote in respect of all resolutions of Unitholders (including resolutions in writing) as if they were the holder of the number of Units that they would receive if all their Exchangeable LP Units were exchanged for Units. However, the holders of Special Voting Units are not entitled to any interest or share in the Filer, in any distributions of any nature whatsoever from the Filer nor do they have any beneficial interest in any assets of the Filer on termination or winding-up of the Filer. There are 20,913,750 Exchangeable LP Units outstanding and therefore, the same number of Special Voting Units outstanding. As at the close of business on August 10, 2006, 36,313,750 units of the Filer were outstanding, comprised of 15,400,000 Units and 20,913,750 Special Voting Units.

8. All of the Units of the Filer are registered in the name of CDS & Co. All of the outstanding Special Voting Units are held by DEGT MHP. To the best of the knowledge of the officers of the administrator of the Filer, no person beneficially owns or exercises control or direction over units of the Filer which carry more than 10% of the voting rights attached to all units of the Filer other than DEGT MHP which owns 20,913,750 Special Voting Units representing 57.59% of the votes attaching to all of the units of the Filer.

9. The Ordinary LP Units and the Exchangeable LP Units entitle the holder thereof to one vote for each whole unit held at all meetings of the partners of the Partnership and have economic rights that are equivalent in all material respects, except that Exchangeable LP Units are exchangeable, directly or indirectly, on a one-for-one basis (subject to customary anti-dilution protections) for Units at the option of the holder at any time.

10. Ordinary LP Units and Exchangeable LP Units may not be transferred to a person who is not resident in Canada for purposes of the *Income Tax Act* (Canada).

11. Pursuant to an administration and governance agreement among the Administrator (as defined below), the Filer, CT, the Partnership, the general partner of the Partnership, Westcoast and the trustee of the Filer (the "Administration and Governance Agreement"), DEGT MHP is not permitted to transfer its Exchangeable LP Units unless: (i) such transfer would not require that the transferee make an offer to holders of Units to acquire such Units on the same terms and conditions under applicable securities legislation, if such Exchangeable LP Units, and all other outstanding Exchangeable LP Units, were duly converted into Units immediately prior to such transfer; or (ii) the offeror acquiring such

Exchangeable LP Units makes a contemporaneous identical offer for the Units (in terms of price, timing, proportion of securities sought to be acquired and conditions) and does not acquire such Exchangeable LP Units unless the offeror also acquires a proportionate number of Units actually tendered to such identical offer. Notwithstanding the foregoing, DEGT MHP may transfer all or a portion of its Exchangeable LP Units to one or more of its affiliates, provided that such affiliate becomes bound by the Administration and Governance Agreement.

12. The Administration and Governance Agreement also provides that the Filer will not accept any offer or agree to support any other proposal involving the Ordinary LP Units unless the same offer or proposal is made to the holders of the Exchangeable LP Units for a consideration based on the consideration for the Exchangeable LP Units which reflects the percentage of interest of the holders of the Exchangeable LP Units in the Partnership, without discount for minority position or restrictions on exchange for Units. DEGT MHP is entitled to participate, on a pro rata basis, in any sale by the Filer of its direct or indirect interest in the Partnership.

13. Westcoast is the holder, directly or indirectly, of all the interests of Duke Energy Facilities Management LP (the "Administrator"), the administrator of the Filer and also the manager of CT and the Partnership.

14. Westcoast is also the holder of all the issued and outstanding shares of Westcoast Gas Services Inc. ("WSGI"). WGSI owns interests in four raw gas processing plants and related gas gathering systems located primarily in British Columbia.

15. The Filer is proposing to purchase, indirectly, all of the outstanding shares of WGSI (the "Acquisition") for cash consideration (the "Acquisition Price").

16. The Filer expects to finance the Acquisition in part from the proceeds of a distribution (the "Offering") of subscription receipts of the Filer by way of a short-form prospectus.

17. Assuming all of the conditions to the closing of the Acquisition are satisfied or waived, the Filer will use the proceeds of the Offering to subscribe for securities of CT. CT will use these funds to subscribe for additional Ordinary LP Units (the "Subscription"). The Partnership will use the proceeds of the Subscription, plus funds drawn under its existing credit facility with third party Canadian chartered banks, to lend an amount equal to the Acquisition Price to the Corporation which the Corporation will in turn use to fund the Acquisition.

18. The Acquisition is a "related party transaction" under the Legislation.

19. The Filer will comply with the requirements of the Legislation in respect of the Acquisition. As such, a special committee of independent trustees of CT has retained RBC Dominion Securities Inc. to prepare a formal valuation and a fairness opinion in respect of the Acquisition. Furthermore, the unitholders of the Filer (excluding the holders of Special Voting Units) will be asked to approve the Acquisition at a special meeting (the "Meeting") which is currently proposed to be held on or about September 11, 2006. The Acquisition will require the approval of the majority of the minority of the Unitholders of the Filer.

20. The Filer, CT, DEGT MHP and the Partnership are "related parties" within the meaning of the Legislation.

21. The Subscription would constitute a "related party transaction" under the Legislation.

22. Pursuant to the Legislation, a "related party transaction", including the Subscription, must be approved by a majority of the minority of affected securityholders unless an exemption is available. The Filer will be seeking such approval at the Meeting for the Subscription.

23. The Legislation requires that a formal valuation be obtained for a "related party transaction" unless an exemption is otherwise available.

24. The Legislation requires that an issuer that is required to obtain a formal valuation shall provide the valuation in respect of the non-cash assets involved in a related party transaction. In the case of the Subscription, a valuation would accordingly be required of the Ordinary LP Units.

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 Valuation Requirement applicable to a "related party transaction" under the Legislation shall not apply to the Subscription provided that:

(i) the management proxy circular (the "Circular") for the Meeting will state that the Filer, the general partner of the Partnership and DEGT MHP have no knowledge of any material information concerning the Partnership or the Ordinary LP Units that has not been generally disclosed, and

(ii) the Circular will include a description of the effect of the distribution of the Ordinary LP Units issued

pursuant to the Subscription on the voting interests of the CT and DEGT MHP in the Partnership.

"Naizam Kanji"
Ontario Securities Commission

2.1.3 National Bank of Canada and NBC Capital Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption from the requirements to file and deliver interim and annual financial statements, interim and annual Management's Discussion and Analysis and an Annual Information Form pursuant to National Instrument 51-102 Continuous Disclosure Obligations and interim and annual certificates pursuant to Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings subject to specified conditions.

Applicable Instruments

National Instrument 51-102 Continuous Disclosure Obligations, ss. 4.1, 4.3, 4.6, 5.1, 6.1, 13.1.
Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, ss. 2.1, 3.1, 4.5.

August 1, 2006

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

AND

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

AND

IN THE MATTER OF
NATIONAL BANK OF CANADA AND NBC CAPITAL TRUST

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker", and collectively the "Decision Makers") in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New-Brunswick, Nova Scotia and Newfoundland and Labrador (collectively the "Jurisdictions") has received an application from National Bank of Canada (the "Bank") and NBC Capital Trust (the "Trust") for a decision, pursuant to the securities legislation of the Jurisdictions (the "Legislation"), that the requirements contained in the Legislation to:

(a) (i) file interim financial statements and audited annual financial statements and deliver same to the security holders of the Trust, pursuant to Sections 4.1, 4.3

and 4.6 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102");

(ii) file interim and annual management's discussion and analysis ("MD&A") of the financial conditions and results of operations and deliver same to the security holders of the Trust pursuant to Section 5.1 and 5.6 of NI 51-102;

(iii) file an annual information form pursuant to Section 6.1 of NI 51-102;

(the obligations set out in paragraph (a) are collectively defined as the "Continuous Disclosure Obligations").

(b) file interim and annual certificates contained in Sections 2.1 and 3.1 of Multilateral Instruments 52-109 – *Certification of Disclosure in Issuer's Annual and Interim Filings* ("MI 52-109") (the "Certification Obligations");

shall not apply to the Trust, subject to certain conditions;

Under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"): (a) the Autorité des marchés financiers ("AMF") 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 Trust:

The Trust

1. The Trust is an open-end trust established under the laws of Ontario by Natcan Trust Company, as trustee (the "Trustee"), pursuant to a declaration of trust dated May 17, 2006 (as amended and restated from time to time) (the "Declaration of Trust"). The Trust's principal office is located in Montréal, Québec. The Bank, whose head office is located in Québec, will be the administrative agent of the Trust pursuant to an administration agreement entered into between the Trustee and the Bank (the "Administration Agreement").

2. Upon completion of the Offering (as defined below), the authorized capital of the Trust will consist of: (i) an unlimited number of Trust Capital Securities, including the Trust Capital Securities – Series 1 ("NBC CapS – Series 1); and (ii) an unlimited number of trust units called Special Trust Securities.

3. Following the issuance of a final MRRS Decision Document evidencing receipts granted by the Decision Makers for the final prospectus (the "Prospectus") in respect of the public offering of NBC CapS – Series 1 (the "Offering"), the Trust is a reporting issuer or its equivalent in each of the provinces of Canada that provides for a reporting issuer regime as at June 8, 2006. The Special Trust Securities and the NBC CapS – Series 1 are collectively referred to herein as the "Trust Securities".

4. The Trust was established solely for the purpose of effecting the Offering and possible future offerings of Trust Securities in order to provide the Bank with a cost effective means of raising capital for regulatory purposes by means of: (i) creating and selling the Trust Securities; and (ii) acquiring and holding assets, which will initially consist primarily of a deposit note issued by the Bank (the "Bank Deposit Note"). The Bank Deposit Note will generate income for distribution to holders of the Trust Securities. The Trust does not and will not carry on any operating activity, other than in connection with the Offering and any future offerings.

The Bank

5. The Bank, a chartered bank subject to the provisions of the Bank Act, was formed through a series of amalgamations and its roots date back to 1859 with the founding of Banque Nationale in Québec City. The Bank's head office is located at the National Bank's Tower, 600 de La Gauchetière Street West, 4th Floor, Montréal, Québec H3B 4L2.

6. The authorized capital of the Bank consists of: (i) an unlimited number of common shares (the "Bank Common Shares"), without par value; (ii) an unlimited number of first preferred shares (the "First Preferred Shares"), without par value, issuable for a maximum aggregate consideration of $1 billion or the equivalent thereof in foreign currencies; and (iii) 15 million second preferred shares, without par value, issuable for a maximum aggregate consideration of $300 million or the equivalent thereof in foreign currencies. As at May 18, 2006, there were 162,376,529 Bank Common Shares and 16 million First Preferred Shares issued and outstanding.

7. The Bank is a reporting issuer or the equivalent in each of the provinces of Canada providing for such a regime and is not, to its knowledge, in default of any requirement under the Legislation.

8. The Bank Common Shares are listed and posted for trading on the Toronto Stock Exchange.

NBC CapS – Series 1

9. Each NBC CapS — Series 1 will entitle the holder thereof to receive non-cumulative fixed cash distributions (an "Indicated Yield") on the last day of June and December of each year (a "Distribution Date"). A Distribution Date will be a "Regular Distribution Date" unless the Bank fails to declare regular dividends on (i) any series of preferred shares of the Bank (collectively, the "Bank Preferred Shares"), or (ii) if no Bank Preferred Shares are then outstanding, the Bank Common Shares (in each case, "Dividends") in the "Dividend Reference Period" (each such failure being a "Distribution Diversion Event"). The Dividend Reference Period in respect of any Distribution Date is the 90 day period preceding the Distribution Period ending on the day immediately preceding such Distribution Date. The periods commencing on and including the Closing Date to but excluding December 31, 2006 and thereafter from and including each Distribution Date to but excluding the next Distribution Date are referred to as "Distribution Periods".

10. Whether or not the Indicated Yield on the NBC CapS — Series 1 will be payable by the Trust on any Distribution Date will be determined prior to the commencement of the Distribution Period ending on the day immediately preceding that Distribution Date. On each Regular Distribution Date, the Trust will pay the Indicated Yield to the holders of NBC CapS — Series 1 and the holder of the Special Trust Securities will be entitled to receive the Net Distributable Funds, if any, of the Trust remaining after payment of the Indicated Yield.

11. If a Distribution Diversion Event occurs, the Distribution Date occurring on the day immediately following the end of the first Distribution Period following the Distribution Diversion Event will be a Distribution Diversion Date. In that case, although the Bank will pay interest to the Trust on the Bank Deposit Note Interest Payment Date, the Trust will not pay the Indicated Yield on the NBC CapS — Series 1 on the Distribution Diversion Date; instead, it will distribute the Net Distributable Funds of the Trust, if any, as at such Distribution Diversion Date to the holder of the Special Trust Securities.

12. Pursuant to a share exchange agreement to be entered into among the Bank, the Trust and a party acting as Exchange Trustee (the "Share Exchange Agreement"), the Bank will agree for the benefit of holders of NBC CapS — Series 1 that, if the Trust fails on any Regular Distribution Date to pay the Indicated Yield on the NBC CapS — Series 1 in full, the Bank will not pay dividends on the "Dividend Restricted Shares", being the Bank Preferred Shares and the Bank Common Shares, until the month commencing immediately after the 12th month following the Trust's failure to pay the Indicated Yield in full on the NBC CapS — Series 1, unless the Trust first pays such Indicated Yield (or the unpaid portion thereof) to the holders of the NBC CapS — Series 1 (the "Dividend Stopper Undertakings"). Accordingly, it is in the interest of the Bank to ensure, to the extent within its control, that the Trust pays the Indicated Yield on the NBC CapS — Series 1 on each Regular Distribution Date so as to avoid triggering the Dividend Stopper Undertakings.

13. Pursuant to the terms of the NBC CapS - Series 1 and the Share Exchange Agreement, the NBC CapS - Series 1 may be exchanged, at the option of the holders of NBC CapS - Series 1 (the "Holder Exchange Right"), at a price for each NBC CapS – Series 1 equal to 40 Bank Preferred Shares Series 17. The NBC CapS - Series 1 will be automatically exchanged, without the consent of the holder, for 40 Bank Preferred Shares, Series 18 (the "Bank Preferred Shares Series 18" and together with the Bank Preferred Shares Series 17, the "Bank Exchange Preferred Shares") upon the occurrence of certain stated events relating to the solvency of the Bank or actions taken by the Superintendent of Financial Institutions (Canada) (the "Superintendent") in respect of the Bank (the "Automatic Exchange").

14. On June 30, 2011 and on any Distribution Date thereafter, the Trust, at its option, and with the approval of the Superintendent, and on not less than 30 nor more than 60 days' prior written notice, may redeem the outstanding NBC CapS — Series 1 in whole or in part, without the consent of the holders, for an amount in cash per NBC CapS — Series 1 equal to (i) the greater of (A) $1,000 per NBC CapS — Series 1, together with any Unpaid Indicated Yield to the date of redemption (the "Redemption Date") stated in the notice (the "Redemption Price"), and (B) the NBC CapS — Series 1 Canada Yield Price (the greater of (A) and (B) being the "Early Redemption Price"), if the NBC CapS — Series 1 are redeemed prior to June 30, 2016, and (ii) the Redemption Price, if the NBC CapS — Series 1 are redeemed on or after June 30, 2016.

15. Upon the occurrence of certain regulatory or tax events affecting the Bank or the Trust (a "Special Event"), the Trust may, subject to regulatory approval, and on not less than 30 and not more than 90 days' prior written notice, redeem at any time all, but not less than all, of the NBC CapS - Series 1 at the Early Redemption Price (if the NBC CapS - Series 1 are redeemed prior to June 30, 2016) or at the Redemption Price (if the NBC CapS - Series 1 are redeemed on or after June 30, 2016).

16. The Bank has agreed, pursuant to the Share Exchange Agreement, that it will maintain

ownership of 100% of the outstanding Special Trust Securities.

17. As long as any NBC CapS - Series 1 are outstanding, the Trust may only be terminated with the approval of the holder of Special Trust Securities and with the approval of the Superintendent: (i) upon the occurrence of a Special Event at any time; or (ii) for any reason on June 30, 2011 or on December 31, 2011 or on the last day of June and December of each year thereafter. Holders of Trust Securities rank pari passu in the distribution of the property of the Trust in the event of a termination of the Trust, after the discharge of any creditor claims. As long as any NBC CapS - Series 1 are outstanding and held by any person other than the Bank, the Bank will not approve the termination of the Trust, unless the Trust has sufficient funds to pay the Early Redemption Price or the Redemption Price, as applicable.

18. The NBC CapS – Series 1 are non-voting, except in limited circumstances, and Special Trust Securities entitle their holders to vote.

19. Except to the extent that the Distributions are payable to NBC CapS – Series 1 holders and, other than in the event of the termination of the Trust (as set forth in the Declaration of Trust), NBC CapS – Series 1 holders have no claim or entitlement to the income of the Trust or the assets held by the Trust.

20. Under an Administration Agreement entered into between the Trustee and the Bank, the Trustee has delegated to the Bank certain of its obligations in relation to the administration of the Trust. The Bank, as administrative agent, will provide advice and counsel with respect to the administration of the day-to-day operations of the Trust and other matters as may be requested by the Trustee from time to time.

21. The Trust has not requested relief for the purposes of filing a short form prospectus pursuant to National Instrument 44-101 Short Form Prospectus Distributions (NI 44-101) (including, without limitation, any relief that would allow the Trust to use the Bank's AIF as a current AIF of the Trust) and no such relief is provided by this Decision Document from any of the requirements of NI 44-101.

22. The Trust may, from time to time, issue further series of Trust Securities, the proceeds of which would be used to acquire, amongst other eligible investments, additional deposit notes from the Bank.

23. Because of the nature of the Trust, the terms of the NBC CapS – Series 1, the Share Exchange Agreement and the various covenants of the Bank given in connection with the Offering, information about the affairs and financial performance of the Bank, as opposed to that of the Trust, is meaningful to holders of NBC CapS – Series 1. The Bank's filings and the delivery of the same material to holders of NBC CapS – Series 1 as that delivered to shareholders of the Bank will provide holders of NBC CapS – Series 1 and the general investing public with all information required in order to make an informed decision relating to an investment in NBC CapS – Series 1. Information regarding the Bank is relevant both to an investor's expectation of being paid the Indicated Yield on the NBC CapS – Series 1 as well as the return of the investor's initial investment.

Decision

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

The decision of the Decision Makers under the Legislation is that the Trust be exempted from the Continuous Disclosure Obligations provided that:

(i) the Bank remains a reporting issuer under the Legislation and has filed all documents it is required to file;

(ii) the Bank files with the Decision Makers, in electronic format under the Trust's SEDAR profile, the documents listed in paragraph (a) above of this Decision, at the same time as they are required under the Legislation to be filed by the Bank;

(iii) the Trust pays all filing fees that would otherwise be payable by the Trust in connection with the filing of the documents referred to in paragraph (a) above of this Decision;

(iv) the Trust sends or causes the Bank to send its interim and annual financial statements and interim and annual MD&A, as applicable, to holders of Trust Securities at the same time and in the same manner as if the holders of Trust Securities were holders of Bank Common Shares;

(v) all outstanding securities of the Trust are either NBC CapS – Series 1, additional series of the Trust Capital Securities or Special Trust Securities;

(vi) the rights and obligations of holders of additional series of the Trust Capital Securities are the same in all material respects as the rights and obligations of

the holders of the NBC CapS – Series 1, with the exceptions of economic terms such as the rate of Indicated Yield, redemption dates, exchange dates and rates of exchange;

(vii) the Bank is the beneficial owner of all issued and outstanding voting securities of the Trust, including the Special Trust Securities.

The further decision of the Decision Makers under the Legislation is that the Trust be exempted from the Certification Obligations provided that:

(i) the Trust is exempt from the Continuous Disclosure Obligations;

(ii) the Bank files with the Decision Makers, in electronic format under the Trust's SEDAR profile, the Bank Interim and Annual Certificates at the same time as such documents are required under the Legislation to be filed by the Bank;

(iii) the Trust continues to be exempted from the Continuous Disclosure Obligations.

This Decision shall expire 30 days after the date a material adverse change occurs in the affairs of the Trust.

"Louis Morisset"
Surintendant aux marchés des valeurs
L'Autorité des marchés financiers

2.1.4 Hollinger Canadian Newspapers, Limited Partnership - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Section 83 of Securities Act (Ontario) – Issuer has no securities, including debt securities, outstanding other than the securities held by parent issuer – Issuer deemed to have ceased to be a reporting issuer under applicable securities laws.

Application for revocation of cease trade order previously issued against certain directors, officers and other insiders of a reporting issuer in default of filings required under Ontario securities law – management and insider cease trade order (the MCTO) issued in response to earlier application by issuer to Commission under OSC Policy 57-603 Defaults by Reporting Issuers in Complying with Financial Statement Filing Requirements (the MCTO Policy) requesting that an MCTO be issued as an alternative to an issuer cease trade order – issuer remains in default – issuer subsequently acquired pursuant to a "business combination" transaction – MCTO previously varied to permit respondents to make trades in units of the issuer pursuant to the business combination – Issuer has no securities, including debt securities, outstanding other than the securities held by parent issuer – MCTO revoked.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 83, 144.

August 23, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK, NOVA SCOTIA, AND NEWFOUNDLAND AND LABRADOR
(THE "JURISDICTIONS")

AND

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

AND

IN THE MATTER OF
HOLLINGER CANADIAN NEWSPAPERS, LIMITED PARTNERSHIP
(THE "FILER")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application from the Filer for a decision under the

securities legislation of the Jurisdictions (the "Legislation") that the Filer be deemed to have ceased to be a reporting issuer in each of the Jurisdictions.

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

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

Interpretation

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

Representations

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

1. The Filer is a limited partnership governed by the laws of the Province of Ontario and has a head office in Vancouver, British Columbia.

2. The Filer is a reporting issuer in each of the Provinces of Canada, other than British Columbia. The Filer's units (the "Units") were formerly listed on the NEX board of the TSX Venture Exchange.

3. The Filer is currently in default of its continuous disclosure obligations under the securities legislation in the Jurisdictions. The Filer failed to file its interim financial statements and interim management's discussion & analysis ("MD&A") related thereto for the three-month period ended March 31, 2004 as required to be filed under the Legislation on or before May 15, 2004. The Filer further failed to file its annual financial statements and annual MD&A thereto and its Annual Information Form ("AIF") for the year ended December 31, 2003 by the required filing date under the Legislation, namely May 19, 2004.

4. The Filer has further failed to file interim and annual statements and MD&A related thereto, the certifications required by NI 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* and the AIFs for subsequent financial periods.

5. As a result of the defaults described in paragraph 3, the Decision Maker in Ontario made an order on June 1, 2004, as further amended on March 8, 2005 (the "Partnership MCTO"), that all trading, whether direct or indirect, by the persons and companies listed in Schedule "A" to the Partnership MCTO in the securities of the Filer shall cease, subject to certain exceptions as provided for in the Partnership MCTO, until two full business days following the receipt by the Decision Maker of all filings the Filer is required to make pursuant to Ontario securities law. The Partnership MCTO remains in effect.

6. On February 6, 2006, Glacier Ventures International Corp. and its subsidiaries (collectively, "Glacier") acquired from Hollinger International Inc. approximately 87% of the Filer's Units at a price of $0.737 per Unit, or $117.0 million in the aggregate subject to positive adjustment in certain circumstances. On that same date, Glacier also acquired an additional approximately 3% of the Filer's Units for $0.737 per unit, or $4.4 million in the aggregate, subject to positive adjustment in certain circumstances. These transactions are collectively referred to as the "February 6, 2006 Transactions".

7. As a result of the February 6, 2006 Transactions, Glacier caused the Filer's limited partnership agreement to be amended to consolidate (the "Consolidation") the Filer's Units on the basis of one Unit for every 25,000,000 Units held by each holder, with holders of the remaining 10% of the Units being paid an amount of $0.737 per Unit held prior to the Consolidation, subject to positive adjustment in certain circumstances, which Consolidation was effective March 17, 2006.

8. In connection with the Consolidation, the Filer provided each Unit holder who complied with the provisions set out in the Notice of Consolidation sent to Unit holders on February 22, 2006 the right to dissent to the Consolidation and receive the fair value, as such term is used in the *Canada Business Corporations Act*, for their Units.

9. From and after March 17, 2006, Limited Partners holding less than 25,000,000 Units ceased to hold such Units, and had the right only to receive payment for the Units. Following the Consolidation, Glacier is the only Limited Partner of the Filer.

10. The Units were delisted from the NEX board of the TSX Venture Exchange on March 17, 2006 following the Consolidation.

11. In connection with the Consolidation, Glacier became the beneficial holder of all the issued and outstanding Units of the Filer.

12. No securities of the Filer are currently traded on a marketplace (as defined in National Instrument 21-101 *Marketplace Operation*). The Filer has no securities, including debt securities, outstanding other than the Units held by Glacier.

13. The Filer has no current intention to seek public financing by way of an offering of securities.

14. Upon the grant of the relief requested herein, the Filer will not be a reporting issuer or the equivalent

in any jurisdiction of Canada. In March 2006, the Filer filed a notice in British Columbia under BC Instrument 11-502 - *Voluntary Surrender of Reporting Issuer Status* stating that the Filer will cease to be a reporting issuer in British Columbia on March 28, 2006.

15. The Filer seeks an order deeming the Filer to have ceased to be a reporting issuer in the Jurisdictions.

16. The Filer is further seeking an Order in Ontario that the Partnership MCTO be revoked.

Decision

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

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

It is further the decision of the Decision Maker in Ontario that the Partnership MCTO is revoked.

"Paul Moore"

"Harold P. Hands"

Schedule "A"

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

2.1.5 Russell Investments Canada Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application to vary February 27, 2004 order granting relief to Frank Russell Canada Limited from the requirement to obtain specific and informed written consent from clients once in each twelve-month period with respect to certain funds – subject to conditions.

Applicable Ontario Legislation

Ontario Regulation 1015, R.R.O. 1990, ss. 227(2)(b)(ii), 233.

August 25, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, NEWFOUNDLAND AND LABRADOR
AND NOVA SCOTIA. (the Jurisdictions)

AND

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

AND

IN THE MATTER OF
RUSSELL INVESTMENTS CANADA LIMITED
(the Filer)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) to amend the decision document issued by the Decision Makers in the Matter of Frank Russell Canada Limited, dated February 27, 2004 (the Original Decision), to reflect certain changes to the Original Decision.

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. All representations contained in the Original Decision remain true and complete except for Paragraphs 2 and 4;

2. The amendments to the Original Decision will clarify that the Filer does not act as an adviser, dealer or underwriter in respect of securities of any related or connected issuers other than the Funds; and

3. The amendments contemplated under this decision are supplementary to, and do not substantively vary, the exemption from the annual consent requirement granted under the Original Decision

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:

1. Paragraph 2 of the Original Decision is deleted and replaced with the following:

   "Russell manages some of its client's assets on a discretionary basis with segregated, separate portfolios of securities for each client which include securities of one or more of the Funds. All discretionary clients of Russell enter into an investment management agreement with Russell in which the client specifically consents to Russell exercising its discretion under the agreement to trade in the securities of one or more of the Funds";

2. Paragraph 4 of the Original Decision is deleted and replaced with the following:

   "Currently, other than in connection with the distribution of units of the Funds, Russell does not act as an adviser, dealer or underwriter in respect of securities of Russell, a related issuer of Russell, or in the course of a distribution, a connected issuer of Russell."

“Suresh Thakrar”

“Harold P. Hands”

2.1.6 Davis + Henderson Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – National Instrument 51-102 Continuous Disclosure Obligations, s.13.1 – Application by an issuer for relief from the requirement to include certain financial statements in a business acquisition report (BAR) – The issuer filed a prospectus that contained financial statements relating to the significant probable acquisition – acquisition structured for tax-planning purposes as an acquisition of shares of a holding entity – Relief previously granted from the prospectus requirements relating to significant probable acquisitions to permit the issuer to include audited consolidated financial statements of operating subsidiary in lieu of holding entity – all material facts in respect of the issuer and the acquisition were provided in the prospectus – since the time the prospectus was filed, there has not been any change in the business or affairs of the issuer or the acquired business that is material to the issuer – BAR relief granted consistent with earlier prospectus relief – Issuer will include in the BAR the financial statements previously included in the prospectus.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, ss. 8.3, 8.4, 13.1.

August 25, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA AND NEWFOUNDLAND
AND LABRADOR
(THE "JURISDICTIONS")

AND

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

AND

IN THE MATTER OF
DAVIS + HENDERSON INCOME FUND
(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**") exempting the Filer from the requirement to include the financial statements and compilation report referred to in paragraph 19 below in the Business Acquisition Report (the "**BAR**") in connection with the acquisition of Holdco (as defined herein) which was completed on June 15, 2006 (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 the Filer, and

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

Interpretation

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

Representations

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

1. The Filer was formed under the laws of the Province of Ontario pursuant to a Declaration of Trust dated as of November 6, 2001, as amended and restated on July 23, 2004.

2. The Filer, through its wholly-owned business Davis + Henderson, Limited Partnership ("***Davis + Henderson***"), generates the majority of its sales from the delivery of the cheque supply program to substantially all of the financial institutions in Canada.

3. The authorized capital of the Filer consists of an unlimited number of units of the Filer ("***Units***") of which, as of May 30, 2006, 43,946,792 Units were issued and outstanding.

4. The Units are listed and posted for trading on the TSX under the trading symbol "DHF.UN".

5. The Filer is a reporting issuer, or the equivalent, in each of the Jurisdictions and, to the best of its knowledge, is currently not in default of any applicable requirements under the securities legislation in any of the provinces or territories in which it is a reporting issuer.

6. Although the Filer is also a reporting issuer, or the equivalent, in Prince Edward Island, the Yukon, the Northwest Territories and Nunavut, an application is not being made to the securities regulatory authorities in these jurisdictions as we understand that National Instrument 51-102 ("**NI 51-102**") has not been adopted in these jurisdictions.

7. Although the Filer is also a reporting issuer in British Columbia, an application is not being made

in this province as BC Implementing Rule 51-801 ("**BCI 51-801**"), as amended effective September 19, 2005, exempts issuers from Part 8 of NI 51-102 in British Columbia unless the issuer relies in any other jurisdiction on certain exemptions contained in Multilateral Instrument 11-101 *Principal Regulator System* as specified in BCI 51-801.

8. The Filer is up to date in the filing of its continuous disclosure obligations.

The Acquisition

9. Pursuant to a share purchase agreement dated May 18, 2006, Davis + Henderson acquired the business conducted by Filogix Inc. ("**Filogix**") through its purchase of all of the outstanding shares of Filogix Holdings Inc. ("**Holdco**") for an aggregate purchase price of approximately $212.5 million (the "**Acquisition**"). Filogix is the leading provider in Canada of information and transaction technology for the residential mortgage and real estate markets.

10. For tax planning purposes, the selling shareholders of Holdco required that the sale of Filogix be effected through a purchase of Holdco.

11. At the time of the Acquisition, Holdco did not have business operations or investments other than shares of Filogix and did not have any material liabilities. It also did not prepare consolidated financial statements. Filogix prepared audited consolidated financial statements. Holdco's unconsolidated financial statement showed its former investment in Filogix. The only material difference between Filogix's consolidated financial statements and a consolidated financial statement of Holdco would have been the allocation in Holdco's statement of the excess purchase price to intangibles and goodwill.

12. The Acquisition was financed in part by the Filer's public offering of 6,026,000 subscription receipts (the "**Offering**") for gross proceeds of $116,000,500 pursuant to a short form prospectus dated May 30, 2006 (the "**Prospectus**").

The Prospectus Financial Statement Requirements

13. National Instrument 44-101 ("**NI 44-101**") sets forth the financial statements that are required to be included in a short form prospectus.

14. Pursuant to a pre-filing request submitted by letter dated May 5, 2006, the Filer sought discretionary relief from the requirement under NI 44-101 that it include audited consolidated financial statements of Holdco in the Prospectus and instead be permitted to include audited consolidated financial statements of Filogix. The relief sought was on the basis that, assuming the Acquisition went ahead, the Filer would have to fair value the assets of Filogix and do its own allocation of the excess purchase price (making the previous allocation irrelevant, given the significant difference in the value of Filogix since its acquisition by Holdco) and, since the new allocation would be reflected in the pro forma financial statements in the Prospectus, the previous allocation would be irrelevant to investors. In reply to the pre-filing request, the OSC confirmed that "the receipt for the final prospectus will evidence that the principal regulator and the non-principal regulators have granted the discretionary relief requested in the pre-filing application."

15. Consistent with the requirements of Item 10 of NI 44-101 but taking into account the discretionary relief, the Prospectus contained the following financial statements in relation to the Acquisition (which was significant at above the 40% level using the tests in Item 10 of NI 44-101 and Part 8 of NI 51-102):

    (a) the audited consolidated balance sheet for Filogix as at December 31, 2005 and 2004 and the consolidated statement of earnings and deficit and cash flows for the years then ended; and

    (b) unaudited pro forma consolidated balance sheet of the Filer as at March 31, 2006 and unaudited pro forma consolidated statements of income for the three months then ended and for the year ended December 31, 2005 (collectively referred to as the "**Prospectus Financial Statements**").

16. All material facts in respect of the Filer and Filogix at the time the Prospectus was filed, including the Prospectus Financial Statements, were provided in the Prospectus. To the knowledge of the Filer, since the time the Prospectus was filed on May 30, 2006 there has not been any change in the business or affairs of Davis + Henderson or Filogix that is material to the Filer, taken as a whole.

The Business Acquisition Report Financial Statement Requirements

17. Pursuant to the requirements of Part 8 of NI 51-102, the Filer is required to file a BAR relating to the Acquisition within 75 days after the date of the Acquisition.

18. Using the significance tests set forth in Section 8.3 of NI 51-102, the Acquisition is significant at above the 40% level.

19. To comply with the requirements of Section 8.4 of NI 51-102, the Filer would be required to include the following financial statements in the BAR:

(a) audited consolidated financial statements for Holdco for the years ended December 31, 2005 and 2004;

(b) interim unaudited consolidated financial statements for Holdco for the three month period ended March 31, 2006, together with a comparative interim financial statement for the three month period ended March 31, 2005;

(c) a pro forma consolidated balance sheet for the Filer as at March 31, 2006;

(d) pro forma consolidated statements of income for the Filer for the three months ended March 31, 2006 and for the year ended December 31, 2005; and

(e) a compilation report for the Filer to accompany the Filer's pro forma financial statements.

Decision

The Decision Makers being satisfied that they have the jurisdiction to make this decision and that the relevant test under the Legislation has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted, provided that the Filer includes in the BAR the Prospectus Financial Statements, together with unaudited consolidated financial statements of Filogix for the three-month periods ended March 31, 2006 and 2005.

"Jo-Anne Matear"
Assistant Director, Corporate Finance

2.1.7 CIBC World Markets Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Registered dealer exempted from the requirements to send trade confirmations for trades that the dealer executes on behalf of client where: client's account is fully managed by the dealer; account fees paid by the client are based on the amount of assets, and not the trading activity in the account; trades in the account are only made on the client's adviser's instructions; the client agreed in writing that confirmation statements will not be delivered to them; and, the client is sent monthly statements that include the confirmation information – subject to certain conditions.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 36, 147.

August 25, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, ALBERTA, BRITISH COLUMBIA,
MANITOBA, NEW BRUNSWICK, NEWFOUNDLAND
AND LABRADOR, NORTHWEST TERRITORIES,
NUNAVUT, NOVA SCOTIA, QUEBÉC,
SASKATCHEWAN AND YUKON (the Jurisdictions)

AND

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

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC. (the Filer)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the requirement in the Legislation that a registered dealer deliver a transaction confirmation statement to clients of the Filer (**Clients**) who receive discretionary managed services pursuant to a managed account program (**Program**) with respect to transactions under the Program (the **Confirmation Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

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

Interpretation

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

Representations

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

1. The Filer is incorporated under the laws of Ontario and has its head office in Toronto, Ontario.

2. The Filer is registered under the Legislation of each Jurisdiction as a dealer in the categories of broker and investment dealer, or the equivalent and is a member of the Investment Dealers Association of Canada (the **IDA**). The Filer is authorized to act as an adviser pursuant to an exemption from the adviser registration requirement made available under the Legislation of each Jurisdiction to dealers who are members of the IDA.

3. The Filer offers the Program to its Clients who desire discretionary management services.

4. To participate in the Program, the Client:

   (a) opens an account (the **Account**) which will be fully managed by a portfolio manager (the **Portfolio Manager**);

   (b) enters into a written agreement with the Filer (the **Managed Account Agreement**) setting out the terms and conditions and the respective rights, duties and obligations of the Client and the Filer; and

   (c) with the assistance of the Filer, completes an investment policy statement that outlines the Client's objectives and level of risk tolerance.

5. The Portfolio Manager managing the Account is appropriately licensed as a portfolio manager with the IDA and is appropriately registered under the Legislation of each Jurisdiction.

6. The Accounts will be "managed accounts" as defined under Regulation 1300 of the IDA and the Filer will comply with applicable IDA requirements with respect to managed accounts.

7. Under the Managed Account Agreement:

   (a) the Client grants full discretionary trading authority to the Filer and the Filer is authorized to make investment decisions and to trade in securities on behalf of the Client's Account without obtaining the specific consent of the Client to individual trades, provided such investment decisions and trades are made in accordance with the Client's investment policy statement referred to in paragraph 4(c) hereof;

   (b) the Client agrees to pay a non-transactional fee (the **Fixed Percentage Fee**) calculated on the basis of the assets in the Account which covers all charges for investment advice and ordinary brokerage, custodial and client reporting fees, and which will not be based on the value or volume of transactions effected in the Client's Account; and

   (c) unless otherwise requested by the Client, the Client waives receipt of trade confirmations as required under the applicable Legislation.

8. The Fixed Percentage Fee is not intended to cover charges for minor items such as wire transfer requests, account transfers, withdrawals, de-registration and other administrative services (**Administrative Charges**). The Filer provides a list of Administrative Charges information to all Clients.

9. The Filer will send each Client participating in its Program, who has waived receipt of trade confirmations, a statement of account not less than once a month.

10. The monthly statement of account identifies the assets being managed on behalf of that Client, including for each trade made during the month the information that the Filer would otherwise have been required to provide to that Client in a trade confirmation in accordance with the applicable Legislation, except for the following (the **Omitted Information**):

    (a) the day and the name of the stock exchange or commodity futures exchange upon which the trade took place;

    (b) the fee or other charge, if any, levied by any securities regulatory authority in connection with the trade;

    (c) the name of the salesman, if any, in the transaction;

    (d) the name of the dealer, if any, used by the Filer as its agent to effect the trade; and

(e) if acting as agent in a trade upon a stock exchange, the name of the person or company from or to or through whom the security was bought or sold.

11. The Filer will maintain the Omitted Information with respect to a Client in its books and records and make the Omitted Information available to the Client on request.

12. The Filer performs daily reviews of all Account transactions in respect of suitability.

13. The Filer will also continue to comply with its obligations under IDA Regulation 1300, including the requirement to establish a managed account committee and to carry out a review, at least quarterly, in order to ensure that the investment objectives of the Client are being diligently pursued and that the Account is being conducted in accordance with applicable law.

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 Confirmation Relief is granted provided that:

(a) the Client has previously informed the Filer that the Client does not wish to receive trade confirmations for the Client's Accounts under the Program; and

(b) in the case of each trade for an Account under the Program, the Filer sends to the Client the corresponding statement of account that includes the information referred to in paragraph 10.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Suresh Thakar"
Commissioner
Ontario Securities Commission

2.1.8 Friedberg Global-Macro Hedge Fund and Friedberg Mercantile Group Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – mutual fund subject to National Instrument NI 81-104 Commodity Pools granted exemptions from National Instrument 81-102 Mutual Funds to engage in short selling of securities up to 20% of net assets, subject to certain conditions and requirements.

Rules Cited

National Instrument 81-102 Mutual Funds, ss. 2.6(a) and (c), 6.1(1), 19.1.

August 21, 2006

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

AND

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

AND

IN THE MATTER OF
FRIEDBERG GLOBAL-MACRO HEDGE FUND
(the Fund)

AND

FRIEDBERG MERCANTILE GROUP LTD.
(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 Manager, on behalf of the Fund, for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") pursuant to section 19.1 of National Instrument 81-102 – *Mutual Funds* ("**NI 81-102**") for a decision that, notwithstanding sections 2.6(a), 2.6(c) and 6.1(1) of NI 81-102, the Fund be permitted to sell securities short, provide a security interest over the Fund's assets in connection with short sales and deposit Fund assets with Borrowing Agents (as defined below) as security for such transactions, subject to the conditions set out below, (the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

1. the Ontario Securities Commission is the principal regulator for this application; and

2. this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

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

Representations

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

1. The Fund will be a mutual fund trust established under the laws of Ontario.

2. The Fund has filed its preliminary prospectus with the CSA as SEDAR project no. 962783.

3. The Fund is a multi-strategy fund whose investment objective is to seek significant total investment returns, consisting of a combination of interest income, currency gains and capital appreciation by investing in the following four discrete groups of investments: (i) long positions in fixed income securities; (ii) long and short positions in equity securities; (iii) currency forwards and futures contracts and options thereon ("**Currency Futures Instruments**"); and (iv) commodity forwards and futures contracts and options thereon ("**Commodity Futures Instruments**").

   In order to achieve its investment objective, the Fund will generally invest:

   (a) a minimum of 40% and a maximum of 75% of its assets in long positions in fixed income investments denominated in various currencies and may hedge its currency exposure in respect thereof,

   (b) a minimum of 5% and a maximum of 20% of its assets in "market neutral" long and short positions in equity securities and up to 40% of its assets through trading and investing across global markets in long and/or short positions in equity securities (provided that, taken together, short positions in equity securities will not exceed 20% of the Fund's net assets),

   (c) a minimum of 10% and a maximum of 20% of its assets in Currency Futures Instruments, and

   (d) up to 15% of its assets in Commodity Futures Instruments.

4. Although the Fund will be a "commodity pool" for purposes of Multilateral Instrument 81-104 – *Commodity Pools* ("**MI 81-104**"), it is intended that a significant portion of the assets of the Fund will be invested in securities rather than Currency Futures Instruments and Commodity Futures Instruments. As such, while Section 2.1 of MI 81-104 provides exemptions from certain investment restrictions in NI 81-102 in respect of Currency Futures Instruments and Commodity Futures Instruments such that the Requested Relief is not required in respect of the Fund's investments in Currency Futures Instruments and Commodity Futures Instruments, the Filer is requesting the Requested Relief to permit the Fund to engage in limited short selling of securities.

5. The investment practices of the Fund will comply in all respects with the requirements of Part 2 of NI 81-102 except (i) for the Requested Relief and (ii) in respect of investing in Currency Futures Instruments and Commodity Futures Instruments based on the exemptions provided in MI 81-104 as described above.

6. Each short sale made by the Fund will be subject to compliance with the investment objective of the Fund.

7. In order to effect a short sale of securities, the Fund will borrow securities from either its custodian or a dealer (in either case, the "**Borrowing Agent**"), which Borrowing Agent may be acting either as principal for its own account or as agent for other lenders of securities.

8. The Fund will implement the following controls when conducting a short sale of securities:

   (a) securities will be sold short for cash, with the Fund assuming the obligation to return to the Borrowing Agent the securities borrowed to effect the short sale;

   (b) the short sale will be effected through market facilities through which the securities sold short are normally bought and sold;

   (c) the Fund will receive cash, for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;

   (d) the securities sold short will be liquid securities that:

      (i) are listed and posted for trading on a stock exchange, and

A. the issuer of the security has a market capitalization of not less than CDN$300 million, or the equivalent thereof, of such security at the time the short sale is effected; or

B. the investment advisor has pre-arranged to borrow for the purposes of such short sale; or

(ii) are bonds, debentures or other evidences of indebtedness of or guaranteed by the Government of Canada or any province or territory of Canada or the Government of the United States of America;

(e) at the time securities of a particular issuer are sold short:

(i) the aggregate market value of all securities of that issuer sold short by the Fund will not exceed 2% of the net assets of the Fund; and

(ii) the Fund will place a "stop-loss" order with a dealer to immediately purchase for the Fund an equal number of the same securities if the trading price of the securities exceeds 120% (or such lesser percentage as the Filer may determine) of the price at which the securities were sold short;

(f) the Fund will deposit Fund assets with the Borrowing Agent as security in connection with the short sale transaction;

(g) the Fund will keep proper books and records of all short sales and Fund assets deposited with Borrowing Agents as security;

(h) the Fund will develop written policies and procedures for the conduct of short sales prior to conducting any short sales; and

(i) the Fund will provide disclosure in its prospectus of the short selling strategies and the details of this exemptive relief prior to implementing the short selling strategy.

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:

1. the aggregate market value of all securities sold short by the Fund does not exceed 20% of the net assets of the Fund on a daily marked-to-market basis;

2. the Fund holds "cash cover" (as defined in NI 81-102) in an amount, including the Fund assets deposited with Borrowing Agents as security in connection with short sale transactions, that is at least 150% of the aggregate market value of all securities sold short by the Fund on a daily marked-to-market basis;

3. no proceeds from short sales of securities by the Fund are used by the Fund to purchase long positions in securities other than cash cover;

4. the Fund maintains appropriate internal controls regarding its short sales, including written policies and procedures, risk management controls and proper books and records;

5. any short sale made by the Fund is subject to compliance with the investment objective of the Fund;

6. for short sale transactions in Canada, every dealer that holds Fund assets as security in connection with short sale transactions by the Fund shall be a registered dealer in Canada and a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund;

7. for short sale transactions outside of Canada, every dealer that holds Fund assets as security in connection with short sale transactions by the Fund shall:

(a) be a member of a stock exchange and, as a result, be subject to a regulatory audit; and

(b) have a net worth in excess of the equivalent of CDN$50 million determined from its most recent audited financial statements that have been made public;

8. except where the Borrowing Agent is the Fund's custodian or a sub-custodian thereof, when the Fund deposits Fund assets with a Borrowing Agent as security in connection with a short sale transaction, the amount of Fund assets deposited with the Borrowing Agent does not, when

aggregated with the amount of Fund assets already held by the Borrowing Agent as security for outstanding short sale of securities transactions of the Fund, exceed 10% of the net assets of the Fund, taken at market value as at the time of the deposit;

9. the security interest provided by the Fund over any of its assets that is required to enable the Fund to effect short sale transactions is made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions;

10. prior to conducting any short sales, the Fund discloses in its prospectus a description of: (a) short selling, (b) how the Fund intends to engage in short selling, (c) the risks associated with short selling, and (d) in the investment strategy section of the prospectus, the Fund's strategy and this exemptive relief;

11. prior to conducting any short sales, the Fund discloses in its prospectus the following information:

    (a) that there are written policies and procedures in place that set out the objectives and goals for short selling and the risk management procedures applicable to short selling;

    (b) who is responsible for setting and reviewing the policies and procedures referred to in the preceding paragraph, how often the policies and procedures are reviewed, and the extent and nature of the involvement of the board of directors or trustee in the risk management process;

    (c) the trading limits and other controls on short selling and who is responsible for authorizing the trading and placing limits or other controls on the trading;

    (d) whether there are individuals or groups that monitor the risks independent of those who trade; and

    (e) whether risk measurement procedures or simulations are used to test the portfolio under stress conditions;

12. the Requested Relief shall terminate upon the coming into force of any legislation or rule of the Decision Makers dealing with matters referred to in subsections 2.6(a), 2.6(c) and 6.1(1) of NI 81-102.

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.

"Rhonda Goldberg"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.9 RBC Asset Management Inc. and TD Asset Management Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption 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. – The conflict is mitigated by the oversight of an independent review committee – Subsection 4.1(1) of National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(1), 19.1.

August 22, 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
RBC ASSET MANAGEMENT INC. AND TD ASSET MANAGEMENT INC.
(the "Applicants")

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 Applicants (or "**Dealer Managers**"), for and on behalf of the mutual funds named in Appendix "A" (the "**Funds**" or "**Dealer Managed Funds**") for whom the Applicants act 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 the trust units (the "**Units**") of Yellow Pages Income Fund (the "**Issuer**") on the Toronto Stock Exchange (the "**TSX**") during the 60-day period following the completion of the distribution (the "**Prohibition Period**") notwithstanding that the Dealer Managers or their associates or affiliates act or have acted as an underwriter in connection with the offering (the "**Offering**") of Units of the Issuer pursuant to a short form base shelf prospectus dated May 8, 2006 (the "**Prospectus**") to be supplemented by a shelf prospectus supplement (the "**Prospectus Supplement**") to be filed in accordance with the securities legislation of all Canadian provinces (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 Applicants:

1. Each Dealer Manager is a "dealer manager" with respect to the Dealer Managed Funds, and each Dealer Managed Fund is a "dealer managed fund", as such terms are defined in section 1.1 of NI 81-102.

2. The head offices of RBC Asset Management Inc. and TD Asset Management Inc. are in Toronto, Ontario.

3. 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 and annual information forms that have been prepared and filed in accordance with their respective securities legislation.

4. The Prospectus was filed with, and a receipt was issued under the MRRS by the Decision Makers in each of the Provinces of Canada on May 8, 2006.

5. According to the Prospectus and a term sheet of the Issuer (the "**Term Sheet**"), the Offering is expected to be for approximately 25,000,000 Units of the Issuer with the gross proceeds of the Offering expected to be approximately

$381,250,000. According to the Term Sheet, the Closing Date is expected to occur on or about August 22, 2006.

6. The Offering is being underwritten subject to certain terms, by a syndicate which will include RBC Dominion Securities Inc. and TD Securities Inc. (the "**Related Underwriters**"), among others (the Related Underwriters together with the other underwriters, which are now or may become part of the syndicate prior to closing, the "**Underwriters**"). Each of the Related Underwriters is an affiliate of a Dealer Manager.

7. As described in the Prospectus, the Issuer, through its subsidiaries, is Canada's largest telephone directories publisher and the exclusive owner of the Yellow PagesTM, Pages JaunesTM and Walking Fingers and DesignTM trademarks in Canada. According to the Prospectus, the Issuer, through its subsidiaries, publishes 330 different telephone directories annually, including the 35 telephone directories published by Aliant ActiMedia (for which the Issuer, through one of its subsidiaries, acts as managing partner). Including the directories published by Aliant ActiMedia, the Issuer's directories have a total circulation of approximately 28 million copies, reaching substantially all of the households and businesses in the major markets in Canada. As disclosed in the Prospectus, the Issuer also operates through its subsidiaries, in Canada, YellowPages.caTM (and its French equivalent, PagesJaunes.caTM), Canada411.ca, Canadatollfree.ca, SuperPages.ca and the CanadaPlus.ca group of city sites, which allows the Company to offer bundled packages of print and online directory advertising products.

8. According to the Term Sheet, the Issuer issues monthly distributions to unitholders on the last day of each month which are paid on the 15th day of each following month. The Units will be entitled to participate in the upcoming monthly distribution to be paid on September 15, 2006.

9. Based upon the information provided in the Term Sheet, the net proceeds of the Offering will be used to repay indebtedness and for general corporate purposes.

10. The Issuer and the Underwriters will enter into an underwriting agreement (the "**Underwriting Agreement**") prior to the Issuer filing the Prospectus Supplement. Pursuant to the terms of the Underwriting Agreement, the Issuer will agree to issue and sell to the Underwriters, and each of the Underwriters will severally (and not jointly) agree to purchase, all but not less than all of the Units offered under the Offering from the Issuer, as principal, on Closing.

11. The Issuer's outstanding Units are listed on the Toronto Stock Exchange (the "**TSX**") under the symbol "YLO.UN".

12. According to the Prospectus, the Issuer may be considered a "connected issuer", as defined in NI 33-105, of RBC Dominion Securities Inc. and TD Securities Inc. for the reasons set forth in the Prospectus. As disclosed in the Prospectus, certain of the Related Underwriters are subsidiaries or affiliates of lenders (the "**Lenders**") who have made credit facilities available to the Issuer or its subsidiaries. According to the Prospectus, as of April 30, 2006, there were no amounts owing under these existing facilities. As outlined above, the proceeds of the Offering will be used to repay indebtedness and for general corporate purposes. According to the Prospectus, the decision to distribute the Units was made by the Issuer and the terms and conditions of the Offering were determined free of any involvement on the part of the Lenders. None of the Related Underwriters connected to the Issuer will receive any benefit from the Offering other than its portion of the remuneration payable by the Issuer on the principal amount of the Units sold through or to it.

13. The Dealer Managed Funds are not required or obligated to purchase any Units during the Prohibition Period. Despite the affiliation between the Dealer Managers and the Related Underwriters, they operate independently of each other. In particular, the investment banking and related dealer activities of the Related Underwriters and the investment portfolio management activities of the Dealer Managers 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 Managers and the Related Underwriters may communicate to enable the Dealer Managers to maintain up to date restricted-issuer lists to ensure that the Dealer Managers comply with applicable securities laws); and

    (b) each Dealer Manager and the Related Underwriters may share general market information such as discussion on general economic conditions, bank rates, etc.

14. The Dealer Managers may cause the Dealer Managed Funds to invest in the Units during the Prohibition Period. Any purchase of the Units will be consistent with the investment objectives of the Dealer Managed Fund making the purchase and represent the business judgment of the Dealer

Managers uninfluenced by considerations other than the best interests of the Dealer Managed Fund or in fact be in the best interests of the Dealer Managed Fund.

15. 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 Units 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 each Dealer Managed Fund for investment.

16. An independent committee (the "**Independent Committee**") has or will be appointed in respect of the Dealer Managed Funds to review the Dealer Managed Funds' investments in the Units during the Prohibition Period.

17. The first quarterly meeting of the Independent Committee of the Dealer Managed Funds of RBC Asset Management Inc., following the end of the Prohibition Period, is scheduled to be held on November 23, 2006.

18. 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.

19. 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.

20. The distribution of the Offering may end as early as August 22, 2006, following which the Prohibition Period would end on October 21, 2006, following which each Independent Committee would be required to provide their certification as required by paragraph XI(d) by November 20, 2006. Absent this relief, the Independent Committee for the Dealer Managed Funds of RBC Asset Management Inc. would need to reschedule its November 23, 2006 meeting.

21. Each 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 any SEDAR Report (as defined below) filed on SEDAR, as soon as practicable after the filing of such a report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.

22. Each Dealer Manager has not been involved in the work of the Related Underwriters and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Managers as to whether the Dealer Manager's Dealer Managed Funds will purchase Units 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 Underwriters act or have acted as underwriters in the Offering provided that, in respect of each Dealer Manager and its Dealer Managed Funds, the following conditions are satisfied:

I. At the time of each purchase (the "**Purchase**") of Units 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 Units 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 Units 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 applicable 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 each 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. TD Asset Management Inc. 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, and RBC Asset Management Inc. files the SEDAR Report in respect of each Dealer Managed Fund, no later than 37 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 Units 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 Units;

(iv) if the Units 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 Units 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 Units 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 Units 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 Units 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 Units 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.

"Susan Silma"
Director, Investment Funds Branch
Ontario Securities Commission

APPENDIX "A"
THE MUTUAI. FUNDS

RBC Funds (formerly Royal Mutual Funds)
RBC Balanced Fund
RBC Canadian Equity Fund
RBC North American Growth Fund
(formerly RBC Canadian Growth Fund)
RBC North American Value Fund
(formerly RBC Canadian Value Fund)
RBC Balanced Growth Fund
RBC Monthly Income Fund
RBC Canadian Diversified Income Trust Fund
RBC North American Dividend Fund
(formerly RBC Blue Chip Canadian Equity Fund)
RBC Canadian Dividend Fund
(formerly RBC Dividend Fund)
RBC Tax Managed Return Fund

RBC Private Pools
RBC Private Income Pool
RBC Private Dividend Pool
RBC Private Canadian Equity Pool
RBC Private Canadian Mid Cap Equity Pool

TD Mutual Funds
TD Balanced Fund
TD Monthly Income Fund
TD Dividend Income Fund
TD Dividend Growth Fund
TD Income Trust Capital Yield Fund
TD Canadian Value Fund
TD Canadian Small-Cap Equity Fund
TD Balanced Growth Fund
TD Balanced Income Fund
TD Canadian Blue Chip Equity Fund

TD Private Funds
TD Private Canadian Equity Fund
TD Private Canadian Dividend Fund
TD Private Income Trust Fund
TD Private Small/Mid Cap Equity Fund
TD Private North American Equity Fund

2.1.10 CI Financial Income Fund et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Issuer of exchangeable partnership units exempt, subject to certain conditions, from National Instrument 51-102 Continuous Disclosure Obligations and Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings – As a consequence of the arrangement, issuer became a reporting issuer in some jurisdictions – Application in Ontario for an order deeming issuer to be a reporting issuer – Exchangeable partnership units issued in connection with arrangement are exchangeable for units of issuer's indirect parent income trust – Exchangeable partnership units have economic and voting rights nearly equivalent to indirect parent income trust units - Conditions of relief intended to ensure that continuous disclosure of issuer's indirect parent income trust will contain the information relevant to holders of exchangeable partnership units and will be accessible to such holders.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1.
Multilateral Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, s. 4.5.
Securities Act, R.S.O. 1990, c.S.5, as am., s. 83.1.

August 25, 2006

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

AND

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

AND

IN THE MATTER OF
CI FINANCIAL INCOME FUND,
CANADIAN INTERNATIONAL LP AND
CI INVESTMENTS INC.
(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 each of the Jurisdictions (the "**Legislation**") that,

(a) the Canadian International LP (the "**Partnership**") be deemed to be a reporting issuer in each of Ontario, New Brunswick and Newfoundland and Labrador (the "**Deemed Reporting Issuer Relief**");

(b) the requirements in National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**") and any comparable continuous disclosure requirements under the Legislation that have not yet been repealed or otherwise rendered ineffective as a result of adopting NI 51-102 (the "**Continuous Disclosure Requirements**") do not apply to the Partnership (the "**Continuous Disclosure Relief**"), subject to certain conditions; and

(c) the requirements in Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**MI 52-109**") do not apply to the Partnership (the "**MI 52-109 Relief**"), subject to certain conditions.

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:

CI Financial Income Fund

1. CI Financial Income Fund (the "**Fund**") is an unincorporated, open-ended, limited purpose trust governed by the laws of Ontario and created pursuant to a declaration of trust dated May 18, 2006.

2. The Fund's head and registered office is located at 2 Queen Street East, Twentieth Floor in Toronto, Ontario.

3. The Fund is authorized to issue an unlimited number of fund units ("**Fund Units**") and an unlimited number of special voting units ("**Special Voting Units**").

4. Upon completion of an arrangement effective June 30, 2006 (the "**Arrangement**") involving, among others, the Fund, the Partnership and CI Financial Inc. ("**CI Financial**"), there were 137,620,691 Fund Units outstanding and 146,774,836 Special Voting Units outstanding.

5. Prior to the Arrangement, the Fund was not a reporting issuer in any of the Jurisdictions. The Fund became a reporting issuer in each of the Jurisdictions, except Manitoba, Ontario, New Brunswick and Newfoundland and Labrador, upon completion of the Arrangement.

6. On July 12, 2006 the Fund received the final approval of the Toronto Stock Exchange (the "**TSX**") for the listing on the TSX of the Fund Units issued in connection with the Arrangement. The Fund thereupon became a reporting issuer in Ontario.

7. The Fund's first financial year-end subsequent to the Arrangement will be December 31, 2006 and the annual financial statements for the year ending December 31, 2006 are the first annual financial statements of the Fund required to be filed subsequent to the Arrangement. The interim financial statements for the period ending September 30, 2006 are the first interim financial statements of the Fund required to be filed subsequent to the Arrangement.

Canadian International LP

8. The Partnership is a limited partnership established under the laws of Manitoba to directly or indirectly acquire the outstanding common shares of CI Financial ("**CI Financial Shares**") under the Arrangement.

9. The Partnership's head office is in Toronto, Ontario.

10. The Partnership is authorized to issue an unlimited number of Class A limited partner units ("**Class A LP Units**") and an unlimited number of Class B limited partner units ("**Exchangeable LP Units**").

11. Upon completion of the Arrangement, 137,620,691 Class A LP Units were outstanding, which Class A LP Units are directly owned by the Fund, 146,774,836 Exchangeable LP Units were outstanding, and all of the general partner interests were, and continue to be, owned by CI Financial General Partner Corp. ("**CI General Partner**").

12. Upon completion of the Arrangement, the Partnership became a reporting issuer in each of British Columbia, Alberta, Saskatchewan, Quebec and Nova Scotia.

13. As a result of the varying definitions of "reporting issuer" contained in the Legislation of various Jurisdictions, the Partnership did not automatically, upon completion of the Arrangement, become a reporting issuer in Ontario, Manitoba, New Brunswick and Newfoundland & Labrador.

The Arrangement

14. Under the Arrangement, holders of CI Financial Shares exchanged their CI Financial Shares for either Fund Units or a combination of Exchangeable LP Units, Special Voting Units and (possibly) Fund Units.

15. The Exchangeable LP Units, together with the Special Voting Units, provide a holder with a security having economic and voting rights that are, as nearly as practicable, equivalent to those of the Fund Units.

16. In particular, each Exchangeable LP Unit:

    (i) was issued together with a Special Voting Unit of the Fund entitling the holder to voting rights equivalent to the voting rights attached to the Fund Units; and

    (ii) is exchangeable at any time and from time to time following January 1, 2007 (or such earlier date as the board of directors of CI General Partner may consent to) for a Fund Unit, subject to customary anti-dilution adjustments, in accordance with the terms and conditions of the exchange agreement dated as of June 30, 2006 among the Fund, the Partnership, CI General Partner and each person who, from time to time becomes or is deemed to become a party thereto by reason or his her or its registered ownership of Exchangeable LP Units.

17. CI General Partner has the exclusive authority to manage the business and affairs of the Partnership. The holders of Class A LP Units have the right to exercise 100% of the votes in respect of all matters to be decided by the limited partners of the Partnership.

18. Holders of Exchangeable LP Units do not have the right to exercise any votes in respect of any matters relating to the business, affairs, rights, privileges, entitlements or obligations of the Partnership or any partner of the Partnership, except as required by applicable law or in certain limited circumstances as set forth in the limited partnership agreement governing the Partnership.

19. The Exchangeable LP Units are not listed on the TSX.

20. The Fund will concurrently send to the holders of Exchangeable LP Units copies of disclosure materials that it sends to holders of Fund Units ("**Unitholders**"), including all information circulars, interim and annual financial statements, reports and other materials sent by the Fund to the Unitholders. To the extent such materials are provided to the Fund by other persons, the Fund will also send to holders of Exchangeable LP Units all materials sent by third parties to Unitholders, including dissident proxy circulars and take-over bid circulars, as soon as possible after such materials are first sent to Unitholders.

21. As, following the completion of the Arrangement, the Fund is the direct or indirect beneficial owner of all of the issued and outstanding voting securities of the Partnership, other than the Exchangeable LP Units, the financial results of the Fund will wholly reflect the financial performance of the Partnership and the Fund will comply with all the requirements of MI 52-109.

Decision

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

1. **THE DECISION** of the Decision Makers under the Legislation is that the Deemed Reporting Issuer Relief is granted for the purposes of the Legislation in the Jurisdictions of Ontario, New Brunswick and Newfoundland and Labrador.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

2. **IT IS FURTHER THE DECISION** of the Decision Makers under the Legislation that the Continuous Disclosure Relief is granted for so long as:

    (a) the Fund is a reporting issuer in at least one of the jurisdictions listed in Appendix B of National Instrument 45-102 – Resale of Securities ("**NI 45-102**") and is an electronic filer under National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* (SEDAR);

    (b) the Partnership concurrently sends, or causes to be sent, to all holders of Exchangeable LP Units resident in the Jurisdictions all disclosure materials that

are sent to holders of Fund Units in the manner and at the time required by securities legislation, if the Fund is a reporting issuer in one of the Jurisdictions;

(c) the Fund files with the Decision Maker in each of the Jurisdictions copies of all documents required to be filed by it pursuant to NI 51-102;

(d) the Fund complies with the requirements of the Legislation and the TSX, or such market or exchange on which the Fund Units may be quoted or listed, in respect of making public disclosure of material information on a timely basis and immediately issues in Canada and files any news release that discloses a material change in its affairs;

(e) the Partnership complies with the requirements of the Legislation of each of the Jurisdictions to issue a news release and file a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of the Partnership that are not also material changes in the affairs of the Fund; and

(f) the Fund includes in all mailings of proxy solicitation materials to holders of Exchangeable LP Units a clear and concise statement that:

(i) explains the reason the mailed material relates solely to the Fund and not to the Partnership;

(ii) indicates that the Exchangeable LP Units are the economic equivalent to the Fund Units; and

(iii) describes the voting rights associated with the Exchangeable LP Units.

(g) the Fund remains the direct or indirect beneficial owner of all of the issued and outstanding voting securities of the Partnership, other than the Exchangeable LP Units;

(h) the Partnership has not issued any securities, and does not have any securities outstanding, other than: (i) Exchangeable LP Units; (ii) securities issued to and held by the Fund or an affiliate of the Fund; (iii) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, savings companies, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions, or (iv) securities issued under exemptions from the registration and prospectus requirement in section 2.35 of National Instrument 45-106 *Prospectus and Registration Exemptions*; and

(i) the Partnership files in electronic format: (i) a notice indicating that the Partnership is relying on the continuous disclosure documents filed by the Fund and setting out where those documents can be found in electronic format; or (ii) copies of all documents the Fund is required to file under the Legislation, other than in connection with a distribution, at the same time as the filing by the Fund of those documents with the Decisions Makers;

3. **AND IT IS FURTHER THE DECISION** of the Decision Makers that the MI 52-109 Relief is granted for so long as,

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

(b) the Fund files in electronic format under the SEDAR profile of the Partnership the:

(i) interim filings,

(ii) annual filings,

(iii) interim certificates; and

(iv) annual certificates,

of the Fund, at the same time as such documents are required to be filed under the Legislation by the Fund; and

(c) the Partnership is exempt from or otherwise not subject to the Continuous Disclosure Requirements.

For each Jurisdiction, the Continuous Disclosure Relief and the MI 52-109 Relief will terminate 90 days after the coming into force of any rule, other regulation or blanket order or ruling under the Legislation of the Jurisdiction that amends Part 13 of NI 51-102.

"Erez Blumberger"
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.11 CI Investments Inc. - s. 83

Headnote

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

Ontario Statutes

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

August 25, 2006

Goodmans LLP
250 Yonge Street, Suite 2400
Toronto, ON M5B 2M6

Attention: Francesca Guolo

Dear Sirs/Mesdames:

Re: CI Investments Inc. (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 that:

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

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

"Erez Blumberger"
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.12 FundEX Investments Inc. and FundTrade Financial Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Multilateral Instrument 33-109 Registration Information (MI 33-109) – relief from certain filing requirements of MI 33-109 in connection with a bulk transfer of business locations and registered and non-registered individuals under an internal reorganization involving the amalgamation of two dealers.

Applicable Rule

Multilateral Instrument 33-109 – Registration Information.

August 28, 2006

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

AND

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

AND

IN THE MATTER OF
FUNDEX INVESTMENTS INC. (FundEX)

AND

FUNDTRADE FINANCIAL CORP. (FundTrade)
(FundEX and FundTrade being, 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 pursuant to Part 7 of Multilateral Instrument 33-109 – *Registration Information* (**MI 33-109**) exempting the Filers from MI 33-109 so as to permit a bulk transfer, as referred to in section 3.1 of the Companion Policy to MI 33-109 (the **Companion Policy**), of the business locations and individuals (the **Representatives**) that are associated on the National Registration Database (the NRD) with each of FundTrade and FundEX to their amalgamated successor (**New FundEX**).

Under the Mutual Reliance Review System (the **MRRS**) 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:

FundTrade

1. FundTrade is a corporation subsisting under the laws of Canada and has its head office located in Oakville, Ontario.

2. FundTrade is registered as: (a) a dealer in the category of mutual fund dealer, or equivalent, in all of the Jurisdictions; and (b) a dealer in the category of limited market dealer in Ontario and Newfoundland and Labrador.

3. FundTrade is a member of the Mutual Fund Dealers Association of Canada (the **MFDA**).

FundEX

4. FundEX is a corporation subsisting under the laws of the Province of Ontario and has its head office located in Markham, Ontario.

5. FundEX is registered as: (a) a dealer in the category of mutual fund dealer, or equivalent, in all of Jurisdictions; and (b) a dealer in the category of limited market dealer in Ontario and Newfoundland and Labrador.

6. FundEX is a member of the MFDA.

Proposed Amalgamation

7. On or about September 1, 2006, FundTrade will be continued under the laws of Ontario to facilitate the Proposed Amalgamation (defined below).

8. On or about September 1, 2006, FundTrade and FundEX propose to complete a vertical amalgamation of their operations to form New FundEX and their respective securities businesses will thereafter be carried on in a similar manner by New FundEX under the name "FundEX Investments Inc." (the **Proposed Amalgamation**).

9. In connection with the Proposed Amalgamation, on or about September 1, 2006 each of FundTrade and FundEX will transfer all of its business locations and Representatives to New FundEX, subject to the receipt of the exemptive relief requested herein.

10. Each Representative will be transferred to New FundEX under the same registration/approval category(ies) in which she/he is registered/approved on the NRD with each of FundTrade and FundEX immediately prior to the completion of the Proposed Amalgamation.

11. As at the date hereof, FundTrade has, in one or more of the Jurisdictions, 177 business locations and 311 registered or approved Representatives..

12. As at the date hereof, FundEX has, in one or more of the Jurisdictions, 268 business locations and 484 registered or approved Representatives.

13. As a matter of corporate law pursuant to section 179(a.1) of the Business Corporations Act (Ontario), the completion of the Amalgamation will result in each of FundTrade and FundEX ceasing to exist as entities separate from New FundEX.

14. It would be unnecessarily difficult, costly and time consuming to transfer each of the business locations and each of the Representatives from each of FundTrade and FundEX to New FundEX as per the requirements set out in MI 33-109 given the number of business locations and Representatives to be transferred and the multiple jurisdictions in which the Representatives are currently registered/approved, particularly in view of the fact that it is desirable for such transfers to occur on the same date in order to preclude any disruptions to any Representative's registration status or to New FundEX's continuing business activities.

15. The completion of the Proposed Amalgamation will have no negative consequences on the ability of the Filers to comply with all applicable regulatory requirements or to satisfy any of their respective obligations to clients of the Filers.

16. The Filers, to the best of their knowledge, are in substantial compliance with the requirements of the securities legislation of the Jurisdictions.

Decision

Each of the Decision Makers is satisfied that the tests contained in MI 33-109 that provide the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers pursuant to Part 7 of MI 33-109 is that the following requirements of MI 33-109 shall not apply to the Filers in respect of the bulk transfer of business locations and Representatives that will occur in connection with the Proposed Amalgamation:

(a) the requirement to submit a notice regarding the termination of each employment, partner, or agency relationship under section 4.3 of MI 33-109;

(b) the requirement to submit a notice regarding each individual who ceases to be a non-registered individual under section 5.2 of MI 33-109;

(c) the requirement to submit a registration application for each individual applying to become a registered individual under section 2.2 of MI 33-109;

(d) the requirement to submit a Form 33-109F4 for each non-registered individual under section 3.3 of MI 33-109; and

(e) the requirement under section 3.2 of MI 33-109 to notify the regulator of a change to the business location information in Form 33 -109F3,

provided that the Filers make acceptable arrangements with CDS Inc. for the payment of the costs associated with the bulk transfer, as referred to in section 3.1(5) of the Companion Policy, and make such payment in advance of the bulk transfer.

"David M. Gilkes"
Manager, Registrant Regulation
Ontario Securities Commission

2.1.13 AirSource Power Fund I LP - s. 83

Headnote

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

Ontario Statutes

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

August 29th , 2006

Blake, Cassels & Graydon LLP
Box 25, Commerce Court West
199 Bay Street, Suite 2800
Toronto, Ontario
M5L 1A9

Attention: Michael J. Fabbri

Dear Sirs / Mesdames:

Re: AirSource Power Fund I LP (the "Applicant")

Re: Application to cease to be a reporting issuer under the securities legislation of Ontario, Alberta, Saskatchewan, 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 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 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.

"Jo-Anne Matear"
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.14 BlackRock Ventures Inc. - s. 83

Headnote

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

Ontario Statutes

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

Citation: BlackRock Ventures Inc., 2006 ABASC 1555

August 3, 2006

Osler, Hoskin & Harcourt LLP
2500, 450 1st Street SW
Calgary, AB T2P 5H1

Attention: Pierre Magnan

Dear Sir:

Re: BlackRock Ventures Inc. (the "Applicant") - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (the "Jurisdictions")

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

As the Applicant has represented to the Decision Makers that:

1. the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada;

2. no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;

3. the Applicant is applying for relief to cease to be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and

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

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

Relief requested granted on the 3rd day of August, 2006.

"Agnes Lau", CA
Associate Director, Corporate Finance
Alberta Securities Commission

2.1.15 Arctic Glacier Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – National Instrument 51-102, s. 13.1 Continuous Disclosure Obligations - relief from the requirement to include certain interim and pro forma financial statements in a business acquisition report - The issuer filed a prospectus that included the financial information for the acquisition of a probable significant acquisition; the financial information in the prospectus was for a period that ended not more than one interim period before the financial information that would be required under Part 8 of NI 51-102; the issuer will include or incorporate by reference the financial information that was in the prospectus in the business acquisition report; the acquired business does not constitute a material departure from the business or operations of the issuer immediately before the acquisition; the issuer will not account for the acquired business as a continuity of interests.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, ss. 8.2, 8.3, 8.4, 13.1.
National Instrument 44-101 Short Form Prospectus Distributions, s. 10.1 of Form 44-101F1.

August 2, 2006

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

AND

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

AND

IN THE MATTER OF
ARCTIC GLACIER INCOME FUND (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") exempting the Filer from the requirement to include the BAR Financial Statements (as hereinafter defined) prescribed by Section 8.4 of National Instrument 51-102 in the Business Acquisition Report (the "BAR") to be filed by the Filer in connection with an acquisition which was completed on May 25, 2006 (hereinafter defined as the "Initial Acquisition") on the condition that the Filer includes or incorporates by reference the Prospectus Financial Statements (as hereinafter defined) in the BAR (the "Requested Relief").

Principal Regulator System

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

(a) the Manitoba Securities Commission is the principal regulator for the Filer;

(b) the Filer is relying on the exemption in Part 3 of MI 11-101 in all of the Provinces and Territories in Canada except Ontario; 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.

Representations

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

The Filer

1. The Filer is an unincorporated open-ended mutual fund trust governed by the laws of the Province of Alberta and created pursuant to a declaration of trust dated January 22, 2002, which declaration was amended and restated on March 11, 2002 and further amended and restated on December 6, 2004.

2. The principal and head office of the Filer is located at 625 Henry Avenue, Winnipeg, Manitoba R3A 0V1.

3. The Filer was established to invest in the packaged ice manufacturing and distribution business in Canada and the United States initially through the acquisition of The Arctic Group Inc. by the Filer's wholly-owned subsidiary ("Acquisitionco"). Following the acquisition, The Arctic Group Inc. and Acquisitionco were amalgamated to form Arctic Glacier Inc. ("AGI"). AGI now operates the packaged ice manufacturing and distribution business formerly operated by The Arctic Group Inc., which business includes the corporate strategy of growth through acquisition. The Filer owns all of the issued and outstanding securities of AGI.

4. The Filer is a reporting issuer in all of the provinces and territories of Canada where such status exists, including the Jurisdictions and, to the best of its knowledge, is currently not in

default of any applicable requirements under the Legislation.

5. The units of the Filer are listed and posted on the Toronto Stock Exchange under the symbol AG.UN.

The Acquisition

6. The Filer, via an indirect subsidiary, entered into purchase agreements made as of May 8, 2006 pursuant to which it agreed to indirectly acquire a group of six entities in California involved in the packaged ice business (the "Acquisition"), such entities consisting of 100% of the outstanding equity interest of Mountain Water Ice Company, Diamond Newport Corporation, Jack Frost Ice Service, Inc., Glacier Valley Ice Company, L.P., Glacier Ice Company, Inc., and South Bay Ice LLC (each, an "Ice Company" and collectively referred to herein as "California Ice").

7. The Acquisition will be completed in two stages. The closing of the acquisition of four of the Ice Companies that comprise California Ice, such Ice Companies being Mountain Water Ice Company, Diamond Newport Corporation, Jack Frost Ice Service, Inc., and Glacier Valley Ice Company, L.P. (the "Initial Acquisition"), occurred on May 25, 2006 while the closing of the acquisition of the two remaining Ice Companies that comprise California Ice, such Ice Companies being Glacier Ice Company, Inc. and South Bay Ice LLC. (the "Subsequent Acquisition"), is expected to occur on or about August 7, 2006.

8. The Acquisition was partially financed by the Filer's public offering of $50,001,100 of Subscription Receipts and $100,000,000 of 6.50% Extendible Convertible Unsecured Subordinated Debentures (the "Offering") made pursuant to a (final) short form prospectus dated May 17, 2006 (the "Prospectus"). That Offering closed on May 25, 2006.

9. The business acquired by the Filer pursuant to the Initial Acquisition did not constitute a material departure from the business or operations of the Filer immediately before completion of the Initial Acquisition.

The Prospectus Financial Statement Requirements

10. In compliance with the requirements of Item 10.1 of Form 44-101F1, the Prospectus contained the following annual financial statements relating to the Acquisition:

    (a) the audited financial statements of Mountain Water Ice Company for the years ended December 31, 2005 and 2004;

    (b) the audited financial statements of Diamond Newport Corporation for the years ended December 31, 2005 and 2004;

    (c) the audited consolidated financial statements of Jack Frost Ice Service, Inc. for the years ended December 31, 2005 and 2004;

    (d) the audited financial statements of Glacier Valley Ice Company, L.P. for the years ended December 31, 2005 and 2004;

    (e) the audited consolidated financial statements of Glacier Ice Company, Inc. for the years ended December 31, 2005 and 2004; and

    (f) the audited financial statements of South Bay Ice LLC for the years ended December 31, 2005 and 2004

    (items 10(a) through 10(f) are collectively referred to herein as the "Prospectus Acquisition Annual Financial Statements").

11. Since the Prospectus was dated within 60 days of the end of the most recently completed interim period for each of the Ice Companies to be acquired pursuant to the Acquisition, Item 10.1 of Form 44-101F1 did not require the Filer to include, and the Filer did not include, interim financial statements for any of the Ice Companies for any interim periods subsequent to the date of the Prospectus Acquisition Annual Financial Statements.

12. In compliance with the requirements of Item 10.1 of Form 44-101F1, the Prospectus contained the unaudited pro forma balance sheet of the Filer as at December 31, 2005 and the unaudited pro forma statement of operations for the twelve months ended December 31, 2005, in each case after giving effect to the Acquisition (the "Prospectus Pro Forma Financial Statements", the Prospectus Pro Forma Financial Statements and the Prospectus Acquisition Annual Financial Statements being collectively referred to herein as the "Prospectus Financial Statements"). However, the Filer submitted a pre-filing application with the Manitoba Securities Commission for, and was granted, an exemption from the requirement of Item 10.1 of Form 44-101F1 to include an unaudited pro forma balance sheet of the Filer as at March 31, 2006 and an unaudited pro forma consolidated statement of operations for the three months ended March 31, 2006, in each case after giving effect to the Acquisition.

13. All material facts in respect of California Ice and the Acquisition at the time the Prospectus was

filed, including the Prospectus Financial Statements, were provided in the Prospectus. To the knowledge of the Filer since the time the Prospectus was filed on May 17, 2006, there has not been any change in the business or affairs of California Ice that is material and adverse to the Filer.

The Business Acquisition Report Financial Statement Requirements

14. Pursuant to the requirements of Section 8.2 of NI 51-102 the Filer is required to file a BAR relating to the Initial Acquisition within 75 days after the date of the Initial Acquisition.

15. Using the significance tests set forth in Section 8.3 of NI 51-102, the Initial Acquisition, when considered in combination with the Subsequent Acquisition, was determined to be significant at the "over 40%" level.

16. To comply with the requirements of Section 8.4 of NI 51-102, the Filer is required to include the following annual financial statements in the BAR for the Initial Acquisition:

    (a) the audited financial statements of Mountain Water Ice Company for the years ended December 31, 2005 and 2004;

    (b) the audited financial statements of Diamond Newport Corporation for the years ended December 31, 2005 and 2004;

    (c) the audited consolidated financial statements of Jack Frost Ice Service, Inc. for the years ended December 31, 2005 and 2004; and

    (d) the audited financial statements of Glacier Valley Ice Company, L.P. for the years ended December 31, 2005 and 2004

    (items 16(a) through 16(d) are collectively referred to herein as the "BAR Acquisition Annual Financial Statements").

17. To comply with the requirements of Section 8.4 of NI 51-102, the Filer is required to include the following interim financial statements in the BAR for the Initial Acquisition:

    (a) the unaudited financial statements of Mountain Water Ice Company for the three month period ended March 31, 2006;

    (b) the unaudited financial statements of Diamond Newport Corporation for the three month period ended March 31, 2006;

    (c) the unaudited financial statements of Jack Frost Ice Service, Inc. for the three month period ended March 31, 2006; and

    (d) the unaudited financial statements of Glacier Valley Ice Company, L.P. for the three month period ended March 31, 2006

    (items 17(a) through 17(d) are collectively referred to herein as the "BAR Acquisition Interim Financial Statements").

18. To comply with the requirements of Section 8.4 of NI 51-102, the Filer is required to include the unaudited pro forma balance sheet of the Filer as at March 31, 2006 and the unaudited pro forma statement of operations for the three months ended March 31, 2006 (the "BAR Pro Forma Interim Financial Statements") along with the unaudited pro forma balance sheet of the Filer as at December 31, 2005 and the unaudited pro forma statement of operations for the twelve months ended December 31, 2005, in each case after giving effect to the Initial Acquisition (the "BAR Pro Forma Financial Statements", the BAR Pro Forma Financial Statements, the BAR Acquisition Annual Financial Statements and the BAR Acquisition Interim Financial Statements being collectively referred to herein as the "BAR Financial Statements").

19. As they apply to the Ice Companies acquired pursuant to the Initial Acquisition, the Prospectus Acquisition Annual Financial Statements and the BAR Acquisition Annual Financial Statements are identical.

20. As they apply to the Ice Companies acquired pursuant to the Initial Acquisition, the BAR Acquisition Interim Financial Statements and the BAR Pro Forma Interim Financial Statements are for the interim financial period immediately following the annual financial period for which the Prospectus Acquisition Annual Financial Statements and the Prospectus Pro Forma Financial Statements have been prepared.

Decision

The Decision Makers being satisfied that they have the jurisdiction to make this decision and that the relevant test under the Legislation has been met.

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

1. the Filer includes or incorporates by reference the Prospectus Financial Statements in the BAR;

2. the business acquired by the Filer pursuant to the Initial Acquisition did not constitute a material departure from the business or operations of the Filer immediately before completion of the Initial Acquisition; and

3. the Filer will not account for the Initial Acquisition as a continuity of interests.

"Robert B. Bouchard"
Director, Corporate Finance
The Manitoba Securities Commission

2.1.16 Superior Plus Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption granted from the requirement in item 14.2 of Form 51-102F5 to include certain financial statements in an information circular - Legislation requires financial statements be included in the information circular for certain entities participating in and resulting from the arrangement – The information circular will be sent to the fund's unitholders in connection with a proposed internal reorganization pursuant to which its business operations will be conducted through a newly formed partnership – The arrangement does not contemplate the acquisition of any additional operating assets or the disposition of any of the fund's existing operating assets - Neither the number of issued and outstanding units nor the relative holdings of units by any unitholder will be altered as a result of the completion of the arrangement – The circular will provide sufficient information, including sufficient financial information, to enable unitholders to form a reasoned judgement concerning the nature and effect of the arrangement.

Applicable Ontario Statutory Provisions

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

Citation: Superior Plus Income Fund, 2006 ABASC 1614

August 24, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA AND ONTARIO (THE JURISDICTIONS)

AND

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

AND

IN THE MATTER OF
SUPERIOR PLUS INCOME FUND (THE FILER)

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer be exempt from the requirements of item 14.2 of Form 51-102F5 – *Information Circular* of National Instrument 51-102 – *Continuous Disclosure Obligations* to include the financial statements in

respect of each entity whose securities are being changed, exchanged, issued or distributed in connection with a restructuring transaction, and each entity that would result from a restructuring transaction, in a management information circular sent in connection with a meeting of securityholders at which a restructuring transaction will be considered (the Financial Statement Requirement).

2. The management information circular (the Information Circular) of the Filer in respect of which the relief is required is to be sent to the holders (Unitholders) of units (Units) of the Filer in connection with a special meeting of Unitholders expected to be held on September 28, 2006 (the Meeting) at which Unitholders will consider an arrangement transaction (the Arrangement) of the Filer and its wholly owned subsidiaries.

3. Superior MFC Inc. (MFC), a corporation to be incorporated under the *Canada Business Corporations Act* (the CBCA) of which the Filer will be the sole shareholder, is proposing the Arrangement to internally reorganize the Filer pursuant to which the Filer's business operations will be conducted through a newly formed partnership, Superior Plus LP (SPP) and related subsidiaries of SPP rather than through Superior Plus Inc. (SPI), a corporation continued under the CBCA, of which the Fund is the sole shareholder.

Application of Principal Regulator System

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

   4.1 the Alberta Securities Commission is the principal regulator for the Filer;

   4.2 the Filer is relying on the exemption in Part 3 of MI 11-101 in all of the provinces and territories in Canada except Alberta and Ontario; and

   4.3 this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

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

Representations

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

6.1 The Filer is an open-ended mutual fund trust established under the laws of the Province of Alberta pursuant to a declaration of trust (the Declaration of Trust) made as of August 2, 1996, as amended and restated on October 7, 2003.

6.2 The Filer is a reporting issuer, where such status exists, in each of the provinces and territories of Canada and is not in default of its obligations as a reporting issuer.

6.3 The authorized capital of the Filer includes an unlimited number of trust units (the Fund Units) which may be issued pursuant to the Declaration of Trust. As at the date hereof, 85,528,851 Fund Units are issued and outstanding. The Fund Units are listed and posted for trading on the Toronto Stock Exchange under the symbol SPF.UN.

6.4 SPI is authorized to issue an unlimited number of Class A common shares (SPI Class A Common Shares), an unlimited number of Class B common shares (SPI Class B Common Shares) and an unlimited number of preferred shares. As at the date hereof, 22.9 million SPI Class A Common Shares and 22.9 million SPI Class B Common Shares are issued and outstanding. There are no preferred shares issued or outstanding. All of the issued and outstanding SPI Class A Shares and SPI Class B Shares are held by the Filer.

6.5 SPI has issued notes (the SPI Notes) in various series to the Filer in the aggregate principal amount of $1.469 billion. The SPI Notes mature on October 1, 2026 and pay a weighted average interest rate of 12.4%.

6.6 Prior to the Arrangement:

   6.6.1 a new corporation, (Fund-AdminCo) will be incorporated by the Filer under the CBCA. The Filer will subscribe for one Fund-AdminCo common share;

   6.6.2 a new corporation, (SGPL), will be incorporated by Fund-AdminCo under the CBCA. Fund-AdminCo will subscribe for one SGPL common share;

   6.6.3 SPI and SGPL will enter into an agreement to form a limited

partnership (SPP) under the *Partnership Act* (Alberta);

6.6.4 MFC will be incorporated by the Filer under the CBCA and will not carry on any business prior to the Arrangement. The issued and outstanding capital of MFC will consist of three classes of shares: (i) MFC Common Shares; (ii) MFC Class A Shares; and (iii) MFC Class B Shares; and

6.6.5 SPI and SPP will enter into an agreement of purchase and sale under which SPI will transfer all assets of SPI (the SPI Assets) in exchange for SPP limited partnership units (LP Units).

6.7 As part of the Arrangement:

6.7.1 the Filer will make a cash subscription for MFC Class A Shares and will distribute the MFC Class A Shares to the Unitholders as a return of capital;

6.7.2 SPI and MFC will amalgamate to form (Amalco-MFC) and Amalco-MFC and SGPL will amalgamate to form a new company Amalco-SPI (Amalco-SPI); and

6.7.3 following a series of transactions, SPP will hold the SPI Assets, rather than SPI, and the Filer will hold directly a 99.9% partnership interest in SPP and Amalco-SPI will hold 0.1%.

6.8 The Arrangement is being undertaken to reorganize the manner in which the Filer holds its assets pursuant to which its business operations will be conducted through SPP and related subsidiaries of SPP rather than through SPI and its related subsidiaries. The rights of Unitholders in respect of the Filer and their relative indirect interests in and to the revenues of the Filer's business will not be affected by the Arrangement. The Arrangement does not contemplate the acquisition of any additional operating assets or the disposition of any of the Filer's existing operating assets.

6.9 Following completion of the Arrangement, neither the number of issued and outstanding Fund Units nor the relative holdings of the Fund Units by any Unitholder will be altered as a result of the completion of the Arrangement and the Filer will continue to indirectly own all of its existing operating assets.

6.10 While changes to the financial statements of the Filer will likely be required to reflect the Filer's organizational structure following the Arrangement, the financial position of the Filer at that time will largely be the same as is reflected in the Filer's audited financial statements for the year ended December 31, 2005 and the interim unaudited financial statements of the Filer for the six months ended June 30, 2006.

6.11 Fund-AdminCo will be incorporated solely to give effect to the Arrangement and it will not carry on any business prior to the Arrangement. Following the Arrangement, Fund-AdminCo will not carry on any business other than to act as the administrator of the Filer. Fund-AdminCo's only assets following completion of the Arrangement will be one common share in Amalco-SPI and a nominal amount of cash necessary to perform its functions as the administrator of the Filer.

6.12 Following the amalgamation of MFC and SPI to create Amalco-MFC, and following the amalgamation of Amalco-MFC and SGPL to create Amalco-SPI, Amalco-SPI's only purpose will be to act as the general partner of SPP. Amalco-SPI's only asset following completion of the Arrangement will be a 0.1% partnerships interest in SPP.

6.13 The Information Circular will contain prospectus level disclosure for the Filer in accordance with applicable securities legislation including, the audited consolidated annual financial statements of the Filer for the financial year ended December 31, 2005 and the interim unaudited financial statements of the Filer for the six months ended June 30, 2006 (which include the financial results for SPI on a consolidated basis for the same period) will be filed on SEDAR and will be incorporated by reference into the Information Circular (collectively, the Fund Financial Statements).

6.14 The Information Circular will contain prospectus level disclosure for SPP, SGPL, MFC, Amalco-SPI, Amalco-MFC

and Fund-AdminCo in accordance with applicable securities legislation (other than the financial statement disclosure required by the Financial Statement Requirement).

Decision

7. 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 decision of the Decision Makers is that the Financial Statement Requirement for MFC, SPP, SGPL, Amalco-SPI, Amalco-MFC and Fund-AdminCo shall not apply to the Information Circular, provided the Filer complies with all other requirements of the Legislation, including but not limited to the requirement that the Information Circular include the Fund Financial Statements.

"Patricia Leeson"
Associate Director, Corporate Finance
Alberta Securities Commission

2.2 Orders

2.2.1 Builders Energy Services Trust et al. - s. 74

Headnote

Order that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 Short Form Prospectus Distributions for securities to be issued pursuant to an over-allotment option, exercisable after the closing of the offering, granted by the issuer to the underwriters to purchase up to 15% of the securities offered under the offering.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 74, 53.
National Instrument 44-101 Short Form Prospectus Distributions.

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

AND

IN THE MATTER OF
BUILDERS ENERGY SERVICES TRUST

AND

CANACCORD CAPITAL CORPORATION,
RAYMOND JAMES LTD.,
CIBC WORLD MARKETS INC.,
WESTWIND PARTNERS INC.,
ORION SECURITIES INC.,
WELLINGTON WEST CAPITAL MARKETS INC.
AND NATIONAL BANK FINANCIAL INC.

ORDER
(Section 74)

Background

The Ontario Securities Commission (the Commission) has received an application (the Application) from Canaccord Capital Corporation, Raymond James Ltd., CIBC World Markets Inc., Westwind Partners Inc., Orion Securities Inc., Wellington West Capital Markets Inc. and National Bank Financial Inc. (the Underwriters) and Builders Energy Services Trust (the Issuer) for an order pursuant to section 74 of the *Securities Act* (Ontario) (the Act) that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101) for securities to be issued pursuant to an over-allotment option, as defined below (the Requested Relief).

Interpretation

In this order,

"over-allotment option" means a right granted to the underwriters by an issuer or a selling security holder of the issuer in connection with the distribution of securities under a short form prospectus to acquire, for the purposes of covering the underwriters' over-allocation position, a security of an issuer that has the same designation and attributes as a security that is distributed under such short form prospectus, and that

(i) expires not later than the 60th day after the date of the closing of the distribution, and

(ii) is limited to the lesser of

A the over-allocation position determined as at the closing of the distribution, and

B 15% of the number or principal amount of the securities qualified for the distribution, without taking into account the securities issuable on the exercise of the over-allotment option; and

"over-allocation position" means the amount by which the aggregate number or principal amount of securities that are the subject of offers to purchase received by all underwriters of a distribution exceeds the aggregate number or principal amount of securities distributed by an issuer or selling securityholder under the prospectus, without taking into account the securities issuable on the exercise of an over-allotment option.

Representations

This order is based on the following facts represented by the Issuer and the Underwriters:

1. the purpose of an over-allotment option is to allow underwriters to conduct market stabilization activities in circumstances where the risk in so doing is protected by the existence of an over-allotment option;

2. over-allotment options are not designed to allow underwriters to sell additional securities after a prospectus has been filed or an underwriting agreement has been signed; and

3. underwriters would not accept the market risk in conducting market stabilization activities without having an over-allotment option.

Order

The Commission is satisfied that the test contained in the Act that provides the Commission with the jurisdiction to make the order has been met;

The decision of the Commission pursuant to section 74 of the Act is that the Requested Relief is granted provided that:

(a) the Issuer has entered into an enforceable agreement with the Underwriters, who have agreed to purchase the securities offered under a short form prospectus, other than the securities issuable on the exercise of an over-allotment option,

(b) the agreement referred to in paragraph (a) has fixed the terms of the distribution and requires that the Issuer file a preliminary short form prospectus for the securities and obtain from the regulator a receipt, dated as of a date that is not more than four business days after the date that the agreement is entered into, for the preliminary short form prospectus,

(c) the Issuer has issued and filed a news release announcing the agreement immediately upon entering into the agreement,

(d) upon issuance of a receipt for the preliminary short form prospectus, a copy of the preliminary short form prospectus is sent to each person or company who has expressed an interest in acquiring the securities,

(e) except as provided in paragraph (a), no agreement of purchase and sale for the securities is entered into until the short form prospectus has been filed and a receipt obtained, and

(f) the relief granted will cease to be effective on the date when NI 44-101 is amended to permit solicitations of expressions of interest before the filing of a preliminary short form prospectus for securities to be issued pursuant to over-allotment options.

Confidentiality

The further decision of the Commission under the Act is that the Application and this decision shall be held in confidence by the Commission until the occurrence of the earliest of the following:

(a) the date on which a news release is issued by the Issuer announcing that the Issuer has entered into

an enforceable agreement with the Underwriters with respect to the purchase of securities to be offered under a short form prospectus, and

(b) the date that is thirty days from the date of this decision.

Dated August 11, 2006

"Cameron McInnis"
Manager, Corporate Finance

2.2.2 Bema Gold Corporation et al. - s. 74

Headnote

Order that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 Short Form Prospectus Distributions for securities to be issued pursuant to an over-allotment option, exercisable after the closing of the offering, granted by the issuer to the underwriters to purchase up to 15% of the securities offered under the offering.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 74, 53.
National Instrument 44-101 Short Form Prospectus Distributions.

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

AND

**IN THE MATTER OF
BEMA GOLD CORPORATION**

AND

**GMP SECURITIES L.P., GENUITY CAPITAL MARKETS,
BMO NESBITT BURNS INC.,
CANACCORD CAPITAL CORPORATION,
ORION SECURITIES INC.,
RBC DOMINION SECURITIES INC.,
UBS SECURITIES CANADA INC.
AND HAYWOOD SECURITIES INC.**

**ORDER
(Section 74)**

Background

The Ontario Securities Commission (the Commission) has received an application from Bema Gold Corporation (the Issuer) and GMP Securities L.P., Genuity Capital Markets, BMO Nesbitt Burns Inc., Canaccord Capital Corporation, Orion Securities Inc., RBC Dominion Securities Inc., UBS Securities Canada Inc. and Haywood Securities Inc. (the Underwriters) for an order pursuant to section 74 of the *Securities Act* (Ontario) (the Act) that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101) for securities to be issued pursuant to an over-allotment option, as defined below (the Requested Relief).

Interpretation

In this order,

"over-allotment option" means a right granted to the underwriters by an issuer or a selling security holder of the issuer in connection with the distribution of securities under a short form prospectus to acquire, for the purposes of covering the underwriters' over-allocation position, a security of an issuer that has the same designation and attributes as a security that is distributed under such short form prospectus, and that

(i) expires not later than the 60th day after the date of the closing of the distribution, and

(ii) is limited to the lesser of

A the over-allocation position determined as at the closing of the distribution, and

B 15% of the number or principal amount of the securities qualified for the distribution, without taking into account the securities issuable on the exercise of the over-allotment option; and

"over-allocation position" means the amount by which the aggregate number or principal amount of securities that are the subject of offers to purchase received by all underwriters of a distribution exceeds the aggregate number or principal amount of securities distributed by an issuer or selling securityholder under the prospectus, without taking into account the securities issuable on the exercise of an over-allotment option.

Representations

This order is based on the following facts represented by the Issuer and the Underwriters:

1. the purpose of an over-allotment option is to allow underwriters to conduct market stabilization activities in circumstances where the risk in so doing is protected by the existence of an over-allotment option;

2. over-allotment options are not designed to allow underwriters to sell additional securities after a prospectus has been filed or an underwriting agreement has been signed; and

3. underwriters would not accept the market risk in conducting market stabilization activities without having an over-allotment option.

Order

The Commission is satisfied that the test contained in the Act that provides the Commission with the jurisdiction to make the order has been met;

The decision of the Commission pursuant to section 74 of the Act is that the Requested Relief is granted provided that:

(a) the Issuer has entered into an enforceable agreement with the Underwriters, who have agreed to purchase the securities offered under a short form prospectus, other than the securities issuable on the exercise of an over-allotment option,

(b) the agreement referred to in paragraph (a) has fixed the terms of the distribution and requires that the Issuer file a preliminary short form prospectus for the securities and obtain from the regulator a receipt, dated as of a date that is not more than four business days after the date that the agreement is entered into, for the preliminary short form prospectus,

(c) the Issuer has issued and filed a news release announcing the agreement immediately upon entering into the agreement,

(d) upon issuance of a receipt for the preliminary short form prospectus, a copy of the preliminary short form prospectus is sent to each person or company who has expressed an interest in acquiring the securities,

(e) except as provided in paragraph (a), no agreement of purchase and sale for the securities is entered into until the short form prospectus has been filed and a receipt obtained, and

(f) the relief granted will cease to be effective on the date when NI 44-101 is amended to permit solicitations of expressions of interest before the filing of a preliminary short form prospectus for securities to be issued pursuant to over-allotment options.

Dated August 17, 2006

"Cameron McInnis"
Manager, Corporate Finance

2.2.3 Semafo Inc. et al. - s. 74

Headnote

Order that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 *Short Form Prospectus Distributions* for securities to be issued pursuant to an over-allotment option, exercisable after the closing of the offering, granted by the issuer to the underwriters to purchase up to 15% of the securities offered under the offering.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 74, 53.
National Instrument 44-101 Short Form Prospectus Distributions.

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

AND

IN THE MATTER OF
SEMAFO INC.

AND

WESTWIND PARTNERS INC.,
MERRILL LYNCH CANADA INC.,
HAYWOOD SECURITIES INC.
AND BMO CAPITAL MARKETS

ORDER
(Section 74)

Background

The Ontario Securities Commission (the Commission) has received an application (the Application) from Semafo Inc. (the Issuer) and Westwind Partners Inc., Merrill Lynch Canada Inc., Haywood Securities Inc. and BMO Capital Markets (the Underwriters) for an order pursuant to section 74 of the *Securities Act* (Ontario) (the Act) that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101) for securities to be issued pursuant to an over-allotment option, as defined below (the Requested Relief).

Interpretation

In this order,

"over-allotment option" means a right granted to the underwriters by an issuer or a selling security holder of the issuer in connection with the distribution of securities under a short form prospectus to acquire, for the purposes of covering the underwriters' over-allocation position, a security of an issuer that has the same designation and attributes as a security that is distributed under such short form prospectus, and that

(i) expires not later than the 60th day after the date of the closing of the distribution, and

(ii) is limited to the lesser of

A the over-allocation position determined as at the closing of the distribution, and

B 15% of the number or principal amount of the securities qualified for the distribution, without taking into account the securities issuable on the exercise of the over-allotment option; and

"over-allocation position" means the amount by which the aggregate number or principal amount of securities that are the subject of offers to purchase received by all underwriters of a distribution exceeds the aggregate number or principal amount of securities distributed by an issuer or selling securityholder under the prospectus, without taking into account the securities issuable on the exercise of an over-allotment option.

Representations

This order is based on the following facts represented by the Issuer and the Underwriters:

1. the purpose of an over-allotment option is to allow underwriters to conduct market stabilization activities in circumstances where the risk in so doing is protected by the existence of an over-allotment option;

2. over-allotment options are not designed to allow underwriters to sell additional securities after a prospectus has been filed or an underwriting agreement has been signed; and

3. underwriters would not accept the market risk in conducting market stabilization activities without having an over-allotment option.

Order

The Commission is satisfied that the test contained in the Act that provides the Commission with the jurisdiction to make the order has been met;

The decision of the Commission pursuant to section 74 of the Act is that the Requested Relief is granted provided that:

(a) the Issuer has entered into an enforceable agreement with the Under-

writers, who have agreed to purchase the securities offered under a short form prospectus, other than the securities issuable on the exercise of an over-allotment option,

(b) the agreement referred to in paragraph (a) has fixed the terms of the distribution and requires that the Issuer file a preliminary short form prospectus for the securities and obtain from the regulator a receipt, dated as of a date that is not more than four business days after the date that the agreement is entered into, for the preliminary short form prospectus,

(c) the Issuer has issued and filed a news release announcing the agreement immediately upon entering into the agreement,

(d) upon issuance of a receipt for the preliminary short form prospectus, a copy of the preliminary short form prospectus is sent to each person or company who has expressed an interest in acquiring the securities,

(e) except as provided in paragraph (a), no agreement of purchase and sale for the securities is entered into until the short form prospectus has been filed and a receipt obtained, and

(f) the relief granted will cease to be effective on the date when NI 44-101 is amended to permit solicitations of expressions of interest before the filing of a preliminary short form prospectus for securities to be issued pursuant to over-allotment options.

Confidentiality

The further decision of the Commission under the Act is that the Application and this decision shall be held in confidence by the Commission until the occurrence of the earliest of the following:

(a) the date on which a news release is issued by the Issuer announcing that the Issuer has entered into an enforceable agreement with the Underwriters with respect to the purchase of securities to be offered under a short form prospectus, and

(b) the date that is thirty days from the date of this decision.

Dated June 20, 2006

"Cameron McInnis"
Manager, Corporate Finance

2.2.4 York Labour Fund Inc. - s. 83

Headnote

Section 83 of the Securities Act (Ontario) – labour sponsored investment fund deemed to have ceased to be a reporting issuer – the fund sold substantially all of its assets to another labour sponsored investment fund – the fund will be wound up in the near future – the fund meets the requirements set out in OSC Staff Notice 12-703.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S-5, as am., s. 83.
OSC Staff Notice 12-703 Preferred Format of Applications to the Director Under Section 83 of the Securities Act (Ontario), (2003) 26 OSCB 3107

August 24, 2006

Fasken Martineau DuMoulin LLP
Toronto Dominion Bank Tower
Suite 3600
Toronto Dominion Centre
Toronto, Ontario
M5K 1N6

Attention: Garth Foster

Re: York Labour Fund Inc. (the Applicant) - Application to Cease to be a Reporting Issuer under Section 83 of the Securities Act (Ontario), as amended (the Act)

Application #2006/0642

The Applicant has applied to the Ontario Securities Commission (the **Commission**) for an order under section 83 of the Act to be deemed to have ceased to be a reporting issuer.

As the Applicant has represented to the Commission that:

(a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in Ontario and less than 51 security holders in Canada;

(b) no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;

(c) the Applicant is not in default of any of its obligations under the Act as a reporting issuer; and

(d) the Applicant will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the Director granting the relief requested,

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

"Rhonda Goldberg"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.2.5 Amtelecom Income Fund et al. - s. 74

Headnote

Order that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 Short Form Prospectus Distributions for securities to be issued pursuant to an over-allotment option, exercisable after the closing of the offering, granted by the issuer to the underwriters to purchase up to 15% of the securities offered under the offering.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 74, 53.
National Instrument 44-101 Short Form Prospectus Distributions.

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

AND

IN THE MATTER OF
AMTELECOM INCOME FUND

AND

CANACCORD CAPITAL CORPORATION,
CIBC WORLD MARKETS INC.
AND SPROTT SECURITIES INC.

ORDER
(Section 74)

Background

The Ontario Securities Commission (the Commission) has received an application (the Application) from Amtelecom Income Fund (the Issuer) and Canaccord Capital Corporation, CIBC World Markets Inc., TD Securities Inc. and Sprott Securities Inc. (the Underwriters) for an order pursuant to section 74 of the *Securities Act* (Ontario) (the Act) that section 53 of the Act does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus in accordance with National Instrument 44-101 *Short Form Prospectus Distributions* (NI 44-101) for securities to be issued pursuant to an over-allotment option, as defined below (the Requested Relief).

Interpretation

In this order,

"over-allotment option" means a right granted to the underwriters by an issuer or a selling security holder of the issuer in connection with the distribution of securities under a short form prospectus to acquire, for the purposes of covering the underwriters' over-allocation position, a security of an issuer that has the same designation and attributes as a security that is distributed under such short form prospectus, and that

(i) expires not later than the 60th day after the date of the closing of the distribution, and

(ii) is limited to the lesser of

A the over-allocation position determined as at the closing of the distribution, and

B 15% of the number or principal amount of the securities qualified for the distribution, without taking into account the securities issuable on the exercise of the over-allotment option; and

"over-allocation position" means the amount by which the aggregate number or principal amount of securities that are the subject of offers to purchase received by all underwriters of a distribution exceeds the aggregate number or principal amount of securities distributed by an issuer or selling securityholder under the prospectus, without taking into account the securities issuable on the exercise of an over-allotment option.

Representations

This order is based on the following facts represented by the Issuer and the Underwriters:

1. the purpose of an over-allotment option is to allow underwriters to conduct market stabilization activities in circumstances where the risk in so doing is protected by the existence of an over-allotment option;

2. over-allotment options are not designed to allow underwriters to sell additional securities after a prospectus has been filed or an underwriting agreement has been signed; and

3. underwriters would not accept the market risk in conducting market stabilization activities without having an over-allotment option.

Order

The Commission is satisfied that the test contained in the Act that provides the Commission with the jurisdiction to make the order has been met;

The decision of the Commission pursuant to section 74 of the Act is that the Requested Relief is granted provided that:

(a) the Issuer has entered into an enforceable agreement with the

Underwriters, who have agreed to purchase the securities offered under a short form prospectus, other than the securities issuable on the exercise of an over-allotment option,

(b) the agreement referred to in paragraph (a) has fixed the terms of the distribution and requires that the Issuer file a preliminary short form prospectus for the securities and obtain from the regulator a receipt, dated as of a date that is not more than four business days after the date that the agreement is entered into, for the preliminary short form prospectus,

(c) the Issuer has issued and filed a news release announcing the agreement immediately upon entering into the agreement,

(d) upon issuance of a receipt for the preliminary short form prospectus, a copy of the preliminary short form prospectus is sent to each person or company who has expressed an interest in acquiring the securities,

(e) except as provided in paragraph (a), no agreement of purchase and sale for the securities is entered into until the short form prospectus has been filed and a receipt obtained, and

(f) the relief granted will cease to be effective on the date when NI 44-101 is amended to permit solicitations of expressions of interest before the filing of a preliminary short form prospectus for securities to be issued pursuant to over-allotment options.

Dated August 10, 2006

“Cameron McInnis”
Manager, Corporate Finance

2.2.6 MFDA Investor Protection Corporation and the Mutual Fund Dealers Association of Canada – s. 144 of the Act

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

AND

IN THE MATTER OF
THE MFDA INVESTOR PROTECTION CORPORATION

AND

IN THE MATTER OF
THE MUTUAL FUND DEALERS ASSOCIATION OF CANADA

ORDER
(Section 144 of the Act)

WHEREAS the Commission issued an order dated May 3, 2005, approving the MFDA Investor Protection Corporation ("MFDA IPC") as a compensation fund for customers of mutual fund dealers that are members of the Mutual Fund Dealers Association of Canada ("MFDA"), pursuant to section 110 of Regulation 1015 made under the Act, R.R.O. 1990 ("Approval Order");

AND WHEREAS the MFDA and MFDA IPC have applied for an order pursuant to section 144 of the Act to vary the terms and conditions of the Approval Order to extend the deadline for the working group established by MFDA IPC to submit its findings, and for the MFDA IPC Board to submit its evaluation;

AND WHEREAS the Commission has received certain submissions from MFDA and MFDA IPC in connection with MFDA's and MFDA IPC's application to vary the Approval Order;

AND UPON the Commission being of the opinion that it is not prejudicial to the public interest to vary the Approval Order;

IT IS ORDERED pursuant to section 144 of the Act that the Approval Order be varied as follows:

1. Item 10 (b) of Schedule A of the Approval Order is repealed and replaced by the following:

   (b) A written report of the working group's findings will be submitted to the MFDA IPC Board and to the Commission no later than September 30, 2006; and

DATED August 10, 2006

"Paul M. Moore"

"David L. Knight"

2.2.7 Patrick Gouveia et al. - Order and Settlement Agreement

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

AND

IN THE MATTER OF
PATRICK GOUVEIA, ANDREW PETERS,
RONALD PERRYMAN AND PAUL VICKERY

ORDER

WHEREAS on June 2, 2004, the Ontario Securities Commission issued a Notice of Hearing pursuant to s. 127 and s. 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, ("the Act") in respect of the respondents Patrick Gouveia, Andrew Peters, Ronald Perryman, and Paul Vickery;

AND WHEREAS the respondent Paul Vickery ("Vickery") entered into a Settlement Agreement with Staff of the Commission dated August 21, 2006, in which he agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing subject to the approval of the Commission;

AND UPON receiving the Settlement Agreement and the Notice of Hearing and upon hearing submissions of Staff and counsel for Vickery;

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

IT IS ORDERED THAT:

1. the Settlement Agreement attached to this order schedule "A" is approved;

2. pursuant to clause 7 of s. 127(1) of the Act, the respondent, Vickery, is to resign all positions as a director of officer of any issuer;

3. pursuant to clause 8 of s. 127(1) of the Act, the respondent, Vickery is prohibited from becoming or acting as a director or officer of any issuer for five years;

4. pursuant to clause 6 s. 127(1) of the Act, the respondent, Vickery is reprimanded; and

5. pursuant to s. 127(1) of the Act, the respondent, Vickery pay costs of $5,000.

DATED at Toronto, this "25th" day of August, 2006.

"Wendell S. Wigle"

"Paul K. Bates"

SCHEDULE "A"

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

AND

**IN THE MATTER OF
PATRICK GOUVEIA, ANDREW PETERS,
RONALD PERRYMAN AND PAUL VICKERY**

SETTLEMENT AGREEMENT BETWEEN STAFF OF THE ONTARIO SECURITIES COMMISSION AND PAUL VICKERY

I. INTRODUCTION

1. By Notice of Hearing dated June 2, 2004, the Ontario Securities Commission announced that it proposed to hold a hearing to consider whether pursuant to section 127 and section 127.1 of the *Securities Act*, R.S.O. 1990, C. S. 5, as amended (the *Act*), it is in the public interest to make an order that:

   (a) the respondents cease trading securities permanently or for such period as the Commission may order;

   (b) the exemptions contained in Ontario securities law do not apply to the respondents permanently or for such period as the Commission may order;

   (c) the respondents resign any positions they hold as a director or officer of any issuer permanently or for such period as the Commission may order;

   (d) the respondents be prohibited from acting as a director or officer of any issuer permanently or for such period as the Commission may order;

   (e) the respondents be reprimanded;

   (f) the respondents pay the costs of Staff's investigation and this proceeding; and

   (g) such other order as the Commission may deem appropriate.

II. JOINT SETTLEMENT RECOMMENDATION

2. Staff recommend settlement of the proceeding initiated against the Respondent, Paul Vickery, by the Notice of Hearing dated June 2, 2004 in accordance with the terms and conditions contained in paragraph 20 of this agreement. Vickery agrees to the settlement on the basis of the facts agreed to as provided in Part III and consents to the making of an order in the form attached as Schedule A to this agreement on the basis of the facts and in this agreement.

III. FACTS

(a) Acknowledgement

3. Staff and Vickery agree that the facts and submissions set out in the Settlement Agreement are solely for the purposes of this Agreement, for the settlement of this matter and as a basis for the undertakings contained in the Agreement.

4. Staff and Vickery agree that this Agreement is without prejudice to either Vickery or Staff in any other proceeding brought by the Commission under the *Act* or any civil proceedings which may be brought by any other person.

(b) Background

5. Atlas Cold Storage Income Trust (Atlas) is an open-ended, limited purpose trust established under the laws of Ontario with its head office in Toronto.

6. Atlas, through its wholly owned subsidiary, Atlas Cold Storage Holdings Inc. (Holdings), and through the wholly owned subsidiaries of Holdings, operates a Canadian and US based network of public refrigerated warehouse facilities, a transportation business, and a retail management business.

7. Atlas is a reporting issuer in Ontario. In August 2000, its units were listed and posted for trading on the Toronto Stock Exchange (TSX). Pursuant to Ontario securities law, it is obliged to file interim and audited annual financial statements with the Commission.

8. Atlas is administered by the Board of Directors of Holdings pursuant to an administration agreement between Atlas and Holdings. The earnings of Holdings and its subsidiaries flow to Atlas and Atlas pays distributable cash to unit holders quarterly as approved by the Board of Trustees of Atlas on the advice of the Board of Directors of Holdings. The payment of distributions for each of the first three quarters is equalized. The distribution is adjusted for Q4 to reflect annual earnings.

(c) Officers of Atlas

9. Patrick Gouveia was a Director and the President and Chief Executive Officer of Holdings. He held through various private entities a significant unit holding in Atlas. As CEO, Gouveia was responsible for all aspects of the operations of Atlas, Holdings and its subsidiaries.

10. Andrew Peters was a Director and Executive Vice-President and Chief Financial Officer of Holdings. Peters has since passed away.

11. Ronald Perryman was the Vice-President of Finance of Holdings. As VP Finance, Perryman was responsible for the financial affairs of Atlas, Holdings and its subsidiaries. His responsibilities included the preparation and public filing of Atlas' interim and audited annual financial statements.

12. Vickery was the Corporate Controller of Holdings from August 2000 to approximately June 2001. As Corporate Controller, he was responsible for the accounting of the financial affairs of Atlas, Holdings and its subsidiaries. In June 2001, Joe Romagnolo became the Corporate Controller of Holdings and took over the accounting responsibilities from Vickery. Vickery was appointed the Director of Business Controls which did not relate to accounting functions. At all material times, Vickery was an officer of Holdings.

(d) Inappropriate Capitalization of Expenses

13. Between January 1, 2001 and June 30, 2001, Atlas' accounting staff presented Gouveia with draft financial results in anticipation of end of quarter reporting. These results were routinely lower than the high group budgets set by Gouveia and approved by the Board of Holdings. When Gouveia received the results, he was routinely dissatisfied and instructed Vickery and his accounting staff to conduct a detailed review whether all expenditures that could be capitalized had indeed been fully capitalized. The review of expenditures, which involved a review of all invoices over Cdn$1,500 and US$1,000 (during the period Jan 2001 to June 2001), was approved by Gouveia, Perryman and Peters and resulted in additional capitalized expenditures which improved Atlas's quarterly earnings. In his capacity as corporate controller, Vickery was involved in the capitalization of costs which were subsequently restated. These capital expenditures by Holdings consisted of the following items: (a) wages and expenditures related to construction projects (b) wages and expenditures related to information technology projects such as (i) software conversions (ii) the development and implementation of new programming; and (c) electronic data interface projects that had been developed for long-term customers. With respect to the capitalization of individual salaries, estimates were used as neither construction nor IT staff prepared daily time sheets breaking out the proportion of their time spent on various projects.

14. On the direct instructions of Peters, the level of internal salary capitalizations was reviewed and increased. Vickery believed that Peters' instructions resulted from discussions held by Peters and Gouveia with the VP of Information Technology.

15. As a result of the instructions he received in 2001 to aggressively capitalize expenses and as a result of his observations of the 2002 financial statements and March 2003 quarterly statements, it was evident to Vickery that Romagnolo was instructed to conduct the same detailed review of expenditures to ensure that all expenses had been fully capitalized to assist in enabling Atlas to achieve its earning targets. Vickery's belief was reflected through email correspondence between a former employee in the finance department of an American subsidiary of Atlas and himself. On April 12, 2003, Vickery received an email from the employee which included the statement:

> How are things at Atlas otherwise? The share price keeps ticking up, so I guess the street still thinks it's the real thing. Hopefully it's not a house of cards that eventually tumbles, but from what I knew of the numbers that could eventually happen. Anyhow, hopefully Joe continues with his creative accounting efforts.

On May 7, 2003, Vickery replied by email in which he stated:

> Joe is the same as ever-grumbling about life making adjustments which probably should not be made and reaching earnings targets that I don't wish to know about.

Vickery had no specific knowledge of entries made by Romagnolo and had no influence over Romagnolo or the accounting staff.

16. In January 2002, prior to the commencement of the 2001 year end audit, Vickery and Romagnolo presented an exposure list to Gouveia, Peters and Perryman and suggested certain accruals and potential areas of exposure within the financial statements, including capitalization of expenses, in order to ensure that these issues of concern would be brought to the attention of the auditors. Vickery assisted Romagnolo in the preparation of schedules for the meeting and although aware of specific details of the items listed, Vickery's role was one of advisor to Romganolo and he had limited input into the calculation of the items tabled. Vickery was not otherwise involved in the 2001 audit and had no contact with the auditors.

(e) Filing of Materially Misleading Financial Statements

17. At the end of each financial reporting period and at the end of each financial year, Atlas accounting staff prepared the consolidated financial

statements for Atlas. The inappropriate capitalization of expenses resulted in the understatement of expenses and the overstatement of earnings in the financial statements of 2001. The consolidated financial statements, therefore, were materially misleading. This misleading financial statements together with other reporting information including general details of capitalizations were presented to the audit committee and the Board of Atlas for approval and the misleading financial statement was filed with the Commission. Vickery did not participate in audit committee or Board meetings after October 2001 and was not present when the 2001 statements were approved by the board.

(f) Restatement of Financial Statements

18. As a result of misstatements in the financial statements for the year ended December 31, 2002, on January 30, 2004, Atlas had to amend and restate its financial statements for 2001 and 2002. Earnings for the year ending 2001 were reduced and the inappropriate capitalization of expenses between January 1, 2001 and June 30, 2001, the portion for which Vickery had been responsible, contributed to the reduction.

IV. CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND CONTRARY TO THE PUBLIC INTEREST

19. Vickery acknowledges the conduct described in Part III and acknowledges that the conduct was contrary to Ontario securities law and contrary to the public interest.

V. TERMS OF SETTLEMENT

20. Vickery agrees to the following terms of settlement:

    (a) Vickery agrees to resign all positions as an officer or director of any issuer;

    (b) Vickery agrees not to be or act as a director or officer of any issuer for five years;

    (c) pursuant to clause 6 of subsection 127(1) of the *Act*, Vickery shall be reprimanded; and

    (d) pursuant to section 127.1 of the *Act*, Vickery agrees to pay the sum of $5,000 in respect of the costs of the investigation and hearing in this matter.

VI. STAFF COMMITMENT

21. If this Settlement Agreement is approved by the Commission, Staff will not initiate any other proceeding under the *Act* against Vickery based on the facts as set out in Part III of this Agreement.

22. This Settlement Agreement constitutes full answer to the allegations contained in the Notice of Hearing and Statement of Allegations.

VII. PROCEDURE FOR APPROVAL OF SETTLEMENT

23. Approval of the Settlement Agreement shall be sought at a hearing of the Commission scheduled for August 25, 2006 at 9:30 a.m.

24. Counsel for Staff and counsel for Vickery may refer to any part or all of this Settlement Agreement at the Settlement Hearing. Staff and Vickery agree that this Settlement Agreement will constitute the entirety of the evidence to be submitted at the Settlement Hearing.

25. If this Settlement Agreement is approved by the Commission, Vickery agrees to waive its rights under the *Act* to a full hearing, judicial review or appeal of the matter.

26. Whether or not the Settlement Agreement is approved by the Commission, Vickery agrees that he will not, in any proceeding, refer to or rely on this Settlement Agreement, the settlement discussions and negotiations or the process of approval of the Settlement Agreement as the basis of any attack on the Commission's jurisdiction, alleged bias or appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

27. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or an order in the form attached as Schedule "A" is not made by the Commission:

    (a) this Settlement Agreement and its terms, including all discussions and negotiations between Staff and Vickery leading up to its presentation at the Settlement Hearing, shall be without prejudice to Staff or Vickery; and

    (b) except as set out in paragraph 28, Staff and Vickery shall be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations in the Notice of Hearing and Statement of Allegations of Staff, unaffected by this Settlement Agreement or the settlement discussions and negotiations.

VIII. DISCLOSURE OF AGREEMENT

28. Except as required by its terms, this Settlement Agreement will be treated as confidential by the

Commission, and forever if, for any reason whatsoever, this Settlement Agreement is not approved by the Commission, except with the written consent of Staff and Vickery or as may be required by law.

29. Any obligations of confidentiality attaching to this Settlement Agreement shall terminate upon approval of this settlement by the Commission.

30. Staff and Vickery agree that if this Settlement Agreement is approved by the Commission, they will not make any public statement inconsistent with this Settlement Agreement, testimonial or otherwise.

IX. EXECUTION OF SETTLEMENT AGREEMENT

31. This Settlement Agreement may be signed in one or more counterparts which together shall form a binding agreement.

32. A facsimile copy of any signature shall be as effective as an original signature.

DATED AT TORONTO this "21st" day of August, 2006.

_____
Witness

"Paul Vickery"

_____
Paul Vickery

DATED AT TORONTO this "23rd" day of August, 2006.

"Kelley McKinnon
signing for Michael Watson"
Michael Watson, Director of Enforcement

SCHEDULE "A"

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

AND

**IN THE MATTER OF
PATRICK GOUVEIA, ANDREW PETERS,
RONALD PERRYMAN AND PAUL VICKERY**

ORDER

WHEREAS on June 2, 2006, the Ontario Securities Commission issued a Notice of Hearing pursuant to s. 127 and s. 127(1) of the *Securities Act*, R.S.O. 1990, c.S.5, as amended, ("the Act") in respect of the respondents Patrick Gouveia, Andrew Peters, Ronald Perryman, and Paul Vickery;

AND WHEREAS the respondent Paul Vickery ("Vickery") entered into a Settlement Agreement with Staff of the Commission dated [*], 2006, in which he agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing subject to the approval of the Commission;

AND UPON receiving the Settlement Agreement and the Notice of Hearing and upon hearing submissions of Staff and counsel for Vickery;

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

IT IS ORDERED THAT:

1. the Settlement Agreement attached to this order schedule "A" is approved;

2. pursuant to clause 7 of s. 127(1) of the Act, the respondent, Vickery, is to resign all positions as a director of officer of any issuer;

3. pursuant to clause 8 of s. 127(1) of the Act, the respondent, Vickery is prohibited from becoming or acting as a director or officer of any issuer for five years;

4. pursuant to clause 6 s. 127(1) of the Act, the respondent, Vickery is reprimanded; and

5. pursuant to s. 127(1) of the Act, the respondent, Vickery pay costs of $5,000.

DATED at Toronto, this day of , 2006.

2.2.8 Dimensional Fund Advisors Canada Inc. - s. 80

Headnote

Subsection 80(1) of the Commodity Futures Act (Ontario) (the CFA) - relief from the registration requirements of paragraph 22(1)(b) of the CFA granted to extra-provincial advisers in respect of the provision of advisory services relating to futures contracts to funds that do not have an address in Ontario, subject to certain terms and conditions.

Statutes Cited

Commodity Futures Act, R.S.O. 1990. c. C.20., as am., ss. 22(1)(b), 80.
Ontario Securities Commission Rule 35-502 Non-Resident Advisers, ss. 7.4, 7.5.

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

AND

IN THE MATTER OF
DIMENSIONAL FUND ADVISORS CANADA INC.

ORDER
(Subsection 80)

UPON the application of Dimensional Fund Advisors Canada Inc. (the Applicant) to the Ontario Securities Commission (the Commission) for a ruling, under subsection 80 of the CFA, that the Applicant, affiliates of the Applicant (the Affiliates) and their respective directors, officers and employees are not subject to the requirements of paragraph 22(1)(b) of the CFA with respect to advice provided to mutual funds (collectively, the Funds) managed by the Applicant with respect to commodity futures contracts and commodity futures options;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a corporation incorporated under the *Canada Business Corporations Act*. The head office of the Applicant is located in British Columbia. The Applicant does not have an address in Ontario.

2. The head offices of the Affiliates are or will be located outside of Canada. None of the Affiliates have an address in Ontario.

3. The Applicant is registered as an adviser in the category of portfolio manager under the *Securities Act* (British Columbia) (the BCSA). This registration permits the Applicant to provide advice in British Columbia with respect to securities (including futures and options) and exchange contracts within the meaning of the BCSA.

4. The Affiliates are or will be registered or otherwise qualified under applicable laws in the United States or in the jurisdiction where their head office is located to provide investment counselling and portfolio management services.

5. The Applicant is the manager and principal portfolio advisor of the Funds. The head office of each of the Funds is located in British Columbia. None of the Funds has an address in Ontario.

6. Securities of the Funds will be distributed in Ontario either pursuant to a simplified prospectus filed with the Commission or pursuant to exemptions from the prospectus requirements under the *Securities Act* (Ontario) (the OSA).

7. The Affiliates will be the sub-advisers to the Applicant with respect to the Funds. The Affiliates wish to advise the Funds with respect to commodity futures contracts and commodity futures options within the meaning of the CFA.

8. The obligations of the Affiliates are or will be set out in a written agreement with the Applicant.

9. The Applicant has or will contractually agree with the Funds to be responsible for any loss to the Funds that arises out of the failure of any Affiliate to:

   (a) exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Funds; or

   (b) exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;

   (the Assumed Obligations).

10. The Applicant cannot be relieved by the Funds or the Funds' securityholders from its responsibility for any liability arising under the Assumed Obligations.

AND WHEREAS paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser unless the person is registered as an adviser, or is registered as a partner or an officer of a registered adviser and is acting on behalf of a registered adviser, and the registration is in accordance with the CFA and the regulations;

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

IT IS ORDERED under section 80 of the CFA that the Applicant, the Affiliates and their respective directors, officers and employees are not subject to the requirement of paragraph 22(1)(b) of the CFA in respect of the advice they provide to the Funds, provided that:

(a) all advice by the Applicant and the Affiliates to the Funds is given and received, or portfolio management services are provided, outside of Ontario;

(b) the Applicant remains registered under the BCSA and permitted to provide advice in British Columbia with respect to exchange contracts;

(c) the Applicant, the Affiliates and the Funds continue to not have addresses in Ontario;

(d) the obligations of the Affiliates are set out in a written agreement with the Applicant;

(e) the Applicant remains responsible to the Funds or the Funds' securityholders for the Assumed Obligations; and

(f) this order shall terminate three years from the date of the order.

August 29, 2006

"Paul M. Moore"

"Harold P. Hands"

2.2.9 Sears Canada Inc. et al. - s. 9(2)

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

AND

IN THE MATTER OF
SEARS CANADA INC.,
SEARS HOLDINGS CORPORATION,
AND SHLD ACQUISITION CORP.

AND

IN THE MATTER OF
HAWKEYE CAPITAL MANAGEMENT, LLC,
KNOTT PARTNERS MANAGEMENT, LLC, AND
PERSHING SQUARE CAPITAL MANAGEMENT L.P.

ORDER
Section 9(2) of the Act

WHEREAS on August 8, 2006, the Commission issued its Reasons and Decision (the "Reasons") and made an order (the "Cease Trade Order") pursuant to subsections 104(1) and 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the "Act") that the offer to acquire (the "Offer") made by Sears Holdings Corporation and SHLD Acquisition Corp. (collectively, the "Offerors") for all of the outstanding common shares of Sears Canada Inc. (the "Common Shares") be cease-traded until certain conditions are satisfied;

AND WHEREAS by notice of appeal dated August 9, 2006, the Offerors have appealed to the Ontario Superior Court of Justice (Divisional Court) to set aside the Cease Trade Order;

AND WHEREAS by an application dated August 24, 2006 (the "Application"), the Offerors requested that the Commission confirm that the Cease Trade Order does not restrict the Offerors from (a) extending the Offer from time to time in the discretion of the Offerors to preserve the Offerors' rights pending the outcome of the appellate process in relation to the Cease Trade Order, and (b) making certain additional amendments to the Offer, as particularized in the Application and the attachment thereto;

AND WHEREAS, in the alternative, the Application sought a stay of the Cease Trade Order pursuant to subsection 9(2) of the Act, or otherwise, to permit the Offerors to take the actions contemplated in (a) and (b), above;

AND WHEREAS the Commission believes it to be in the public interest to stay the Cease Trade Order to preserve the Offerors' rights pending the outcome of the appellate process;

IT IS HEREBY ORDERED THAT, on the consent of the parties, the Cease Trade Order is stayed to the extent necessary only to permit the Offerors to amend the

Offer by extending the expiry time of the Offer until the appellate process in relation to the Cease Trade Order has been exhausted;

AND IT IS FURTHER ORDERED THAT, on considering the submissions of counsel for the Offerors seeking the further relief sought in the Application and the submissions of counsel for Hawkeye Capital Management, LLC, Knott Partners Management, LLC, Pershing Square Capital Management L.P. and Staff of the Commission opposing the granting of such relief, the application to stay the Cease Trade Order to permit the making of the additional amendments to the Offer is hereby dismissed.

DATED at Toronto this 29th day of August, 2006.

"Susan Wolburgh Jenah"

"Robert W. Davis"

2.3 Rulings

2.3.1 Coleford Investment Management Ltd. et al. - ss. 74(1), 83, 121(1)(a)(ii)

Headnote

Relief from reporting issuer requirements for existing fund with only managed account holders- Relief from the prospectus and registration requirements of the Act to permit the distribution of pooled fund units to certain fully managed accounts on an exempt basis – Relief from self-dealing prohibition of the Act to allow in specie transfers between pooled funds and managed accounts.

Applicable Legislative Provisions

Securities Act, R.S.O., c. S.5, as am., ss. 25, 53, 74(1), 83, 118(2)(b), 121(2)(a)(ii).
Subsection 1(6) of the Business Corporations Act (Ontario)

Staff Notices Cited

Commission Staff Notice 12-703.

Rules Cited

National Instrument 81-102 Mutual Funds.
National Instrument 45-106 Prospectus and Registration Exemptions.

August 25, 2006

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

AND

**IN THE MATTER OF
THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990, C. B.16, AS AMENDED
(THE OBCA)**

AND

**IN THE MATTER OF
COLEFORD INVESTMENT MANAGEMENT LTD.
(COLEFORD),
COLEFORD PRIVATE FUNDS CORPORATION
(THE CORPORATION) AND
COLEFORD PRIVATE BALANCED FUND
(THE EXISTING FUND)**

**RULING AND ORDER
(Subsection 74(1), Section 83 and Clause 121(2)(a)(ii) of the Securities Act and Subsection 1(6) of the OBCA)**

Background

The Ontario Securities Commission (the **Commission**) has received an application (the **Application**) from Coleford and the Corporation for:

(a) an order, pursuant to section 83 of the *Securities Act*, that the Existing Fund be deemed to have ceased to be a reporting issuer;

(b) an order, pursuant to subsection 1(6) of the OBCA, that the Corporation be deemed to have ceased to be offering its securities to the public;

(c) a ruling, pursuant to subsection 74(1) of the *Securities Act*, that:

(i) trades in shares of the Existing Fund and any pooled fund established and managed by Coleford in the future (each a **Future Fund**, and collectively with the Existing Fund, the **Funds**) to Secondary Managed Accounts (as defined below) will not be subject to the dealer registration and prospectus requirements under sections 25 and 53 of the *Securities Act* (the **Dealer Registration and Prospectus Requirements**); and

(ii) trades in share of the Existing Fund to the Unique RESP Account (as defined below) will not be subject to the Dealer Registration and Prospectus Requirements; and

(d) an order, pursuant to clause 121(2)(a)(ii) of the *Securities Act*, that *In Specie* Transfers (as defined below) between the Funds and the Managed Accounts (as defined below) will be exempt from the prohibition in paragraph 118(2)(b) of the *Securities Act* which prevents a portfolio manager from knowingly causing any investment portfolio managed by it to purchase or sell the securities of any issuer from or to the account of a responsible person, any associate of a responsible person or the portfolio manager (the **Self-Dealing Prohibition**).

Together, the relief requested in paragraphs (a) and (b) above is referred to as the **Reporting Issuer Relief**, and the relief requested in paragraphs (c) and (d) above is referred to as the **Managed Account Relief**.

Representations

This Ruling and Order is based on the following facts represented by Coleford:

1. Coleford is incorporated under the laws of Ontario. It is registered with the Commission as an Investment Counsel and Portfolio Manager.

2. For the past 17 years, Coleford has been managing money for high net worth individuals and institutional clients on a fully discretionary basis. As of May 31, 2006, Coleford had assets under management of approximately $251,000,000.

3. The Corporation is a mutual fund corporation incorporated under the laws of Ontario. The authorized capital of the Corporation consists of an unlimited number of shares of a class designated as common shares (the **Common Shares**), and an unlimited number of shares of 1,000 classes designated as special shares (the **Mutual Fund Shares**), with each class of Mutual Fund Shares issuable in an unlimited number of series.

4. As of the date of the Application, the Existing Fund is the only issued class of Mutual Fund Shares, with only Series F shares outstanding. Previously, there were also Series A shares outstanding, as discussed below.

5. The Existing Fund is a “mutual fund” as defined in the *Securities Act*. The primary investment objective of the Existing Fund is to generate a real rate of return while preserving capital. The Existing Fund invests in common and preferred shares of large North American companies, plus bonds, debentures and treasury bills. As of May 31, 2006, the Existing Fund had net assets under management of $2,452,323.

6. Coleford currently acts as the portfolio adviser of the Existing Fund. All-Canadian Management Inc. (**All-Canadian**) acts as the manager, principal distributor, registrar and transfer agent of the Existing Fund. All-Canadian is incorporated under the laws of Ontario and is registered with the Commission as an Investment Counsel and Portfolio Manager.

7. Coleford receives a fee from All-Canadian for acting as portfolio advisor of the Existing Fund. All-Canadian collects a fee of 1.8% of net asset value from the Existing Fund for its services as manager of the Existing Fund.

8. As of the date of the Application, there are 100 Common Shares outstanding. Previously, half of them were owned by Coleford, with the other half owned by All-Canadian. On May 23, 2006, Coleford purchased All-Canadian’s shares. In connection with the purchase, the parties agreed that Coleford would become the manager of the Existing Fund, subject to the Reporting Issuer Relief being granted. If the Reporting Issuer Relief is granted, Coleford will act as manager, portfolio adviser, principal distributor, registrar and transfer agent of the Existing Fund after the change of manager. Coleford will act in such capacity for each Future Fund.

9. A simplified prospectus was prepared and filed for the Existing Fund on February 17, 2003, and renewed on April 6, 2004, so that Series A and F shares could be sold to Ontario investors who were not either an "accredited investor" under Ontario securities law or making an initial purchase of $150,000 or more. This strategy was not otherwise implemented and was subsequently abandoned, and the simplified prospectus was permitted to lapse on April 6, 2005.

10. There are 66 accounts holding series F shares of the Existing Fund. The accounts are owned by 51 investors (the **Accountholders**). As of the date of this ruling and order, all but one of the Accountholders are accredited investors in Primary Managed Accounts (as defined below) or investors in Secondary Managed Accounts (as defined below).

11. When they first purchased shares of the Existing Fund, each Accountholder was employed by Coleford or All-Canadian and/or was either an existing client of Coleford or related to an existing client of Coleford and/or the trade in securities held by that Accountholder would have been exempt from the Dealer Registration and Prospectus Requirements if NI 45-106 had been in force at the time.

12. Excluding the reinvestment of distributions, there have been 20 trades in Series F shares of the Existing Fund since the simplified prospectus lapsed. All of them were to existing Accountholders or individuals closely related to or connected with existing Accountholders.

13. Since July 5, 2005, shares of the Existing Fund have been issued only under exemptions from the Dealer Registration and Prospectus Requirements.

14. None of the Accountholders have acquired shares of the Existing Fund through the traditional broker-dealer distribution network, other than through a registered dealer affiliate of All-Canadian and a registered dealer used by Coleford for trades involving its clients.

Reporting Issuer Relief

15. If the Existing Fund had less than 15 shareholders, the Corporation could have applied for relief via Commission Staff Notice 12-703:

    (a) No securities of the Existing Fund are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;

    (b) The Existing Fund is not in default of any of its obligations under the *Securities Act* as a reporting issuer. On May 1, 2006, the Existing Fund filed with the Commission its management report of fund performance and audited financial statements for the year ended December 31, 2005, and an annual information form prepared under Part 9 of National Instrument 81-106 *Investment Fund Continuous Disclosure*; and

    (c) The Existing Fund will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately after the Reporting Issuer Relief is granted. The same will be true of the Corporation under the OBCA.

16. Coleford has notified all of the Accountholders that the Application has been made, and has explained the implications of the Reporting Issuer Relief being granted in the context of their account, whether managed or not.

17. The assets of the Existing Fund are, and will continue to be, invested in accordance with Part 2 of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) and held by a qualified custodian in accordance with Part 6 of NI 81-102. The assets of the Existing Fund are currently held under the custody of Canadian Imperial Bank of Commerce.

18. If the Reporting Issuer Relief is granted, the financial statements of the Existing Fund will be prepared and delivered to shareholders in accordance with the requirements of National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) that apply to mutual funds that are not reporting issuers. The Existing Fund will rely on the filing exemption contained in section 2.11 of NI 81-106.

19. As of the date of this decision, Coleford will act as manager of the Existing Fund.

Managed Account Relief

20. Coleford primarily offers discretionary portfolio management services to individuals, corporations and other entities (each, a **Client**) seeking wealth management or related services (**Managed Services**) through a managed account. Pursuant to a written agreement (**Master Client Agreement**) between Coleford and the Client, Coleford makes investment decisions for the managed account and has full discretionary authority to trade in securities for the managed account without obtaining the specific consent of the Client to the trade.

21. The Managed Services are provided by employees of Coleford who meet the proficiency requirements of an advising officer or advising representative (or associate advising officer or

associate advising representative) under Ontario securities law.

22. The Managed Services consist of the following:

    (a) each Client who accepts Managed Services executes a Master Client Agreement whereby the Client authorizes Coleford to supervise, manage and direct purchases and sales, at Coleford's full discretion on a continuing basis;

    (b) Coleford's qualified employees perform investment research, securities selection and management functions with respect to all securities, investments, cash equivalents or other assets in the managed account;

    (c) each managed account holds securities as selected by Coleford; and

    (d) Coleford retains overall responsibility for the Managed Services provided to its Clients and has designated a senior officer to oversee and supervise the Managed Services.

23. Coleford's minimum aggregate balance for all the managed accounts of a client is $1,000,000. This amount is published in Coleford's marketing materials, including its Web site. From time to time, Coleford will accept a client who does not meet this minimum threshold if there are exceptional factors that have persuaded Coleford for business reasons to accept such persons as Clients and waive the minimum aggregate balance, provided those Clients agree to pay Coleford's minimum management fee. Managed accounts of a client which on aggregate satisfy this minimum balance and/or minimum fee requirement are hereinafter referred to as **Primary Managed Accounts**. This minimum balance/minimum fee requirement may be waived at Coleford's discretion.

24. In addition, from time to time Coleford may accept certain Clients for managed accounts with less than $1,000,000 under management or who will not pay Coleford's minimum management fees. Such Clients consist primarily of family members of Primary Managed Account Clients, but may also include persons who have another relationship with the holder of a Primary Managed Account where there are exceptional factors that have persuaded Coleford for business reasons to accept such persons as Clients and waive its minimum balance and fee requirements. Assets managed by Coleford for the family members and other persons described above are incidental to the assets it manages for holders of Primary Managed Accounts. Managed accounts where the minimum aggregate balance has been waived for the reasons given above are hereinafter referred to as **Secondary Managed Accounts**. Together, the Primary Managed Accounts and the Secondary Managed Accounts are hereinafter referred to as the **Managed Accounts**.

25. All but one of the holders of the Primary Managed Accounts investing in the Existing Fund qualify as accredited investors under Ontario securities law. The remaining holder set up a Primary Managed Account with Coleford as part of the registered education savings plan of the holder's grandchildren (the **Unique RESP Account**). The Unique RESP Account acquired shares of the Existing Fund while the simplified prospectus was in place. The holder of the Unique RESP Account is a longstanding Coleford client and is well known to Coleford. Coleford would like for the Unique RESP Account to be able to continue to acquire shares of the Existing Fund, so that the Unique RESP Account will not have to incur the costs of individually buying and selling each security held by the Existing Fund from time to time. As noted above in paragraph 17, the assets of the Existing Fund will continue to be invested in accordance with Part 2 of NI 81-102, and will continue to be held by a qualified custodian in accordance with Part 6 of NI 81-102.

26. The holders of Secondary Managed Accounts do not always themselves qualify as accredited investors under Ontario securities law, nor do their investments meet the minimum investment threshold set out in NI 45-106. Coleford typically services these Secondary Managed Account Clients as a courtesy to its Primary Managed Account Clients, or with the expectation that a Secondary Managed Account will satisfy the minimum balance requirement in the future.

27. Investments in individual securities may not be ideal for the Secondary Managed Account Clients since they may not receive the same asset diversification benefits and may incur disproportionately higher brokerage commissions relative to the Primary Managed Account Clients due to minimum commission charges.

Relief from the Dealer Registration and Prospectus Requirements

28. If the Reporting Issuer Relief is granted, all of the Funds will be able to give Managed Account Clients the benefit of asset diversification, access to investment products with very high minimum investment thresholds and economies of scale on minimum brokerage commission charges in contrast to individual trades in each Managed Account. Unless relief from the Dealer Registration and Prospectus Requirements is granted, the Funds will be available only to Clients that are accredited investors or are able to invest a minimum of $150,000 in a Fund. These

requirements either act as a barrier to Secondary Managed Account Clients investing in the Funds, or may cause Coleford's portfolio manager to invest more of a Secondary Managed Account Client's portfolio in such a Fund than it might otherwise prefer to allocate.

29. To improve the diversification and cost benefits to Secondary Managed Account Clients, Coleford wishes to distribute securities of the Funds to Secondary Managed Accounts without a minimum investment. The Secondary Managed Account Client would thereby be able to receive the benefit of Coleford's investment management expertise, regarding both asset allocation and individual stock selection, as well as receive the benefits of lower costs and broader asset diversification associated with pooled investments relative to direct holdings of individual securities.

30. Managed Services provided by Coleford under a Managed Account are covered by a base management fee calculated as a fixed percentage of the assets under management in the Managed Account (the **Base Management Fee**). The Base Management Fee includes investment research, portfolio selection and management with respect to all securities or other assets in the Managed Account. The Base Management Fee is not intended to cover brokerage commissions and other transaction charges in respect of each transaction which occurs in a Managed Account, nor does it cover interest charges on funds borrowed or charges for standard administrative services provided in connection with the operation of the Managed Account, such as account transfers, withdrawals, safekeeping charges, service charges, wire transfer requests and record-keeping. The terms of the Base Management Fee are detailed in the Master Client Agreement.

31. Where Coleford invests on behalf of a Managed Account in Funds which would otherwise pay a management fee to Coleford as manager, the Managed Account will purchase shares of a series without such fees. Accordingly, there will be no duplication of fees between a Managed Account and the Funds.

32. There will be no commission payable by a Client on the sale of shares of the Funds to a Managed Account.

33. The Existing Fund is, and the Future Funds will each be, a "mutual fund" under the *Securities Act*. If the Reporting Issuer Relief is granted, the Existing Fund will not be a reporting issuer under the *Securities Act*. Any Future Funds will also not be reporting issuers under the *Securities Act*. The Funds will be sold in Ontario under applicable exemptions from the Dealer Registration and Prospectus Requirements.

34. Unless relief is granted from the Dealer Registration and Prospectus Requirements, Coleford will be prohibited from selling shares of a Fund to a Secondary Managed Account where the Client is not an accredited investor or does not invest a minimum of $150,000 in the Fund. NI 45-106 excludes from the definition of "accredited investor" a managed account if it is acquiring a security of a mutual fund in Ontario. Under NI 45-106, a Managed Account may only invest in the Funds on an exempt basis if either (a) the Client holding the Managed Account itself qualifies as an accredited investor, or (b) the Managed Account purchases at least $150,000 of securities of the Fund.

Relief from the Self-Dealing Prohibition

35. Coleford wishes to permit payment, in whole or in part, for Fund shares purchased by a Managed Account to be made by making good delivery of securities held by such Managed Account to a Fund, provided those securities meet the investment criteria of the Fund. Implementing *in specie* transfers of securities between a Managed Account and a Fund reduces market impact costs, which can be detrimental to Clients. *In specie* transfers will also allow Coleford to efficiently retain within its control institutional-size blocks of securities that otherwise would need to be broken apart and re-assembled. Such securities often are those that trade in lower volumes, with less frequency, and have larger bid-ask spreads.

36. Similarly, after a redemption of shares of a Fund by a Managed Account, Coleford wishes to permit payment, in whole or in part, of redemption proceeds to be satisfied by making good delivery of securities held in the investment portfolio of a Fund to such Managed Account, if those securities meet the investment criteria of the Managed Account (the transactions described in this paragraph and the previous paragraph are collectively referred to as ***In Specie* Transfers**). Coleford anticipates *In Specie* Transfers after a redemption of shares of a Fund where a Managed Account invested in such Fund has experienced a change in circumstances, which results in the Managed Account being an ideal candidate for direct holdings of individual securities rather than Fund shares. *In Specie* Transfers will be executed through a registered dealer.

37. As Coleford is the portfolio manager of the Managed Accounts, it would be considered a "responsible person" under subsection 118(1) of the *Securities Act* with respect to the Managed Accounts. Furthermore, the Corporation will be an affiliate of Coleford under the *Securities Act* because Coleford owns voting securities carrying more than 50% of the votes for the election of the directors of the Corporation.

38. Unless the requested relief is granted, the Self-Dealing Prohibition will prohibit Coleford from causing a Managed Account to make an *In Specie* Transfer of securities of any issuer to or from any of the Funds of which Coleford is the trustee, as the Funds would each be a "responsible person".

Ruling and Order

The Commission being satisfied that the relevant tests contained in subsection 74(1), section 83 and clause 121(2)(a)(ii) of the *Securities Act*, and subsection 1(6) of the OBCA, have been met, the Commission:

1. orders, pursuant to section 83 of the *Securities Act*, that the Existing Fund be deemed to have ceased to be a reporting issuer;

2. orders, pursuant to subsection 1(6) of the OBCA, that the Corporation be deemed to have ceased to be offering its securities to the public;

3. rules, pursuant to subsection 74(1) of the *Securities Act*, that trades in shares of the Funds to Secondary Managed Accounts will not be subject to the Dealer Registration and Prospectus Requirements, provided that:

   (a) this ruling will terminate upon the coming into force of any legislation or rule of the Commission exempting a trade in a security of a mutual fund to a fully managed account from the Dealer Registration and Prospectus Requirements;

   (b) this ruling will only apply where the holder of the Secondary Managed Account is, and in the case of clauses (iii) to (vi) remains,

      (i) an individual (of the opposite sex or same sex) who is or has been married to the holder of a Primary Managed Account, or is living or has lived with the holder of a Primary Managed Account in a conjugal relationship outside of marriage;

      (ii) a parent, grandparent, child or sibling of either the holder of a Primary Managed Account or the individual referred to in clause (i);

      (iii) a personal holding company controlled by an individual referred to in clause (i) or (ii) above;

      (iv) a trust, other than a commercial trust, of which an individual referred to in clause (i) or (ii) above is a beneficiary;

      (v) a private foundation controlled by an individual referred to in clause (i) or (ii) above; or

      (vi) a close business associate, employee or professional adviser to a holder of a Primary Managed Account that is an accredited investor, provided that:

         (1) in each instance, there are exceptional factors that have persuaded Coleford for business reasons to accept such person as a Secondary Managed Account Client and waive Coleford's minimum aggregate balance, and a record is kept and maintained of the exceptional factors considered; and

         (2) the Secondary Managed Account clients acquired through such relationships to a holder of a Primary Managed Account may not at any time represent more than five percent of Coleford's total Managed Account assets under management; and

   (c) Coleford and the Corporation do not pay any fees or commissions to any person in connection with the distribution of shares of a Fund, and neither Coleford nor the Corporation pays referral fees to any person in connection with the referral of Secondary Managed Accounts that invest in shares of any of the Funds;

4. rules, pursuant to subsection 74(1) of the *Securities Act*, that trades in shares of the Existing Fund to the Unique RESP Account will not be subject to the Dealer Registration and Prospectus Requirements, provided that this ruling will terminate upon the coming into force of any legislation or rule of the Commission exempting a trade in a security of a mutual fund to a fully managed account from the Dealer Registration and Prospectus Requirements; and

5. orders, pursuant to clause 121(2)(a)(ii) of the *Securities Act*, that the Self-Dealing Prohibition shall not apply to Coleford in connection with the payment of the purchase or redemption price of shares of a Fund by *In Specie* Transfers between the Managed Accounts and the Funds, provided that:

   (a) in connection with the purchase of shares of any of the Funds by a Managed Account:

      (i) Coleford obtains the prior written consent of the relevant Managed Account Client before it engages in any *In Specie* Transfers in connection with the purchase of shares;

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

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

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

      (v) the account statement next prepared for the Managed Account includes a note describing the securities delivered to the Fund and the value assigned to such securities; and

   (b) in connection with the redemption of shares of a Fund by a Managed Account:

      (i) Coleford obtains the prior written consent of the relevant Managed Account Client to the payment of redemption proceeds in the form of an *In Specie* Transfer;

      (ii) the securities are acceptable to the portfolio advisor of the Managed Account and consistent with the Managed Account's investment objective;

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

      (iv) the holder of the Managed Account has not provided notice to terminate its Master Client Agreement with Coleford;

      (v) the account statement next prepared for the Managed Account includes a note describing the securities delivered to the Managed Account and the value assigned to such securities; and

   (c) Coleford does not receive any compensation in respect of any sale or redemption of shares of a Fund (other than redemption fees disclosed in the offering documents of the Funds), and, in respect of any delivery of securities further to an *In Specie* Transfer, the only charge paid by the Managed Account is the commission charged by the dealer executing the trade.

"Robert L. Shirriff"

"Paul K. Bates"

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Certain Directors, Officers and Insiders of Hollinger Inc.

[Editor's Note:

The Reasons dated August 18, 2005 for the Commission's decision on standing in *Re: Certain Directors, Officer, and Insiders of Hollinger Inc. and Certain Directors, Officers and Insiders of Hollinger International Inc.* were inadvertently not published at the time of their release in August 2005. Their publication in this edition of the O.S.C. Bulletin rectifies this omission.]

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
HOLLINGER INC.

AND

IN THE MATTER OF
CERTAIN DIRECTORS, OFFICERS AND INSIDERS OF
HOLLINGER INTERNATIONAL INC.

(Applications for standing in the hearing on the merits of the Applications to vary under section 144 of the Act)

Hearing	-	March 21, 2005
Panel		
Susan Wolburgh Jenah	-	Vice-Chair (Chair of the Panel)
Robert W. Davis	-	Commissioner
Suresh Thakrar	-	Commissioner
Counsel		
Leah Price Dale Denis Avi Greenspoon Elliot Vardin Stephen Infuso Norman May	-	For Hollinger Inc.
Alan Mark Steve Tenai Ava Yaskiel	-	For 1269940 Ontario Limited, 2753421 Canada Limited, Conrad Black Capital Corporation, Conrad M. (Lord) Black, The Ravelston Corporation Limited
Harry Burkman	-	For 509643 N.B. Inc., 509644 N.B. Inc., 509645 N.B. Inc., 509466 N.B. Inc., 509647 N.B. Inc., and Argus Corporation Limited
Stephen Halperin Jessica Kimmel	-	For the Independent Committee of the Board of Directors of Hollinger Inc.

Robert Staley Julia E. Schatz	-	For Hollinger International Inc. and the Special Committee for Hollinger International Inc.
Peter Howard Brian Pukier	-	For Lawrence & Company Inc.
Chris Paliare Gordon Capern Jeffrey Larry	-	For Kenneth McLaren and other minority shareholders
David C. Moore	-	For Catalyst Fund General Partner I Inc.
Johanna Superina Naizam Kanji Paul Hayward	-	For Staff of the Ontario Securities Commission

DECISION AND REASONS

BACKGROUND

[1] Two applications, dated March 15, 2005 ("the Applications") pursuant to section 144 of the *Securities Act* (the "Act") were made to vary the following Orders (the "MCTOs"):

(a) the Order of the Commission dated June 1, 2004, as varied by the Order of the Commission dated March 8, 2005 (the "Hollinger MCTO"), relating to certain directors, officers, and insiders of Hollinger Inc. ("Hollinger"); and

(b) the Order of the Commission dated June 1, 2004, as varied by the Order of the Commission dated March 8, 2005 (the "International MCTO"), relating to certain directors, officers, and insiders of Hollinger International Inc.

[2] The applicants (collectively, the "Applicants") were Hollinger Inc.; 1269940 Ontario Limited; 2753421 Canada Limited; Conrad Black Capital Corporation; Conrad M. (Lord) Black ("Black"); The Ravelston Corporation Limited ("Ravelston"); 509643 N.B. Inc.; 509644 N.B. Inc.; 509645 N.B. Inc.; 509646 N.B. Inc.; 509647 N.B. Inc.; and Argus Corporation Limited.

[3] The hearing on the merits of the Applications was held on March 23 and 24, 2005. On March 28, 2005, the Commission released its decision refusing to grant the Applications as requested.

[4] In our decision, we noted that prior to the hearing on the merits, we heard submissions on standing on March 21, 2005. Certain parties requested and were granted standing. We indicated that our reasons for the decision relating to standing would follow.

[5] We granted modified "Torstar" standing to International and Catalyst and full standing to the McLaren, Lawrence, and the IDC (all defined below). These are the reasons for that decision.

APPLICATIONS FOR STANDING

[6] Following the issuance of the Notice of Hearing on March 15, 2005, a number of parties requested standing in the Applications. Those who asked for standing were:

a. Hollinger International Inc. ("Hollinger International") and the Special Committee of Hollinger International Inc. (collectively "International"). Hollinger's principal asset was its holdings in Hollinger International;

b. Kenneth McLaren, Stephen Jarislowsky, David Wilkes and Andrew Wilkes (collectively "McLaren"). This was a group of minority shareholders of the common shares of Hollinger (the "Common Shares"), who, at the time of the hearing, held in the aggregate approximately 1,000,000 Common Shares, approximately 13% of the Common Shares held by minority shareholders. McLaren was opposed to the Going Private Transaction (the "GPT" or the "Transaction") proposed by Hollinger, and initiated by Ravelston and Black. The GPT would be put to the common shareholders for a vote in the event that the Commission decided to grant the relief sought in the Applications;

c. Catalyst Fund General Partner I Inc. ("Catalyst"). Catalyst was the largest holder of the Series II Preference Shares of Hollinger ("Preferred Shares"). Catalyst was also opposed to the GPT;

d. Lawrence & Company Inc. ("Lawrence"). Lawrence was also a minority common shareholder of Hollinger, holding 493,300 of the Common Shares, approximately 6.5% of the Common Shares held by the minority shareholders. Lawrence was in favour of the GPT; and

e. The Independent Directors Committee of Hollinger (the "IDC"). The IDC appeared on behalf of the minority common shareholders of Hollinger collectively.

ARGUMENTS FOR STANDING

International

[7] International sought full standing and argued that granting it such standing would fully and adequately serve the public interest.

[8] As one of the MCTOs sought to be varied related to the securities of Hollinger International, International maintained that it should be a party to that Application. As there would be no reason to separate the two hearings for the Applications to vary the MCTOs, International argued it should therefore be a party to the Application to vary the Hollinger MCTO as well.

[9] International argued that it was directly affected by the outcome of the proceeding because Hollinger International was the true target of the GPT. The GPT would directly affect and threaten to harm the economic interests of Hollinger International and its shareholders inasmuch as it would allow Hollinger to reassert its position in Hollinger International and gain the control that had been lost.

[10] International maintained that it could make a useful contribution to the proceedings as it was "uniquely positioned to provide highly relevant and probative evidence that relates to the public interest issues raised by the hearing." This would consist of new facts and evidence that would contradict information included in the Circular relating to the GPT (defined below) and in the Applications that International maintained was untrue or incorrect.

[11] This new evidence included an affidavit of Hollinger International's General Counsel, James Van Horn. This affidavit referred to Hollinger International's offer to provide assistance in connection with Hollinger's 2003 annual financial statement audit, and to provide Hollinger with access to documents, information and personnel needed to complete the audit. The affidavit further stated that no one from the Privatization Committee of Hollinger had asked for assistance from Hollinger International, contrary to what was stated in the Notice of Special Meeting and the Management Proxy Circular in Connection with the Special Meeting of the Holders of Retractable Common Shares and Series II Preference Shares to be Held on Thursday, March 31, 2005 to Consider a Proposed Going Private Transaction by Way of a Consolidation dated March 4, 2005 (the "Circular").

McLaren

[12] McLaren sought full standing on the basis that they could make a useful contribution to the proceedings without unfairly prejudicing the interests of the parties.

[13] In its submissions, Counsel for McLaren pointed out that McLaren, as a group of minority common shareholders opposed to the GPT, was uniquely positioned to advance arguments and evidence as to why the GPT was contrary to their interests as minority shareholders.

[14] McLaren stated that they would call evidence and make submissions on a number of matters including whether the Circular and the valuation conducted by GMP Securities Ltd. (the "GMP Valuation") provided sufficient, appropriate and accurate information to allow the minority shareholders to make an informed decision.

[15] McLaren would also argue that minority shareholders would benefit from receiving the report of the inspector appointed by Justice Campbell to investigate related-party transactions involving Hollinger. Moreover, McLaren would call evidence and make submissions about whether the minority shareholders would benefit from further disclosure, including additional information about Hollinger International that was not reflected in the GMP Valuation.

[16] If the Commission were to vary the MCTOs, a vote on the GPT would be allowed to proceed. This would have a direct financial impact on the minority common shareholders, in the event of a favourable vote. McLaren argued that it would be wrong to allow a vote in these circumstances without the benefit of a proper and complete valuation based on current financial statements or a recommendation of the Board of Directors as to the fairness of the subject transaction.

[17] In short, as in *Re Canadian Tire Corp. (*1987), 10 O.S.C.B. 857 ("*Canadian Tire*") and *Re Canada Malting Co.* (1986), 9 O.S.C.B. 3565, the financial interests of McLaren would be directly affected by the Commission's decision.

Catalyst

[18] Catalyst also sought full standing. As owner of 1,398,000 Preferred Shares of Hollinger, approximately 80% of the Preferred Shares, Catalyst argued that the GPT would have a significant impact on its economic interest.

[19] Catalyst maintained that it would be directly affected by a decision to grant the Applications as Catalyst could then be forced to vote on the PS Consolidation Resolution, as defined in the Circular.

[20] As a security holder, Catalyst was entitled to expect that, in connection with the GPT, appropriate disclosure and a proper valuation would be provided in accordance with applicable requirements.

[21] Catalyst had been a party to related court proceedings under the *Canada Business Corporations Act* involving Hollinger. Catalyst generated materials which the Commission would have access to and which were, according to Catalyst, "highly material to the public interest considerations." Catalyst had also obtained a letter from BMO Nesbitt Burns that raised issues with respect to the GMP Valuation. Catalyst also proposed to file an affidavit of Wesley Voorheis, whose previous experience with a litigation trust would be useful in an analysis of the litigation trust described in the Circular.

[22] In summary, Counsel for Catalyst stated that his client had particular insight into relevant matters such as the GMP Valuation, the litigation trust and the CBCA proceedings relating to Hollinger, and could therefore make a unique and useful contribution to the proceedings.

Lawrence

[23] Lawrence originally applied for modified Torstar standing, a restricted type of standing described below, in order to make submissions in respect of the Applications. Upon learning that McLaren sought full standing, Lawrence sought the same standing as that afforded to McLaren.

[24] Lawrence was said to have a direct interest because the minority shareholders would be asked to vote on the GPT if the Commission were to vary the MCTOs as requested.

[25] As a minority shareholder, Lawrence's economic interests would be directly affected if it were to be deprived of the opportunity to vote on the GPT and the protections being offered as part of the GPT.

[26] Lawrence stated that it could "provide a useful contribution from a different perspective" inasmuch as it was a minority shareholder openly in favour of the GPT.

IDC

[27] The IDC maintained that it was the only representative of the minority shareholders as a collective group.

[28] Counsel for the IDC argued that the public minority shareholders of Hollinger should be given the opportunity to exit the company.

[29] Although the IDC had been involved in discussions relating to the GPT from the beginning, the IDC took no position on the fairness of the GPT and was not prepared to make a recommendation to shareholders with respect to how they should vote in relation to the GPT. Notwithstanding, the IDC had determined that the GPT ought to be put to the shareholders for a vote.

[30] The IDC stated that it was uniquely positioned to provide a useful perspective on the relevant matters before us.

Ravelston

[31] As a party to the Applications, Ravelston opposed International's and Catalyst's applications for standing. Counsel for Ravelston maintained that International and Catalyst were attempting to turn the Applications hearing into a sanctions hearing against Black.

[32] Counsel for Ravelston argued that the only direct interest engaged by the Applications is whether it would be in the interests of the minority public shareholders to consider and vote on the GPT, and that neither Catalyst nor International have any direct interest in the Applications given they were not minority common shareholders.

[33] Counsel for Ravelston also pointed out that in those cases where Torstar standing was granted, the applicants have typically been shareholders or other persons with a direct financial interest in the subject company.

[34] Ravelston's Counsel argued that Catalyst's economic interest was not affected by the GPT and further noted that Catalyst had stated its intention to vote against the consolidation, whatever the outcome of the hearing to determine whether or not to grant the Applications.

[35] Finally, Ravelston's Counsel maintained that to allow Catalyst and International to participate in the hearing would cause injustice to the immediate parties.

Hollinger

[36] Hollinger opposed International's request for standing in the Application to vary the Hollinger MCTO because International was not directly or indirectly affected by any decision in relation to the Hollinger MCTO, and International would not be able to make a useful contribution without injustice to the parties.

[37] Hollinger also argued that neither International nor Catalyst had any financial or economic interest in the outcome of the Applications. Rather, their concerns were indirect and speculative, and therefore insufficient to justify standing of any kind.

[38] Hollinger disputed the assertion by International and Catalyst that they could make a useful contribution to the proceedings and argued that International's submissions and their proposed evidence was unrelated to the issues raised in the Application to vary the Hollinger MCTO.

[39] Hollinger agreed that the common shareholders that applied for standing should be granted Torstar standing because their financial interests would be impacted by the decision to proceed with the GPT in the event of a favourable vote.

Staff

[40] Staff recommended that the Commission grant modified Torstar standing or enhanced standing to all of the parties that applied for intervenor status, with the exception of the IDC who should be given full standing.

[41] Staff's position was that the proposed intervenors would be able to offer a different and useful perspective on the issues to be determined by the Commission.

REASONS

[42] In previous Commission decisions, the Commission has granted two types of standing to those seeking intervenor status:

a. Full standing, including the opportunity to adduce evidence and make submissions; and

b. Torstar standing, a restricted form of standing.

[43] "Torstar" standing derives its name from Re Torstar Corp. (1985), 8 O.S.C.B. 5068 ("Torstar"), and refers to a restricted type of standing which entitles a party to make submissions before the Commission but not to tender evidence in the proceeding.

THE TEST

[44] In *Re Albino* (1991), 14 O.S.C.B. 365 ("Albino"), the Commission set out a test that has been adopted in a number of subsequent Commission decisions [at pp. 425 – 426]:

> ...on requests for standing the Commission must first and foremost consider the nature of the issue and the likelihood that the intervenors will be able to make a useful contribution without injustice to the immediate parties (the *MacMillan Bloedel* test, adopted in *Torstar*). Where a would-be intervenor has a direct financial interest, in that the person may acquire a benefit or incur a loss as an immediate result of a Commission decision, full standing is appropriate. The clearest application of that principle is to security holders and to those who have announced an intention (i.e. offerors in take-over bids) to acquire securities. Where the intending intervenor has a clear financial interest – most obviously, as a holder of securities of the subject issuer – but that interest will not be immediately affected by the decision the Commission may make, then only restricted (i.e. *Torstar*) standing is to be granted.

[45] *Albino* suggests that the following factors should be considered in an application for standing:

a. The nature of the proceeding;

b. Whether the proposed intervenor will make a useful contribution to the proceeding;

c. Whether the proposed intervention would unfairly prejudice the interests of the existing parties; and

d. The effect, if any, of the proceeding's potential outcomes on the economic interests of the proposed intervenor.

[46] Hearings before the Commission may relate to a variety of matters, including: discipline for breaches of the *Securities Act* and/or conduct contrary to the public interest; consideration of contested take-over bids; reviews of decisions of self-regulatory organizations; or reviews of decisions of a Director.

[47] In previous cases, the Commission has noted that issues of standing should be viewed differently in hearings involving contested take-over bids, for example, versus disciplinary proceedings. The Commission has granted broader intervention rights in bid-related and similar types of proceedings than in disciplinary hearings. These principles are laid out by the Commission in *Re Instinet Corp.* (1995), 18 O.S.C.B. 5439 at p. 5446 and in *Canadian Tire*.

[48] When deciding if a proposed intervenor will make a useful contribution to the proceedings, the Commission will consider whether the proposed intervenor will advance arguments or evidence that would not otherwise be presented. In *MacMillan Bloedel v. Mullin* [1985] B.C.J. No. 2076 (C.A.) ("*MacMillan Bloedel*") at paragraph 9, the British Columbia Court of Appeal said that a successful intervenor should "bring a different perspective to the issue before the Court". This Commission held in *Albino* that where an existing party can adequately advance a position, then interventions may be neither helpful nor necessary.

[49] The Commission must always be mindful of the need to deal fairly with the existing parties to the proceeding in considering applications for intervenor status. Excessive interventions may unduly protract the proceedings and thus unfairly prejudice existing parties, as noted in *Albino* at page 426. The Commission has the statutory authority to determine its own procedures and practices and can make orders to apply in any particular proceeding, as provided under paragraph 25.0.1(a) of the *Statutory Powers Procedure Act*, R.S.O. 1990. This power is analogous to a court's ability to control its own process at trial or on a motion to avoid an unfair outcome to the immediate parties, as per *Re Ontario Securities Commission and Electra Investments (Canada) Ltd.* (1983), 44 O.R. (2d) 61 (Div. Ct.).

[50] Previous Commission decisions relating to standing have focused on the impact the Commission's decision would have on the economic interests of a proposed intervenor.

[51] The nature of the relief sought in this case and the surrounding circumstances were such that we allowed all of the proposed intervenors to participate in the hearing on the merits of the Applications. We concluded, based on oral and written submissions, that we would benefit from hearing the various perspectives of the intervenors on the issues before us and that they could all make a useful contribution to the proceedings.

[52] The Commission has the ability to control its own process and can exercise its discretion to grant intervenor standing in a manner that does not cause prejudice to the immediate parties.

[53] Having considered the arguments and written submissions of the proposed intervenors, the Applicants, and Staff, we granted standing to all of the applicants for intervenor status while imposing limits on the time available for submissions and in some cases setting parameters around the issues on which we were prepared to hear evidence.

[54] International was granted modified Torstar standing with respect to the Application to vary the International MCTO.

[55] We concluded that International would be able to make a useful contribution to our consideration of the Application to vary the International MCTO and, in particular, on issues relating to: access to, and cooperation between, Hollinger and Hollinger International with regard to the provision of financial disclosure to Hollinger and with regard to the GMP Valuation.

[56] We concluded that granting International modified Torstar standing to make submissions and adduce limited evidence on the issues identified above would not unfairly prejudice the interests of the immediate parties.

[57] Similarly, we afforded modified Torstar standing to Catalyst, allowing Catalyst to adduce evidence relating to the adequacy of the GMP Valuation and the information underlying such valuation, and of the viability of the CCPR and the CCPR Trust mechanism, as defined in the Circular.

[58] Catalyst's role in pending court proceedings involving Hollinger and the evidence it proposed to introduce from BMO Nesbitt Burns relating to the GMP Valuation made Catalyst uniquely positioned to provide a perspective on this important issue without causing prejudice to the immediate parties.

[59] Although Catalyst and International arguably did not have a direct economic interest in the outcome of the Applications, we concluded that our consideration of the Applications would benefit from the targeted evidence they would lead. More importantly, we determined that such evidence would not otherwise be presented without their participation.

[60] We granted full standing to each of McLaren, Lawrence, and the IDC. Each of these parties was, or represented, minority common shareholders of Hollinger.

[61] We afforded full standing to McLaren who would clearly be directly affected by a decision to allow or deny the requested relief. McLaren opposed the relief sought. We believed that McLaren could provide useful input with regard to the relevant issues at the hearing including the adequacy and accuracy of the disclosure provided in the Circular and the appropriateness of asking the minority shareholders to vote on the GPT in the absence of updated financial statements upon which to base the valuation.

[62] We also granted full standing to Lawrence, the only other minority shareholder seeking intervenor status. As a minority shareholder in favour of the relief requested and with a direct financial interest in the matter at issue in the hearing, it was clear that Lawrence could make a useful contribution to the proceedings, from a perspective that would be different than that of either McLaren or the IDC.

[63] We determined that the IDC could make an important contribution to our consideration of the Applications. In addition to purporting to represent the collective interests of the minority shareholders, the IDC had been involved in discussions relating to the GPT. We were of the view that the IDC would provide a unique and useful perspective, without prejudice to the immediate parties.

[64] In summary, and for the reasons discussed above, the Commission granted modified Torstar standing on the basis discussed above to International and to Catalyst, and full standing to the McLaren, Lawrence, and the IDC.

Dated at Toronto this 18th day of August, 2005.

"Susan Wolburgh Jenah"

"Robert W. Davis"

"Suresh Thakrar"

3.1.2 Inco Limited and Teck Cominco Limited

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

AND

IN THE MATTER OF
INCO LIMITED AND
TECK COMINCO LIMITED

Hearing: Via conference call, 8:30 p.m. EDT on Thursday, July 20, 2006

Panel:

Paul M. Moore, Q.C. in Mississauga, Ontario	-	Vice-Chair and Chair of the Panel
Suresh Thakrar in Mississauga, Ontario	-	Commissioner
David L. Knight, FCA in Halifax, Nova Scotia -	-	Commissioner

Participants in the conference call:

Blake, Cassels & Graydon LLP	-	Counsel for Teck Cominco Limited
Ernest D. McNee in Toronto, Ontario		
R. Seumas M. Woods in Toronto, Ontario		
Osler, Hoskin & Harcourt LLP	-	Counsel for Inco Limited
Larry P. Lowenstein in Toronto, Ontario		
Clay Horner in Toronto, Ontario		
Donald G. Gilchrist in Toronto, Ontario		
Naizam Kanji in Toronto, Ontario	-	Staff of the Commission
Office of the Secretary to the Commission		
John P. Stevenson in Toronto, Ontario	-	Secretary to the Commission
Christos Grivas in Toronto, Ontario	-	Legal Counsel

REASONS

INTRODUCTION

[1] On July 20, 2006, the Commission issued an order that effectively ended the shareholder rights plan of Inco Limited (**Inco**) dated September 14, 1998. The order cease trades as of August 16, 2006 rights, issued or to be issued pursuant to the rights plan, not only against a bid by Teck Cominco Limited (**Teck**), but against all bids that may arise in the auction for Inco.

[2] The auction for Inco began with the unsolicited take-over bid by Teck, announced on May 8, 2006, and continued with the combination agreement between Inco and Phelps Dodge Corporation (**Phelps Dodge**) announced on June 26, 2006. In the combination agreement, Phelps Dodge agreed to combine with Inco alone in the event that Inco was unable to acquire Falconbridge Limited (**Falconbridge**).

[3] The combination agreement came about during a concurrent auction for Falconbridge. That auction commenced in October, 2005 with Inco's friendly take-over bid for Falconbridge, which was protected by a support agreement and a rights plan adopted by Falconbridge, and continued on May 17, 2006 by a hostile bid for Falconbridge by Xstrata Canada Inc. (**Xstrata**). On June 30, 2006, the Commission ordered that the rights plan adopted by Falconbridge be lifted on either July 28, 2006 or the day on which Xstrata took up a majority of the Falconbridge shares it did not own, whichever came first.

[4] Teck applied to the Commission on July 13, 2006 for an order pursuant to Section 127 of the Securities Act that trading cease in respect of any securities issued, or to be issued, under or in connection with the Inco rights plan. The hearing of the Teck application was scheduled for July 21, 2006. On the evening before the scheduled hearing date, the parties agreed to a resolution of the matter and they presented the Commission with a draft form of order to which they consented.

[5] In order to determine whether it was in the public interest to issue the order in the form agreed to by the parties, the Commission held an informal hearing by telephone conference, arranged on an expedited basis that night. At the hearing, the parties consented to having the rights plan lifted against all future bids as of August 16, 2006.

[6] The agreement and consent of the parties to the form and content of an order, while significant, was not alone determinative of whether the order should be issued. We had to be satisfied that it was in the public interest to make the order.

[7] Although this was an informal hearing by conference call, we had before us materials and submissions prepared for the hearing that was scheduled to be heard the next morning.

[8] After reviewing the draft order and the materials filed by the parties, and upon hearing the submissions of counsel, we were satisfied that it was in the public interest to make the order because the rights plan would be lifted as against any and all bidders.

[9] Counsel requested that we issue reasons for the order.

THE ISSUES

[10] The parties agreed that the Inco rights plan should be lifted in respect of the Teck bid. The only issues for us were: (1) whether the rights plan should cease to apply to the Teck bid effective from August 16, 2006, and (2) whether the rights plan should cease to apply in respect of any other bids from August 16, 2006.

BACKGROUND

[11] Inco's rights plan was typical. It included provisions that could trigger a massive dilution of the value of Inco shares in the hands of an unfriendly bidder if the bidder acquired 20% or more of the outstanding shares of Inco unless the acquisition transaction was a "permitted bid". The Teck bid met all but one of the conditions of a permitted bid: it was made to all holders of Inco shares; it was open for at least 60 days, subject to the qualification that shares could be taken up and paid for if more than 50% of shares had been tendered and not withdrawn; and it provided that Inco shares could be deposited and then withdrawn until they were paid for. The Teck bid did not provide for the take-up of additional shares deposited after the first take-up of shares under the bid because of United States securities law concerns. United States securities law prohibits, absent a ruling otherwise, multiple take-ups in bids which, like the Teck Offer, include both cash and share consideration. Teck's bid was conditional on Inco not acquiring Falconbridge. On May 29, 2006, Inco's board advised shareholders to reject the Teck bid.

[12] On June 21, 2006, Teck received U.S. Securities and Exchange Commission approval to allow for additional take-ups under its bid, thus enabling it to amend its bid to comply with the full requirements for a permitted bid. Teck then announced that it would amend its bid to conform with the requirements for a permitted bid. Inco maintained that for a bid to be a permitted bid, it needed to meet all requirements for a permitted bid from its start.

[13] In response to the Teck bid announced on May 8, 2006, Inco's board instructed management to explore and investigate with the assistance and advice of its financial advisors and legal advisors other possible transactions. Inco representatives had discussions with third parties, exploring possible transactions or combinations thereof, including: corporate transactions that would allow Inco to remain as an independent, publicly held company; a merger, amalgamation or other combination involving Inco, including without limitation certain possible three-way transactions including a transaction with both Falconbridge and Teck; the issuance of equity or other securities of Inco; and the acquisition by Inco or others of Inco shares by take-over bid or otherwise, all subject to compliance with its obligations under the Falconbridge support agreement.

[14] On June 26, 2006, Inco, Falconbridge and Phelps Dodge announced that they had entered into a number of agreements including a proposed combination of Inco and Phelps Dodge pursuant to a statutory plan of arrangement under which Inco would amalgamate with a wholly-owned subsidiary of Phelps Dodge and become a wholly-owned subsidiary of Phelps Dodge (the **Phelps Dodge Arrangement**). The Phelps Dodge Arrangement is subject to, among other things, approvals from the shareholders of Phelps Dodge, the shareholders of Inco and the Ontario Superior Court of Justice. In addition, the transaction is subject to antitrust clearance and Investment Canada approval. In its press release describing the transaction Phelps Dodge states that it expects that the transaction will close in September 2006. The Phelps Dodge Arrangement is not conditional upon the completion of the Inco bid for Falconbridge.

[15] Under the terms of the Phelps Dodge Arrangement, pending completion of the proposed arrangement between Inco and Phelps Dodge, Inco's board agreed not to solicit any proposals relating to alternative acquisition transactions and, subject to certain exceptions, not to engage in any discussions or negotiations, or provide confidential information, in connection with any proposals for alternate acquisition transactions. Instead, Inco's board agreed to recommend to its shareholders that they vote in favour of the arrangement with Phelps Dodge.

[16] On July 19, 2006, Xstrata extended its bid for Falconbridge to August 14, 2006.

ANALYSIS

Effective date of August 16, 2006

[17] The parties agreed to August 16, 2006 as the effective date for trading to cease in any securities issued, or to be issued, under or in connection with the Inco rights plan.

[18] We found that August 16, 2006, as the effective date, was in the public interest. Xstrata's bid for Falconbridge was to expire on August 14, 2006. In view of Teck's agreement to the August 16 date, we surmised that Teck would extend its bid for Inco at least to that date. Fixing the effective date as August 16 would clarify by that date that, whether or not the Teck bid had become a permitted bid, the Inco rights plan would cease to apply to the Teck bid.

Lifting the rights plan as against all bidders

[19] The draft consent order that was submitted to us stated that the rights plan would be lifted only as against the Teck bid, and was conditional on an amendment to the Teck bid. We asked the parties to make submissions on whether lifting the cease trade should benefit all future bids as well. The submissions by counsel for Inco for restricting the applicability of the order to the Teck bid were along two lines. First, in a take-over bid hearing a panel of the Commission can only deal with the parties and the application before it. Second, the rights plan must be maintained as against unknown future bidders because future bids may be coercive or otherwise unfair to Inco's shareholders; Inco's management must be permitted the opportunity to protect against such bids.

[20] We disagreed with the submissions.

[21] Part XX of the Act sets out a regime for take-over bids, including provisions on timing. National Policy 62-202 illuminates the objectives behind Part XX. The primary objective of the take-over bid provisions is the protection of the bona fide interests of the shareholders of the target company. A secondary objective is to provide a regulatory framework within which take-over bids may proceed in an open and even-handed environment. The objectives are interrelated.

[22] Unrestricted auctions produce the most desirable results in take-over contests. In the case law, the Commission makes it clear that rights plans are tolerated, not promoted, and then only to the extent that they allow a board of directors of the target company to fulfil its fiduciary duty—for example, to seek out a better bid to which shareholders may choose to tender their shares.

[23] In this case, Inco has been in play at least since May 8, 2006 when Teck announced its bid. After that, Inco's board conducted an extensive solicitation to seek out a better deal. The solicitation resulted in the Phelps Dodge Arrangement, as part of which Phelps Dodge agreed to acquire Inco on a stand alone basis if Inco's bid for Falconbridge was not successful.

[24] There was an auction underway. The affidavits before us and the public record suggested to us that it was possibly not closed. There was a real and substantial possibility that other potential bidders would emerge to acquire Inco on a standalone basis. Yet the Inco board was restricted from soliciting other offers. The Phelps Dodge Arrangement limited the ability of Inco's board to take further action in encouraging additional bidders to come forward or to cooperate with them if they came forward uninvited, subject to the superior proposal provisions of the Phelps Dodge Arrangement.

[25] We were concerned that Phelps Dodge, Inco and Teck should not be in a privileged position because of the rights plan. Lifting the rights plan as against all potential bidders would ensure that the rights plan would not stand in the way of acceptance of any bid by Inco's shareholders, who are the ultimate arbiters of the value of the company. Such action is also consistent with the Commission's decisions in Re: Cara Operations Ltd. (2002), 25 O.S.C.B. 7997) and in Re: Falconbridge Limited (order issued on June 30, 2006 and reasons issued August 17, 2006) where rights plans were lifted for all bids.

[26] Counsel for Inco warned that lifting the rights plan against all future bidders could leave the shareholders of Inco vulnerable to a coercive or otherwise unfair bid. While there may be a remote possibility of such a bid, we did not imagine that the Commission would sit idly by in such a situation.

CONCLUSION

[27] At this stage in the contest for control of Inco, it will be market forces and the shareholders acting in their own best interests that will decide the outcome. We have approved the amended consent order in the public interest so that shareholders may exercise their rights in their own best interests.

Dated at Toronto, this 28th day of August, 2006

“Paul M. Moore”

“Suresh Thakrar”

“David L. Knight”

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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
Teddy Bear Valley Mines, Limited	15 Aug 06	25 Aug 06	25 Aug 06	

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order

No updates.

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		
Cognos Incorporated	01 Jun 06	14 Jun 06	14 Jun 06		
DataMirror Corporation	02 May 06	15 May 06	12 May 06		
Fareport Capital Inc.	13 Sept 05	26 Sept 05	26 Sept 05		
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04		
Mindready Solutions Inc.	06 Apr 06	19 Apr 06	19 Apr 06		
Neotel International Inc.	02 Jun 06	15 Jun 06	15 Jun 06		
Novelis Inc.	18 Nov 05	01 Dec 05	01 Dec 05		
TECSYS Inc.	02 Aug 06	15 Aug 06	15 Aug 06		

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Chapter 5

Rules and Policies

5.1.1 NI 44-101 Short Form Prospectus Distributions - Ontario Amendment Instrument

NATIONAL INSTRUMENT 44-101
SHORT FORM PROSPECTUS DISTRIBUTIONS
ONTARIO AMENDMENT INSTRUMENT

1. The table of contents of National Instrument 44-101 *Short Form Prospectus Distributions* is amended by adding the following after "7.1 Solicitations of Expressions of Interest":

   "7.2 Solicitations of Expressions of Interest - Over-allotment Options – Ontario."

2. Part 7 of the Instrument is amended by adding the following as a new section after section 7.1:

   "7.2 Solicitations of Expressions of Interest - Over-allotment Options – Ontario

   (1) In Ontario, the prospectus requirement does not apply to solicitations of expressions of interest before the filing of a preliminary short form prospectus for securities to be issued pursuant to an over-allotment option that are qualified for distribution under a short form prospectus in accordance with this Instrument, if

      (a) the issuer has entered into an enforceable agreement with the underwriters, who have agreed to purchase the securities offered under a short form prospectus, other than the securities issuable on the exercise of an over-allotment option,

      (b) the agreement referred to in paragraph (a) has fixed the terms of the distribution and requires that the issuer file a preliminary short form prospectus for the securities and obtain from the regulator a receipt, dated as of a date that is not more than four business days after the date that the agreement is entered into, for the preliminary short form prospectus,

      (c) the issuer has issued and filed a news release announcing the agreement immediately upon entering into the agreement,

      (d) upon issuance of a receipt for the preliminary short form prospectus, a copy of the preliminary short form prospectus is sent to each person or company who has expressed an interest in acquiring the securities, and

      (e) except as provided in paragraph (a), no agreement of purchase and sale for the securities is entered into until the short form prospectus has been filed and a receipt obtained.

   (2) In this section,

      (a) "over-allotment option" means a right granted to the underwriter(s) by an issuer or a selling securityholder of the issuer in connection with the distribution of securities under a short form prospectus to acquire, for the purposes of covering the underwriters' over-allocation position, a security of an issuer that has the same designation and attributes as a security that is distributed under such short form prospectus, and that

         (i) expires not later than the 60th day after the date of the closing of the distribution, and

         (ii) is limited to the lesser of

            (A) the over-allocation position determined as at the closing of the distribution, and

            (B) 15% of the number or principal amount of the securities qualified for the distribution, without taking into account the securities issuable on the exercise of the over-allotment option; and

(b) “over-allocation position” means the amount by which the aggregate number or principal amount of securities that are the subject of offers to purchase received by all underwriters of a distribution exceeds the aggregate number or principal amount of securities distributed by an issuer or selling securityholder under the prospectus, without taking into account the securities issuable on the exercise of an over-allotment option granted to the underwriters."

Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesScource (see www.carswell.com).

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

To obtain Insider Reporting information, please visit the SEDI website (www.sedi.ca).

Chapter 8

Notice of Exempt Financings

REPORTS OF TRADES SUBMITTED ON FORMS 45-106F1 AND FORM 45-501F1

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
04/30/2006	7	2100616 Ontario Inc. - Common Shares	620,580.00	517,150.00
08/15/2006	31	Action Minerals Inc. - Common Shares	682,640.00	2,438,000.00
08/16/2006	3	Active Control Technology Inc. - Units	300,000.00	3,000,000.00
07/25/2006	33	Afri-Can Marine Minerals Corporation - Common Shares	1,500,070.00	11,539,000.00
08/16/2006	183	Alma Resources Ltd. - Units	4,846,408.70	6,923,441.00
08/03/2006	1	Amorfix Life Sciences Ltd. - Common Shares	422,213.00	289,187.00
11/10/2005 to 11/15/2005	2	APAR Inc. - Units	30,249.80	86,428.00
08/15/2006	84	Astron Resources Corporation - Units	26,980,000.00	5,000,000.00
08/14/2006	3	Auramex Resource Corp. - Units	21,000.00	210,000.00
08/16/2006	57	BA Energy Inc. - Common Shares	105,565,900.00	11,112,200.00
08/11/2006	6	Bancorp Income Mortgage Fund Ltd - Preferred Shares	490,000.00	49,000.00
08/11/2006	1	Big Truck TV Inc. - Debentures	500,000.00	500,000.00
07/20/2006	1	Brookdale Senior Living Inc. - Common Shares	3,557,600.00	80,000.00
07/14/2006	6	Brookfield CDN Real Estate Opportunity Fund I - CDN, L.P. - LP Interest	7,206,294.22	6.00
08/10/2006	65	Buried Hill Energy (Cyprus) Public Company Limited - Receipts	26,093,014.73	N/A
08/11/2006	3	Canadian Golden Dragon Resources Ltd. - Common Shares	7,500.00	70,000.00
08/18/2006	12	Canadian Resources House Limited - Units	750,000.00	30,000,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
08/08/2006	106	Canlib Resources Inc. - Common Shares	1,862,628.47	8,312,337.00
08/14/2006	4	CanWest Petroleum Corporation - Common Shares	2,090,000.00	4,150,000.00
08/15/2006	1	Constellation Brands Inc. - Notes	4,444,413.68	N/A
08/15/2006	2	CPNI Inc. - Common Shares	137,500.00	25,000.00
01/05/2005 to 06/22/2005	3	Di Tomasso Equilibrium Fund - Units	625,000.00	58,924.00
08/24/2006	1	Diamond Fields International Ltd. - Common Shares	80,000.00	100,000.00
08/17/2006	1	DynaMotive Energy Systems Corporation - Common Shares	1,000,000.00	795,000.00
08/11/2006	50	EcuaGold Resources Ltd - Common Shares	900,000.00	3,600,000.00
08/18/2006	2	Ells River Resources Inc - Common Shares	30,000.00	30,000.00
08/18/2006	1	Encore Trust - Notes	75,000,000.00	750,000.00
08/14/2006	8	Energate Inc. - Units	315,302.40	113,363.00
08/17/2006	46	EnerMad Corp. - Common Shares	1,663,415.00	3,276,830.00
08/21/2006	46	Epsilon Energy Ltd. - Common Shares	7,034,000.00	3,517,000.00
08/18/2006	8	Falcon Ridge RMH Heights Limited Partnership - LP Units	440,000.00	44.00
08/21/2006	1	Fraser Mackenzie Holdings Inc. - Units	150,000.00	-10.00
07/01/2006	1	FrontPoint Offshore Japan Fund Ltd - Common Shares	126,963.20	112.00
07/01/2006	1	FrontPoint Offshore Multi-Strategy Fund Series A, Ltd. - Common Shares	113,360.00	100.00
07/01/2006	1	FrontPoint Offshore Utility and Energy Fund, Ltd. - Common Shares	113,360.00	100.00
07/05/2006 to 07/13/2006	3	Gateway Mortgage Investment Corp - Units	46,500.00	46,500.00
08/14/2006 to 08/18/2006	25	General Motors Acceptance Corporation of Canada, Limited - Notes	5,459,552.25	545,952.25

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
07/21/2006	18	Genesis Limited Partnership #7 - LP Units	790,000.00	158.00
08/08/2006	19	Genesis Limited Partnership #7 - LP Units	718,586.00	145.00
08/11/2006	14	Genesis Limited Partnership #7 - LP Units	506,584.00	101.00
08/08/2006	1	Geophysical Prospecting Inc. - Common Shares	10,000.00	500,000.00
01/15/2006	2	Geophysical Prospecting Inc. - Common Shares	60,000.00	1,500,000.00
08/18/2006	1	Globex Mining Enterprises Inc. - Contracts for Differences	1,050,000.00	300,000.00
08/17/2006	1	GMO Developed World Equity Invest Fund PLC - Units	90,785.44	292.21
07/20/2006	1	GMO Developed World Equity Investment Fund - Units	91,519.70	3,115.45
08/21/2006	1	GMO International Core Equity Fund-III - Units	6,434,623.30	153,424.49
07/18/2006 to 07/19/2006	1	GMO World Opportunities Equity Allocation Fund - Units	20,869,280.68	852,785.23
08/08/2006	1	Grandcru Resources Corporation - Units	20,000.00	100,000.00
08/02/2006	3	Harvest Gold Corporation - Units	19,980.00	1,860,000.00
08/17/2006	1	Hypo Real Estate Bank International Aktiengesellschaft - Notes	300,000,000.00	300,000,000.00
08/15/2006 to 08/21/2006	9	IGW Properties Limited Partnership I - LP Units	1,170,900.00	1,170,900.00
08/11/2006	1	Immuno Research Inc - Common Shares	2,000,000.00	5,000,000.00
08/09/2006	1	Infrasource Services Inc. - Common Shares	2,903,433.75	150,000.00
08/16/2006	2	IsoRay, Inc. - Common Shares	181,350.00	65,000.00
10/19/2005	20	ISX Resources Inc. - Units	150,000.00	1,000,000.00
08/18/2006	19	La Quinta Inns, Inc. - Units	333,000.00	16,650,000.00
08/18/2006	2	LaSalle Canadian Income & Growth Fund II Limited Partnership - LP Units	30,000,000.00	300,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
06/30/2006	2	Macquarie Infrastructure Investment Management Limited - Units	15,341,899.15	N/A
08/18/2006	9	MagIndustries Corp. - Common Shares	20,189,201.20	14,420,858.00
08/10/2006	1	Mesirow Financial Private Equity Partnership Fund III, L.P. - LP Interest	17,740,000.00	15,750,000.00
08/15/2006	2	Mines Abcourt Inc. - Common Shares	624,000.00	800,000.00
08/18/2006	13	MPH Ventures Corp. - Units	350,000.00	3,500,000.00
08/18/2006	2	Multimedia Nova Corporation - Common Shares	200,000.00	200,000.00
08/11/2006	2	NexgenRx Inc. - Common Shares	104,625.15	398,929.00
08/22/2006	24	Northpoint Energy Ltd - Receipts	1,281,868.99	13,199,473.52
05/25/2006 to 05/31/2006	4	Nuinsco Resources Limited - Common Shares	153,600.00	480,000.00
05/26/2006	5	Nuinsco Resources Limited - Flow-Through Shares	1,208,000.00	3,020,000.00
08/11/2006	21	Olivut Investments Ltd. - Receipts	2,000,000.00	600,000.00
07/28/2006	17	Origin Biomedicinals Incorporated - Common Shares	294,703.65	26,667.00
08/24/2006	1	Peat Resources Limited - Units	3,500,000.00	9,000,000.00
08/17/2006	5	PharmEng International Inc. - Units	175,000.00	437,500.00
08/09/2006	3	Pheromone Sciences Corp. - Common Shares	1,952,562.50	11,157,500.00
08/15/2006	3	PMIC I Investments Ltd. - Preferred Shares	48,000.00	48,000.00
08/17/2006	112	PowerComm Inc - Common Shares	2,096,500.00	4,193,000.00
08/18/2006 to 08/24/2006	13	Powertree Limited Partnership 2 - LP Units	355,000.00	71.00
08/15/2006	1	Pure Gold Minerals Inc. - Common Shares	1,050,000.00	17,500,000.00
08/10/2006	51	Pure Gold Minerals Inc. - Flow-Through Shares	3,803,320.08	52,495,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
08/15/2006	1	Pure Gold Minerals Inc. - Units	600,000.00	10,000,000.00
08/17/2006	63	Pure Technologies Ltd - Common Shares	4,006,358.20	3,081,814.00
08/14/2006	1	Qimonda AG - Common Shares	4,371,000.00	42,000,000.00
08/18/2006	5	Qualia Real Estate Investment Fund VI Limited Partnership - LP Units	300,000.00	6.00
08/12/2006	1	Queenstake Resources Ltd. - Common Shares	11,690,000.00	28,512,195.00
08/15/2006	73	Reliable Energy Ltd - Common Shares	4,380,033.90	2,907,098.00
12/09/2005	12	Rhone 2005 Oil & Gas Strategic Limited Partnership - LP Units	235,000.00	49,000.00
08/11/2006	14	Rhone 2006 Flow-Through Limited Partnership - LP Units	1,075,000.00	43,000.00
08/15/2006	48	Rhone 2006 Flow-Through Limited Partnership - LP Units	5,004,000.00	200,160.00
07/13/2006	35	RIC Management Inc. - Units	3,500,000.00	3,500,000.00
07/31/2006	6	Rogue River Resources Corp - Units	904,000.00	1,600,000.00
08/21/2006	1	SMART Trust - Notes	2,424,466.05	1.00
08/17/2006	7	Solex Resources Corp. - Units	1,999,999.76	4,545,454.00
07/28/2006	4	Stinson Hospitality Inc. - Notes	112,211.00	112,211.00
08/18/2006	26	Tagish Lake Gold Corp. - Flow-Through Shares	619,700.04	3,067,778.00
07/12/2006	53	Temple Energy Inc. - Flow-Through Shares	15,023,600.00	4,700,000.00
08/16/2006	30	Teranet Inc. - Bonds	470,000,000.00	N/A
08/04/2006	1	The Rosseau Resort Developments Inc. - Units	419,900.00	1.00
05/09/2006	150	Unbridled Energy Corporation - Common Share Purchase Warrant	6,431,499.90	6,125,238.00
08/15/2006	13	USA Video Interactive Corp. - Units	269,750.00	4,150,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
12/30/2005	1	Vedron Gold Inc. - Common Shares	174,600.00	600,000.00
08/20/2006	6	VSS Communications Parallel Partners IV, L.P. - LP Interest	7,309,097.00	8,154,744.00
07/31/2006	1	Walsingham Fund LP No. 1 - Units	100,000.00	100.00
08/22/2006	58	Walton GGH Simcoe Heights 4 Corporation - Common Shares	1,190,040.00	119,004.00
08/15/2006	17	WestPac LNG Corporation - Units	2,291,124.00	833,136.00
07/21/2006	1	W&T Offshore, Inc. - Common Shares	10,062,250.00	275,000.00
08/18/2006	1	Xerox Corporation - Notes	140,503.01	125,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
AnorMED Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Shelf Prospectus dated August 28, 2006
Mutual Reliance Review System Receipt dated August 28, 2006
Offering Price and Description:
US$100,000,000 - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #983286

Issuer Name:
Bell Aliant Regional Communications, Limited Partnership
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Shelf Prospectus dated August 25, 2006
Mutual Reliance Review System Receipt dated August 25, 2006
Offering Price and Description:
$3,000,000,000.00 - Medium Term Notes
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
TD Securities Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Desjardins Securities Inc.
Beacon Securities Inc.
Casgrain & Company Limited
Promoter(s):
-
Project #982157

Issuer Name:
Farallon Resources Ltd.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated August 25, 2006
Mutual Reliance Review System Receipt dated August 25, 2006
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Octagon Capital Corporation
MGI Securities Inc.
Canaccord Capital Corporation
Promoter(s):
-
Project #982652

Issuer Name:
Interlude Capital Corp.
Principal Regulator - British Columbia
Type and Date:
Amended and Restated Preliminary Prospectus dated August 21, 2006
Mutual Reliance Review System Receipt dated August 23, 2006
Offering Price and Description:
$4,000,000.00 - 7,272,727 Common Shares Price: $0.55 per Share
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
Kirk E. Exner
Project #960581

Issuer Name:
Mavrix Explore 2006 - II FT Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated August 23, 2006
Mutual Reliance Review System Receipt dated August 25, 2006
Offering Price and Description:
Maximum offering: $50,000,000.00 (5,000,000 Units); Minimum offering: $5,000,000.00 (500,000 Units)
Minimum Subscription: 500 Units Subscription Price: $10.00 per Unit
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
TD Securities Inc.
Dundee Securities Corporation
Scotia Capital Inc.
Berkshire Securities Inc.
Blackmont Capital Inc.
Raymond James Ltd.
HSBC Securities (Canada) Inc.
Wellington West Capital Inc.
IPC Securities Corporation
Bieber Securities Inc.
Desjardins Securities Inc.
Jory Capital Inc.
MGI Securities Inc.
Union Securities Ltd.
Industrial Alliance Securities Inc.
Integral Wealth Securities Ltd.
Promoter(s):
Mavrix Fund Management Inc.
Mavrix Explore 2006 - II FT Management Limited
Project #982338

Issuer Name:
MRF 2006 II Resource Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated August 28, 2006
Mutual Reliance Review System Receipt dated August 29, 2006
Offering Price and Description:
$50,000,000.00 (maximum) (maximum – 2,000,000 Units); $10,000,000.00 (minimum)
(minimum – 400,000 Units) Price: $25.00 per Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Berkshire Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Wellington West Capital Inc.
Blackmont Capital Inc.
Desjardins Securities Inc.
Haywood Securities Inc.
Middlefield Capital Corporation
Research Capital Corporation
Promoter(s):
MRF 2006 Resource Management Limited
Middlefield Group Limited
Project #983879

Issuer Name:
Pennine Petroleum Corporation
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated August 28, 2006
Mutual Reliance Review System Receipt dated August 29, 2006
Offering Price and Description:
Minimum Offering: 4,000,000 Units ($1,200,000.00); Maximum Offering: 8,333,334 Units ($2,500,000.00) Price: $ 0.30 per Unit
Underwriter(s) or Distributor(s):
Wolverton Securities Ltd.
Promoter(s):
Peter C. Brown
Project #984530

Issuer Name:
Qwest Energy 2006-II Flow-Through Limited Partnership
Principal Regulator - British Columbia
Type and Date:
Preliminary Prospectus dated August 22, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
Maximum Offering: $40,000,000.00 (1,600,000 Units); Minimum Offering: $10,000,000.00 (400,000 Units) Price: $25 per Unit Minimum Purchase: 200 Units
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
GMP Securities L.P.
Raymond James Ltd.
Wellington West Capital Inc.
Berkshire Securities Inc.
HSBC Securities (Canada) Inc.
Bieber Securities Inc.
Promoter(s):
Qwest Energy Investment Management Corp.
Project #981730

Issuer Name:
Reserva Natural Gas Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated August 23, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
TD Securities Inc.
FirstEnergy Capital Corp.
Promoter(s):
Energylogix Management Inc.
Energylogix Finanical Products Ltd.
Project #981078

Issuer Name:
Royal Host Real Estate Investment Trust
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated August 24, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
$60,000,000.00 - 6.25% Convertible Unsecured Subordinated Debentures, due 2013
Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
HSBC Securities (Canada) Inc.
Promoter(s):
-
Project #981559

Issuer Name:
SFK Pulp Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated August 23, 2006
Mutual Reliance Review System Receipt dated August 23, 2006
Offering Price and Description:
$45,157,500.00 - 11,150,000 Subscription Receipts each representing the right to receive one Unit; and
$45,000,000.00 - 7% Convertible Extendible Unsecured Subordinated Debentures Subscription Receipts
Underwriter(s) or Distributor(s):
TD Securities Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
Desjardins Securities Inc.
Promoter(s):
-
Project #980507

Issuer Name:
Sunstone Opportunity Fund (2006) Limited Partnership
Sunstone Opportunity (2006) Debenture Fund
Sunstone Opportunity (2006) Realty Trust
Principal Regulator - British Columbia
Type and Date:
Preliminary Prospectus dated August 25, 2006
Mutual Reliance Review System Receipt dated August 29, 2006
Offering Price and Description:
Minimum: $5,000,000.00 (4,000 Units); Maximum: $45,000,000.00 (36,000 Units)
Price: $1,250 per Unit
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
Blackmont Capital Inc.
Sora Group Wealth Advisors Inc.
Raymond James Ltd.
Bieber Securities Inc.
Laurentian Bank Securities Inc.
MGI Securities Inc.
Promoter(s):
Sunstone Realty Advisors Inc.
Project #985145/985114/985133

Issuer Name:
Uranium Participation Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated August 29, 2006
Mutual Reliance Review System Receipt dated August 29, 2006
Offering Price and Description:
$90,000,000.00 - * Units Price: $ * per Unit
Underwriter(s) or Distributor(s):
Sprott Securities Inc.
Dundee Securities Corporation
CIBC World Markets Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Promoter(s):
-
Project #985563

Issuer Name:
ABN AMRO Global Equity Exposure Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated August 21, 2006 to the Simplified Prospectus and Annual Information Form dated February 7, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
ABN AMRO Asset Management Canada Limited
Promoter(s):
ABN AMRO Asset Management Canada Limited
Project #876116

Issuer Name:
AGF Elements Balanced Portfolio
AGF Elements Conservative Portfolio
AGF Elements Global Portfolio
AGF Elements Growth Portfolio
AGF Elements Yield Portfolio
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated August 4, 2006 to the Simplified Prospectuses and Annual Information Forms dated November 21, 2005
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
AGF Funds Inc.
Project #833920

Issuer Name:
Beutel Goodman Canadian Equity Fund (Class A, F and I)
Beutel Goodman Canadian Equity Plus Fund (Class A, F and I)
Beutel Goodman Canadian Intrinsic Fund (Class A, F and I)
Beutel Goodman Canadian Dividend Fund (Class A, F and I)
Beutel Goodman Small Cap Fund (Class A, F and I)
Beutel Goodman Income Fund (Class A and I)
Beutel Goodman Long Term Bond Fund (Class A)
Beutel Goodman Corporate /Provincial Active Bond Fund (Class A)
Beutel Goodman Balanced Fund (Class A, F and I)
Beutel Goodman Money Market Fund (Class A and I)
Beutel Goodman American Equity Fund (Class A, F and I)
Beutel Goodman International Equity Fund (Class A, F and I)
Beutel Goodman World Focus Equity Fund (Class A, F and I)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated August 17, 2006
Mutual Reliance Review System Receipt dated August 23, 2006
Offering Price and Description:
Class A, F and I Units
Underwriter(s) or Distributor(s):
Beutel Goodman Managed Funds Inc.
Beutel Goodman Managed Funds Inc,
Promoter(s):
Beutel Goodman Managed Funds Inc.
Project #964812

Issuer Name:
Builders Energy Services Trust
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated August 24, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
$30,005,000.00 - 1,765,000 Trust Units Price: $17.00 per Trust Unit
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Raymond James Ltd.
CIBC World Markets Inc.
Westwind Partners Inc.
Orion Securities Inc.
Wellington West Capital Markets Inc.
National Bank Financial Inc.
Promoter(s):
-
Project #977975

Issuer Name:
CONSTELLATION COPPER CORPORATION
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated August 22, 2006
Mutual Reliance Review System Receipt dated August 23, 2006
Offering Price and Description:
$20,000,025.00 - 8,888,900 Common Shares Price: $2.25 per Common Share
Underwriter(s) or Distributor(s):
Sprott Securities Inc.
TD Securities Inc.
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #973625

Issuer Name:
First Metals Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated August 25, 2006
Mutual Reliance Review System Receipt dated August 28, 2006
Offering Price and Description:
$10,200,000.00 through issuance of (i) 3,674,455 Flow-Through Common Shares and (ii) 6,158,100 Units comprised of Common Shares and Common Share Purchase Warrants Price: $1.10 per Flow-Through Share and $1.00 per Unit - and - 9,000,000 Common Shares and 4,500,000 Common Share Purchase Warrants Issuable Upon Exercise of Previously Issued Special Warrants
Underwriter(s) or Distributor(s):
Jennings Capital Inc.
Promoter(s):
Jaycap Equity Inc.
Project #952526

Issuer Name:
Interlude Capital Corp.
Principal Regulator - British Columbia
Type and Date:
Final Prospectus dated August 25, 2006
Mutual Reliance Review System Receipt dated August 29, 2006
Offering Price and Description:
$4,000,000.00 - (7,272,727 COMMON SHARES) $0.55 PER SHARE
Underwriter(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
Kirk E. Exner
Project #960581

Issuer Name:
Lorus Therapeutics Inc.
Type and Date:
Final Short Form Prospectus dated August 25, 2006
Receipted on August 25, 2006
Offering Price and Description:
$10,368,000.00 - 28,800,000 Common Shares Price: $0.36 per Offered Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #975786

Issuer Name:
MACCs Sustainable Yield Trust
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated August 24, 2006
Mutual Reliance Review System Receipt dated August 25, 2006
Offering Price and Description:
Warrants to Subscribe for up to 2,042,121 Units
Subscription Price: $8.64 per Unit
(Upon the exercise of one Warrant for one Unit)
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #975615

Issuer Name:
Mitec Telecom Inc.
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated August 28, 2006
Mutual Reliance Review System Receipt dated August 29, 2006
Offering Price and Description:
$7,640,526.30 - 76,405,263 rights to purchase 76,405,263 common shares at a purchase price of $0.10 per share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #979486

Issuer Name:
NexgenRx Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated August 28, 2006
Mutual Reliance Review System Receipt dated August 29, 2006
Offering Price and Description:
Maximum: 12,857,142 Common Shares ($4,500,000.00) - and- 5,945,200 Common Shares issuable upon the conversion of $1,363,560 aggregate principal amount of outstanding Convertible Debentures
Underwriter(s) or Distributor(s):
Standard Securities Capital Corporation
Promoter(s):
Ronald C. Loucks
Project #960421

Issuer Name:
North American Palladium Ltd.
Type and Date:
Final Short Form Shelf Prospectus dated August 22, 2006
Receipted on August 23, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #972123

Issuer Name:
Petrowest Energy Services Trust
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated August 28, 2006
Mutual Reliance Review System Receipt dated August 28, 2006
Offering Price and Description:
$140,000,000.00 - 14,000,000 Trust Units Price: $10.00 per Trust Unit
Underwriter(s) or Distributor(s):
Westwind Partners Inc.
Sprott Securities Inc.
Lightyear Capital Inc.
Blackmont Capital Inc.
Dundee Securities Corporation
Promoter(s):
Gary Sweetman
Kenneth N. Drysdale
Project #962179

Issuer Name:
Series O and Series F Units (unless otherwise indicated) of:
RBC Private Short-Term Income Pool
RBC Private Canadian Bond Pool
RBC Private Corporate Bond Pool
RBC Private Income Pool (Series O, Series F and Series T Units)
RBC Private Global Bond Pool
RBC Private Canadian Dividend Pool (formerly RBC Private Dividend Pool)
RBC Private Canadian Growth and Income Equity Pool
RBC Private Canadian Equity Pool
RBC Private Canadian Value Equity Pool (formerly RBC Private Canadian Equity Pool II)
RBC Private O'Shaughnessy Canadian Equity Pool (Series O Units only
RBC Private Core Canadian Equity Pool
RBC Private Canadian Mid Cap Equity Pool
RBC Private U.S. Equity Pool (formerly RBC Private U .S. Large Cap Equity Pool)
RBC Private U.S. Value Equity Pool
RBC Private O'Shaughnessy U.S. Value Equity Pool (Series O Units only)
RBC Private U.S. Growth Equity Pool
RBC Private O'Shaughnessy U.S. Growth Equity Pool (Series O Units only)
RBC Private U.S. Mid Cap Equity Pool
RBC Private U.S. Small Cap Equity Pool
RBC Private International Equity Pool
RBC Private EAFE Equity Pool
RBC Private European Equity Pool
RBC Private Asian Equity Pool
RBC Private Global Titans Equity Pool
RBC Private World Equity Pool
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated August 25, 2006
Mutual Reliance Review System Receipt dated August 28, 2006
Offering Price and Description:
Series O, F and T Units @ Net Asset Value
Underwriter(s) or Distributor(s):
RBC Asset Management Inc.
The Royal Trust Company
Promoter(s):
RBC Asset Management Inc.
Project #965972

Issuer Name:
Redcliffe Exploration Ltd.
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated August 23, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
Minimum Offering: 10,000 Units ($10,000,000.00); Maximum Offering: 12,000 Units ($12,000,000.00) Price: $1,000 Per Unit - Minimum Subscription: Five Units ($5,000.00)
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Raymond James Ltd.
Acumen Capital Finance Partners Limited
Promoter(s):
Daryl Connolly
Project #966518

Issuer Name:
Class A Units and Class O Units of :
Sceptre Balanced Growth Fund
Sceptre Bond Fund
Sceptre Income Trusts Fund
Sceptre Canadian Equity Fund
Sceptre Equity Growth Fund
Sceptre Global Equity Fund
Sceptre Money Market Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated August 23, 2006
Mutual Reliance Review System Receipt dated August 25, 2006
Offering Price and Description:
Class A and Class O Units @ Net Asset Value
Underwriter(s) or Distributor(s):
Sceptre Investment Counsel Limited
Promoter(s):
-
Project #966108

Issuer Name:
The Children's Educational Foundation of Canada
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated August 3, 2006 to the Prospectus dated June 30, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #930355

Issuer Name:
The Data Group Income Fund
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated August 24, 2006
Mutual Reliance Review System Receipt dated August 24, 2006
Offering Price and Description:
(1) $53,675,000.00 - 5,650,000 Subscription Receipts, each representing the right to receive one Unit;; (2) $35,000,000.00 - 6.75% Extendible Convertible Unsecured Subordinated Debentures
Underwriter(s) or Distributor(s):
TD Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
Canaccord Capital Corporation
Promoter(s):
Data Business Forms Limited
Project #978078

Issuer Name:
VentureLink Diversified Income Fund Inc.
Type and Date:
Final Prospectus dated August 25, 2006
Receipted on August 28, 2006
Offering Price and Description:
Class A Shares, Series III and Class A Shares, IV @ Net Asset Value
Underwriter(s) or Distributor(s):
VL Advisors Inc.
Promoter(s):
-
Project #979654

Issuer Name:
VentureLink Financial Services Innovation Fund Inc.
Type and Date:
Final Prospectus dated August 25, 2006
Receipted on August 28, 2006
Offering Price and Description:
Class A Shares, Series III and Class A Shares, Series IV @ Net Asset Value
Underwriter(s) or Distributor(s):
VentureLink LP
Promoter(s):
-
Project #979311

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Change of Name	**From:** Tricycle Capital Corporation **To:** Tricycle Asset Management Capital Corporation	Limited Market Dealer	August 17, 2006
Change of Name	**From:** Goldstein Snider Investments Inc. **To:** Goldstein Financial Investments Inc.	Mutual Fund Dealer & Limited Market Dealer	August 17, 2006
New Registration	Paul Van Eeden Inc.	Securities Advisor	August 24, 2006
New Registration	Primary Capital Inc.	Limited Market Dealer	August 24, 2006
New Registration	Holt Capital Advisors Ltd.	Limited Market Dealer	August 24, 2006
New Registration	BNY Capital Markets, Inc.	International Dealer	August 28, 2006

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Chapter 25

Other Information

25.1 Consents

25.1.1 Band-Ore Resources Ltd. - s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Business Corporations Act (British Columbia).

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulation Cited

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

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

AND

IN THE MATTER OF
BAND-ORE RESOURCES LTD.

CONSENT
(Clause 4(b) of the Regulation)

UPON the application (Application) of Band-Ore Resources Ltd. (Applicant) to the Ontario Securities Commission (Commission) requesting a consent from the Commission for the Applicant to continue in another jurisdiction, as required by clause 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a corporation existing under the provisions of the OBCA and was formed by Letters Patent pursuant to the *Corporations Act* (Ontario) on March 18, 1946 under the name Band-Ore Gold Mines Limited and by Articles of Amendment dated September 26, 1991 the Applicant's name was changed to Band-Ore Resources Ltd.

2. The Applicant's registered office is located at Suite 512, 120 Adelaide Street West, Toronto, Ontario M5H 1T1.

3. The Applicant's authorized share capital consists of an unlimited number of common shares and an unlimited number of special shares, issuable in series, of which 41,223,148 common shares and no special shares are issued and outstanding as at August 24, 2006.

4. The Applicant intends to apply to the Director under the OBCA for authorization to continue into British Columbia as a corporation under the *Business Corporations Act* (British Columbia) (BCBCA) pursuant to section 181 of the OBCA (Application for Continuance).

5. The Applicant's issued and outstanding common shares are posted and listed for trading on the Toronto Stock Exchange under the symbol "BAN".

6. Pursuant to clause 4(b) of the Regulation, where a corporation is an offering corporation under the OBCA, the Application for Continuance must be accompanied by a consent from the Commission.

7. The Applicant is an offering corporation under the OBCA and is a reporting issuer under the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the Act).

8. The Applicant is also a reporting issuer or the equivalent under the securities legislation of each of the provinces of British Columbia and Quebec (the Legislation) and will remain a reporting issuer or the equivalent under the Act and the Legislation following the Continuance.

9. The Applicant is not in default of any of the provisions of the Act or the regulations or rules made thereunder and is not in default under the Legislation.

10. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, pending proceeding under the Act.

11. The Continuance is being proposed because the Applicant wishes to amalgamate with Sydney Resource Corporation (Sydney), a company governed by the BCBCA. If the amalgamation is approved, the resulting entity will be governed by the BCBCA.

12. Both the Applicant's continuance as a corporation under the BCBCA and the proposed amalgamation with Sydney are to be approved at an annual and special meeting of shareholders to be held on August 29, 2006.

13. The BCBCA permits corporations to amalgamate provided that both amalgamating corporations are British Columbia companies, unless the laws of the foreign corporation permit such corporation to amalgamate directly into another jurisdiction. The OBCA does not permit an Ontario corporation to amalgamate directly into another jurisdiction. As a result, in order to comply with the amalgamation provisions of the BCBCA, the Applicant must first continue into British Columbia prior to holding the shareholder vote to approve the amalgamation with Sydney.

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

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

THE COMMISSION HEREBY CONSENTS to the continuance of the Applicant as a corporation under the BCBCA, subject to the approval by the shareholders of the Applicant of such continuance.

DATED at Toronto, Ontario on this 25th day of August, 2006.

"Robert L. Shirriff"
Commissioner

"Paul K. Bates"
Commissioner

25.2 Approvals

25.2.1 Cybernetic Capital Management Inc. - s. 213(3)(b) of the LTCA

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 and future 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).

August 18, 2006

Brans, Lehun, Baldwin, LLP
Suite 2401, Richmond Adelaide Centre
120 Adelaide Street West,
Toronto, ON M4T 1L9

Attention: Mati E. Pajo

Dear Sirs/Medames:

RE: Cybernetic Capital Management Inc. (the "Applicant")
Application for approval to act as trustee pursuant to clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario) (the "LTCA")

Application No. 541/06

Further to your application dated July 14, 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 one or more mutual fund trusts (the "Funds") that the Applicant may establish from time to time 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 the Funds that 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,

"Suresh Thakrar"

"Harold P. Hands"

25.2.2 T.I.P. Wealth Manager Inc. - s. 213(3)(b) of the LTCA

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 and future 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).

August 25, 2006

Miller Thomson LLP
Scotia Plaza
40 King Street West
Suite 5800
P.O. Box 1011
Toronto, ON
M5H 3S1

Attention: Tauna M. Staniland

Dear Sirs/Medames:

RE: T.I.P. Wealth Manager 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. 2006/0633

Further to your application dated August 15, 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 T.I.P. 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 T.I.P. 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,

"Robert L. Shirriff"

"Paul K. Bates"

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