The Ontario Securities Commission

OSC Bulletin

December 1, 2006

Volume 29, Issue 48

(2006), 29 OSCB

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

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

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

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

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

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

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

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

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

U.S.	$175
Outside North America	$400

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

ISSN 0226-9325

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

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

Table of Contents

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

DECEMBER 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
Suite 1700, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

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

CDS **TDX 76**

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

- -

THE COMMISSIONERS

W. David Wilson, Chair	—	WDW
Paul M. Moore, Q.C., Vice-Chair	—	PMM
Susan Wolburgh Jenah, Vice-Chair	—	SWJ
Paul K. Bates	—	PKB
Robert W. Davis, FCA	—	RWD
Harold P. Hands	—	HPH
David L. Knight, FCA	—	DLK
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

December 4, 2006 **Euston Capital Corporation and George Schwartz**

2:00 p.m. s. 127

Y. Chisholm in attendance for Staff

Panel: WSW/ST

December 5, 6, & 7, 2006 **Jose Castaneda**

s. 127 and 127.1

10:00 a.m.

H. Craig in attendance for Staff

Panel: WSW/DLK

December 8, 2006 **Thomas Hinke**

10:00 a.m. s. 127 and 127.1

A. Sonnen in attendance for Staff

Panel: PMM/DLK

December 13, 2006 **Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and**

10:00 a.m. **Roy Brown (a.k.a. Roy Brown-Rodrigues)**

s.127 and 127.1

D. Ferris in attendance for Staff

Panel: SWJ/ST

January 15, 2007 **Norshield Asset Management (Canada) Ltd., Olympus United**

10:00 a.m. **Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas**

s.127

M. MacKewn in attendance for Staff

Panel: WSW/DLK

March 8, 2007 10:00 a.m.	**First Global Ventures, S.A., Allen Grossman and Alan Marsh Shuman** s. 127 D. Ferris in attendance for Staff Panel: TBA
March 26, 2007 10:00 a.m.	**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 * October 3, 2006 – Notice of Withdrawal
May 7, 2007 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: TBA
May 23, 2007 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
October 12, 2007 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
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	**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	**Mega-C Power Corporation, Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited** S. 127 A. Sonnen in attendance for Staff Panel: TBA
TBA	**Momentas Corporation, Howard Rash, Alexander Funt, Suzanne Morrison* and Malcolm Rogers*** s. 127 and 127.1 P. Foy in attendance for Staff Panel: WSW/RWD/CSP * Settled April 4, 2006

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

Philip Services Corp., Allen Fracassi, Philip Fracassi**, Marvin Boughton**, Graham Hoey**, Colin Soule*, Robert Waxman and John Woodcroft****
* Settled November 25, 2005
** Settled March 3, 2006

Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg

John Daubney and Cheryl Littler

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

1.1.2 Notice of Commission Approval – Amendments to MFDA Rule 3.2 and MFDA Financial Questionnaire and Report

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

AMENDMENTS TO MFDA RULE 3.2 AND MFDA FINANCIAL QUESTIONNAIRE AND REPORT REGARDING THE CALCULATION OF RISK ADJUSTED CAPITAL

NOTICE OF COMMISSION APPROVAL

The Ontario Securities Commission has approved amendments to MFDA Rule 3.2 and the MFDA Financial Questionnaire and Report regarding the calculation of risk adjusted capital. In addition, the Alberta Securities Commission, Nova Scotia Securities Commission and Saskatchewan Financial Services Commission approved, and the British Columbia Securities Commission did not object to the amendments. The amendments require members to maintain positive financial statement capital, to notify the MFDA at the time of any request for accelerated payments by creditors not contemplated in an existing repayment schedule, and to treat related party debt as a current liability unless a subordination agreement in the form prescribed by the MFDA has been signed.

The proposed amendments were published for comment on July 28, 2006 at (2006) 29 OSCB 6259. Some immaterial changes have been made to the amendments since the time they were originally published and a copy of the amendments, blacklined to highlight the changes from the previously published version, is being republished in Chapter 13 of this Bulletin. A summary of the comments received and the MFDA's response are also published in Chapter 13.

1.4 Notices from the Office of the Secretary

1.4.1 Philip Services Corp. and Robert Waxman

FOR IMMEDIATE RELEASE
November 28, 2006

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

AND

IN THE MATTER OF
PHILIP SERVICES CORP. AND
ROBERT WAXMAN

TORONTO – The Commission issued an Order today pursuant to section 21 of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended, adjourning the hearing before the Commission until January 26, 2007 in the above named matter.

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

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

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

Chapter 2

Decisions, Orders and Rulings

2.1. Decisions

2.1.1 Meif II Energie Beteiligungen GmbH & Co. KG - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – take-over bid in Ontario by German company that is not a reporting issuer in any Canadian jurisdiction – filer acquiring target existing under the laws of Germany – de minimis exemption not available – offeror cannot conclusively determine how many Canadian shareholders there are because target issued bearer securities and does not maintain a share register – evidence suggests the number of Canadian shareholders less than the de minimis threshold – Germany not recognized by the Commission for the purposes of de minimis exemption – relief granted as take-over bid conducted in accordance with the laws of Germany providing protections to target shareholders – all material provided to foreign shareholders to be provided to Ontario shareholders – all shareholders treated equally.

Applicable Ontario Statutory Provisions

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

November 16, 2006

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

AND

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

AND

IN THE MATTER OF
MEIF II ENERGIE BETEILIGUNGEN GMBH & CO. KG
(the Filer)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the formal take-over bid requirements contained in the Legislation, including the provisions relating to delivery of an offer and take-over bid circular and any notices of change or variation thereto, delivery of a directors' circular and any notices of change or variation thereto, minimum deposit periods and withdrawal rights, take-up of and payment for securities tendered to a take-over bid, disclosure, financing, restrictions upon purchases of securities, identical consideration and collateral benefits (collectively, the **Take-over Bid Requirements**) shall not apply to trades made in connection with the proposed offer (the **Offer**) by the Filer for the acquisition of all of the issued and outstanding shares (the Target Shares) in the capital of Techem AG with registered office in Eschborn, Germany (the **Target**).

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

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

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

Interpretation

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

Representations

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

1. The Filer is a limited partnership incorporated under the laws of Germany. The Filer's registered office is located in Frankfurt, Germany.

2. The Filer is not a reporting issuer or the equivalent in any of the Jurisdictions. The Filer's securities are not listed or quoted for trading on any Canadian stock exchange or market or anywhere else.

3. The Target is a German stock corporation with its registered office in Eschborn, Germany. The Target is one of Europe's leading providers of services to the housing and real estate industries.

4. The Target's registered office is located in Eschborn, Germany.

5. The Target's issued share capital registered in the commercial register amounts to €24,690,260 and is divided into 24,690,260 bearer shares without nominal par value, each representing a proportionate amount of the share capital of €1. The shares of the Target are admitted to trading on the official market (Prime Standard) of the Frankfurt Stock Exchange, under ISIN DE0005471601 and WKN 547 160. The shares are traded on XETRA and on the regulated unofficial regulated markets of the stock exchanges Hamburg, Stuttgart, Düsseldorf, Berlin-Bremen and Munich. The shares have been included in the MDAX index.

6. The Target is not a reporting issuer or equivalent in any of the Jurisdictions. The Target's securities are not listed or quoted for trading on any Canadian stock exchange or market.

7. On 23 October, 2006, the Filer announced its intention to make a voluntary public tender offer for the acquisition of all of the issued and outstanding Target Shares for cash consideration. The Filer intends to offer €44.00 per Target Share in cash. The implementation of the Offer and the purchase and ownership transfer agreements resulting from acceptance of the Offer will be subject to the satisfaction of certain conditions that will be set out in the Offer Document. The Filer currently does not own any of the Target Shares, however MEIF II Germany Holdings S.àr.l., the general partner of the Filer, currently owns 3,558,101 Target Shares (approximately 14.4%).

8. The Offer is being made and the Offer Document reflecting the terms of the Offer is being prepared exclusively in accordance with the laws of the Federal Republic of Germany (in particular, in compliance with the German *Securities Acquisition and Takeover Act* and related statutory regulations), and in accordance with the provisions of Regulation 14E of the 1934 Act applicable to this Offer and applicable exemptions.

9. As permitted by German law, the Target has issued bearer securities and does not maintain a share register. Accordingly, any information about the Target Shares held by shareholders in Canada can only be determined on a limited enquiry basis. Pursuant to those inquiries, residency information was obtained in respect of 47.18% of the total outstanding shares in the capital of the Target. Based on such enquiry, the Filer believes that as of 6 October, 2006 there were four holders of shares in the capital of the Target resident in Canada, holding in total 151,500 Target Shares representing approximately 0.61% of the entire issued share capital of the Target. The Filer believes that all four of these shareholders are resident in the Province of Ontario. As a result of the fact that the Target has issued bearer shares, the Filer is unable to determine conclusively where the holders of the Target Shares reside.

10. The Offer Document has been submitted for review to the applicable securities regulatory authority in Germany. It is expected that the Offer Document will be published and made available to the holders of the Target Shares immediately after approval by the German regulator, which is currently expected on or around 16 November, 2006. In accordance with German law, the Offer Document (and a non-binding English translation) will be available on the Internet and a notification regarding the publication of the Offer Document will be published in a national German newspaper also specifying where and how the shareholders may obtain a copy of the Offer Document free of charge.

11. An announcement regarding the publication of the German Offer Document will be published in the Börsen-Zeitung in Germany. Copies of the Offer Document and its English translation will be available free of charge at the financial printer, RR Donnelley Frankfurt and at RR Donnelley New York. An announcement of the publication of the Offer Document and the availability of its English convenience translation will also be made in the U.S. edition of *The Wall Street Journal*, and will indicate the relevant email address and address for requesting the Offer Document.

12. While the Filer will also publish a non-binding English convenience translation of the Offer Document, the English translation has not been reviewed by the German Federal Financial Supervisory Authority, and the German Offer Document shall be the only binding offer document. Beyond that, as permitted under German law, the Filer does not expect to deliver any materials to the holders of the Target Shares in general (as the Target has issued bearer shares and does not maintain a share register or other record of the addresses of its shareholders). However, in the event that any material relating to the Offer is sent by the Filer generally to holders of the Target Shares in Germany, such material will also be sent to holders of Target Shares residing in the Jurisdictions (if addresses are known), along with an English translation for convenience purposes.

13. A public announcement in a national Canadian newspaper and in a French language newspaper widely distributed in Québec, made at the same time as the public announcement in the national German newspaper or as soon as practicable after issuance of this order, will specify where and how the shareholders may obtain a copy of the Offer Document or an English convenience

translation free of charge. As soon as practicable after such date, the Filer will also file a copy of the Offer Document with the local securities regulatory authority or regulator in each of the Jurisdictions.

14. In accordance with German law (the home jurisdiction of both the Filer and the Target), the Offer treats all shareholders (including Canadian holders) equally.

Decision

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

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

(a) the Offer and all amendments to the Offer are made in compliance with the laws of the Federal Republic of Germany;

(b) any material relating to the Offer that is sent by the Filer generally to the holders of the Target Shares in Germany will be sent by the Filer to the holders of the Target Shares resident in the Jurisdictions (if addresses are known), together with an English convenience translation, and copies thereof filed with the Decision Maker in each Jurisdiction; and

(c) the Filer makes a public announcement in a national Canadian newspaper and in a French newspaper that is widely circulated in Québec specifying where and how holders of the Target Shares in the Jurisdictions may obtain a copy of the Offer Document (or an English convenience translation) free of charge, and files copies thereof with the Decision Maker in each Jurisdiction.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

2.1.2 Sleeman Breweries Ltd. - s. 83

Headnote

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

Ontario Statutes

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

November 13, 2006

Dear: Gordon Charlton

Re: Sleeman Breweries Ltd. (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 & 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.

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

2.1.3 Precision Assessment Technology Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1 – Continuous Disclosure Obligations – BAR – Issuer in default of filing a BAR in connection with a completed significant acquisition. Due to delay in filing the BAR, the pro forma income statements required to be included in the BAR would not be useful to investors. Relief granted to permit the issuer to include alternative pro forma income statements. Relief granted from the obligation to include a compilation report for pro forma financial statements because the issuer is unable to obtain a report from its former auditor.

Applicable Ontario Statutory Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1.

November 14, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA AND ONTARIO
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
PRECISION ASSESSMENT TECHNOLOGY CORPORATION
(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 is exempt from certain requirements of Part 8 of National Instrument 51-102 *Continuous Disclosure Obligations* relating to the business acquisition report (the BAR) to be prepared and filed by the Filer as a result of the Filer's acquisition of the business and assets of Groundwater Protection Inc. (GPI) and all of the issued and outstanding shares of its affiliated sister company, Trenchless Specialties Inc. (TSI) (the Acquisition).

Application of Principal Regulator System

2. Under Multilateral Instrument 11-101 *Principal Regulator System* (MI 11-101) and the MRRS:

   (a) the British Columbia Securities Commission is the principal regulator for this application;

   (b) the Filer is relying on the exemption in Part 3 of MI 11-101 in Alberta, Saskatchewan, Manitoba, Quebec and Nova Scotia; and

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

Interpretation

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

Relief sought

4. The Filer seeks an exemption from the requirement to include in the BAR:

   (a) a pro forma income statement for the financial year ended December 31, 2005;

   (b) a pro forma income statement for the 6 month interim period ended June 30, 2006; and

   (c) a compilation report, signed by the Filer's auditor and prepared in accordance with the CICA Handbook, concerning the pro forma financial statements included in the BAR;

   (the Requested Relief).

Representations

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

   1. the Filer is a reporting issuer in British Columbia, Ontario, Alberta, Saskatchewan, Manitoba, Quebec and Nova Scotia;

   2. effective October 1, 2005, the Filer completed the Acquisition; the consolidated financial statements for TSI include GPI;

   3. as the Acquisition constituted a "significant acquisition" under NI 51-102 at the greater than 40% significance level, in accordance with Sections 8.4 and 8.5(1)(b) of NI 51-102 the Filer was

required to file a BAR, including certain historical financial information relating to TSI and GPI and certain pro forma financial information, within 75 days after the date of the Acquisition; a delay in filing its annual financial statements for the year ended December 31, 2005 (2005 Financials) and the related decision of the Filer to restate and refile its annual financial statements for the year ended December 31, 2004 (2004 Restatement) has resulted in a delay in the preparation of the BAR relating to the Acquisition;

4. in March 2006 Deloitte & Touche, the Filer's auditors, indicated that they would be unable to finalize their audit opinion relating to the 2005 Financials until an independent valuation, allocating the purchase price for the acquisition of TSI between intangibles, tangibles and goodwill (the Independent Valuation), was conducted and delivered to Deloitte & Touche; the Filer engaged KPMG LLP on April 4th to provide the Independent Valuation, which was completed and delivered to Deloitte & Touche on April 25, 2006;

5. following receipt of the Independent Valuation, Deloitte & Touche continued the audit procedures; in the course of such procedures, Deloitte & Touche determined that there were certain errors in the audited financial statements of the Filer for the year ended December 31, 2004 and met with the Filer to discuss a potential restatement of the audited financial statements for that year; following discussions with Deloitte & Touche, the Filer determined to proceed with the 2004 Restatement;

6. Deloitte & Touche completed their audit and the Filer filed the 2005 Financials, management's discussion and analysis and annual information form for the year ended December 31, 2005 on May 31, 2006; the Filer also filed the 2004 Restatement at that time;

7. to limit the impact on shareholders of the delayed filing of the 2005 Financials, the Filer requested and was granted a Management Cease Trade Order (Management CTO) on April 6, 2005 by the BCSC, under CSA Staff Notice 57-301; under the Management CTO, trading by certain persons ceased until the Filer filed its 2005 Financials; the BCSC revoked the Management CTO on June 14, 2006;

8. as a result of the 2004 Restatement and the corresponding delay in finalizing financial statements to be filed with the BAR, the Filer is required under sections 8.4(3)(b)(i) and (ii) and 8.4(3)(d) of NI 51-102 to file pro forma income statements giving effect to the Acquisition, for periods that ended after the date of the Acquisition, accompanied by a compilation report signed by the Filer's auditor;

9. the Filer is not in default of any of the requirements of the applicable securities legislation in any of the provinces in which it is a reporting issuer, other than the requirements to:

   (a) file the BAR relating to the Acquisition by December 15, 2005; and

   (b) file the 2005 Financials by March 31, 2006 (the Filer filed the 2005 Financials on May 31, 2006);

10. the Filer did not apply for relief in relation to the BAR requirements prior to becoming in default of its obligation to file the BAR relating to the Acquisition;

11. the Filer will include in the BAR the following financial statements and financial information:

    (a) audited combined financial statements of GPI and TSI as at December 31, 2004 and 2003 and for the years then ended,

    (b) unaudited combined interim financial statements of GPI and TSI as at September 30, 2005 and for the nine month periods ended September 30, 2005 and 2004; and

    (c) unaudited pro forma income statements of the Filer for the year ended December 31, 2004 and the nine months ended September 30, 2005 that give effect to the Acquisition as if it had taken place at the beginning of the respective period

    (collectively, the Alternative Financial Disclosure);

12. the balance sheet effect of the Acquisition is reflected in the audited

2005 Financials that have already been filed;

13. the Filer submits that there is no added benefit to the public of providing pro forma income statements for the year ended December 31, 2005 and the interim period ended June 30, 2006 as any income statement effect relating to the period after the date of the Acquisition is already reflected in the consolidated financial statements of the Filer, which have already been filed;

14. after filing the 2005 Financials, the Filer changed its auditor and, as such, it would be impractical to obtain a letter from Deloitte & Touche concerning the compilation report in relation to the pro forma financial statements.

Decision

6. The Decision Makers being satisfied that each has jurisdiction to make this decision and that the relevant test under the Legislation has been met, the Requested Relief is granted provided that the Filer:

   (a) includes the Alternative Financial Disclosure in the BAR; and

   (b) explains in the BAR why the Filer is not providing pro forma income statements for the financial year ended December 31, 2005 and the six month period ended June 30, 2006, and the compilation report.

"Martin Eady, C.A."
Director, Corporate Finance
British Columbia Securities Commission

2.1.4 NBS Technologies Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief from the requirement to provide in an information circular 'prospectus-level' disclosure and disclosure regarding executive compensation and indebtedness of directors and executive officers in connection with an amalgamation transaction where the controlling shareholder holds more than 90% of the voting securities - Disclosure not relevant to decision whether to approve amalgamation transaction - Shareholders to receive redeemable preferred shares and a contingent entitlement to additional cash payment in connection with the amalgamation - Redeemable preferred shares will be redeemed immediately after the completion of the amalgamation - Amalgamation, in substance, a cash transaction.

Applicable Ontario Statutory Provisions

National Instrument 51-102 - Continuous Disclosure Obligations, Part 9 and s. 13.1, and Form 51-102F5 - Information Circular, items 8, 10 and 14.2.

November 22, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, 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
NBS TECHNOLOGIES INC. (the "Applicant")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Jurisdictions has received an application from the Applicant, for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") exempting the Applicant from the requirement to include prospectus-level disclosure, executive compensation disclosure and disclosure as to the indebtedness of directors and executive officers in a management information circular of the Applicant relating to a special meeting of its shareholders to be held to approve the amalgamation (the "**Amalgamation**") of the Applicant and an indirect wholly-owned subsidiary ("**Subco**") of Brookfield

Asset Management Inc. ("**Brookfield**") in accordance with the Legislation (the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

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

Interpretation

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

Representations

This decision is based on the factual information below as provided by the Applicant and confirmed by Brookfield where applicable.

1. The Applicant is a provider of smart card manufacturing and personalization equipment, secure identity solutions and point of sale transaction services for financial institutions, governments and corporations worldwide. The Applicant is a global company with locations in Canada, China, France, the U.S. and the United Kingdom, along with a worldwide dealer network.

2. The authorized capital of the Applicant consists of an unlimited number of common shares ("**Common Shares**"), an unlimited number of preferred shares ("**Preferred Shares**") and 2,500,000 special shares. As at the date hereof, there are issued and outstanding 43,151,922 Common Shares and 1,200,000 Preferred Shares. No special shares are issued and outstanding. The Common Shares are listed on the Toronto Stock Exchange under the symbol "NBS".

3. The Applicant is a reporting issuer or the equivalent thereof in each of the Jurisdictions. The Applicant is not, to its knowledge, in default of its reporting issuer obligations under the securities legislation of the Jurisdictions.

4. The Applicant is incorporated under the *Business Corporations Act* (Ontario) (the "**OBCA**"). The principal office of the Applicant is located at 703 Evans Avenue, Suite 400, Toronto, M9C 5E9.

5. Brookfield, a corporation incorporated under the OBCA is focused on property, power and infrastructure assets, has over $50 billion of assets under management and is co-listed on the New York and Toronto Stock Exchanges under the symbol "BAM".

6. Brookfield is a reporting issuer or equivalent thereof in each of the Jurisdictions.

7. As of the date hereof, Brookfield and its affiliates beneficially own 39,526,226 Common Shares, representing approximately 91.6% of the issued and outstanding Common Shares, and all of the issued and outstanding Preferred Shares.

8. Subco is incorporated under the OBCA and was incorporated solely for the purpose of completing the Amalgamation. Subco is an indirect wholly-owned subsidiary of Brookfield.

9. On November 6, 2006, the Corporation and Brookfield announced that the Corporation had entered into an agreement with Brookfield to effect a going private transaction whereby Brookfield will acquire all of the outstanding Common Shares not already owned by Brookfield or its affiliates.

10. The Applicant has called a special meeting (the "**Meeting**") of holders of Common Shares to be held on or about December 18, 2006 to approve the Amalgamation. At the Meeting, the Applicant will seek the requisite approval of shareholders in respect of a special resolution to approve the Amalgamation upon the terms and conditions set forth in an amalgamation agreement between the Applicant and Subco (the "**Amalgamation Agreement**"), the material terms of which will be described in the management information circular (the "**Circular**") to be sent to all holders of Common Shares.

11. In connection with the Meeting, the Applicant expects to mail on or about November 24, 2006 to each holder of Common Shares (i) a notice of the Meeting; (ii) a form of proxy; (iii) a letter of transmittal; and (iv) the Circular, which will be prepared in accordance with the OBCA and applicable securities laws.

12. Pursuant to the Amalgamation:

    (a) at the effective time of the Amalgamation, by virtue of the Amalgamation and without any further action on the part of the Applicant, Subco or the holders of Common Shares, (A) each Common Share (other than any Common Share held by Brookfield or its affiliates or a shareholder who has not effectively withdrawn or otherwise ceased to be entitled to such dissent rights pursuant to Section 176 of the OBCA (each a "**Dissenting Common Share**")) will be cancelled and converted automatically into one validly issued, fully paid and non-assessable redeemable preferred share in the capital of Amalco (each a "**Redeemable Preference Share**"), (B) each Common Share held by Brookfield

or its affiliates will be cancelled and converted automatically into one validly issued, fully paid and non-assessable common share in the capital of Amalco, (C) each issued and outstanding Preferred Share will be exchanged for one preferred share in the capital of Amalco, and (D) each Dissenting Common Share will be cancelled and converted automatically into the right to receive payment from Amalco with respect thereto in accordance with section 176 of the OBCA; and

(b) all holders of Common Shares (other than Brookfield and its affiliates), including insiders of the Applicant, will receive identical consideration for their Common Shares in the Amalgamation.

13. Immediately following the effective time of the Amalgamation, each Redeemable Preference Share will be redeemed by Amalco (the "**Redemption**") for a cash amount equal to $1.00 per share (the "**Redemption Amount**") and a non-transferable contingent entitlement to share in the net proceeds received by the Applicant from any final adjudication or final settlement of all matters related to the claims and counterclaims of the Card Technology v. DataCard litigation involving the Applicant and the related proceedings in the United States Department of Justice. No certificates evidencing the Redeemable Preference Shares will be issued to the holders of Common Shares who will continue to hold their Common Share certificates until exchanged for the aggregate Redemption Amount represented by such certificates as provided for in the Amalgamation Agreement.

14. The Applicant's directors are not being elected at the Meeting, and no action is to be taken at the Meeting on any matter involving executive compensation or the indebtedness of directors or executive officers of the Applicant, and neither executive compensation disclosure nor disclosure as to the indebtedness of directors and executive officers of the Applicant would reasonably be expected to affect a shareholder's decision whether or not to vote in favour of the Amalgamation.

15. The consideration paid by Amalco on the Redemption will be funded directly or indirectly by Brookfield. Brookfield has advised the Applicant that it intends to ensure that Amalco will have sufficient funds to pay in full the aggregate Redemption Amount on the Redemption.

Decision

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

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the Applicant complies with all other provisions of the Legislation applicable to the Circular.

"Iva Vranic"

2.1.5 Cade Struktur Corporation - s. 83

Headnote

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

Ontario Statutes

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

November 23, 2006

Cade Struktur Corporation
Suite 1620 – 400 Burrard Street
Vancouver, British Columbia V6C 3A6

Dear Sirs:

Re: Cade Struktur Corporation (the "Applicant") – Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Ontario, Quebec and Nova Scotia ("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,

(a) 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;

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

(c) 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

(d) 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.

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

2.1.6 RBC Asset Management Inc. et al. - 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 – Conditions included to reflect transition of oversight function from current independent committee to independent 'review' committee to be established during the 60-day period and compliant with the provisions of National Instrument 81-107 Independent Review Committee for Investment Funds in force November 1, 2006.

Applicable Legislative Provisions

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

November 8, 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., CIBC ASSET MANAGEMENT INC. AND CIBC GLOBAL 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 units (the "**Units**") of H&R Real Estate Investment Trust (the "**Issuer**") on the Toronto Stock Exchange (the "**TSX**") during the period beginning on the completion of the distribution of the Units and ending on the earlier of (i) the end of the 60-day period (the "**60-Day Period**") following the completion of the distribution, and (ii) the end of the day prior to the Dealer Manager providing the principal regulator with a notice (the "**Notice**") of intention to comply with National Instrument 81-107 *Independent Review Committee for Investment Funds* ("**NI 81-107**") pursuant to section 8.2 of that instrument (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 pursuant to a short form prospectus dated October 20, 2006 (the "**Prospectus**") which was 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 Applicant:

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 securities of the Dealer Managed Funds are qualified for distribution in one or more of the provinces and territories of Canada pursuant to simplified prospectuses that have been prepared and filed in accordance with their respective securities legislation.

3. The head offices of RBC Asset Management Inc. and CIBC Asset Management Inc. are in Toronto, Ontario. The head office of CIBC Global Asset Management Inc. is in Montreal, Quebec.

4. The Issuer is an unincorporated real estate investment trust created under, and governed by the laws of the Province of Ontario. The Issuer is an open-ended investment trust which owns properties in Canada and the United States totaling approximately 37.3 million square feet in leaseable area.

5. According to the Issuer's preliminary short form prospectus (the "**Preliminary Prospectus**"), the Offering consists of 6,500,000 Units at a price of $23.15 per Unit. The gross proceeds of the Offering are expected to be approximately $150,475,000. The Issuer has been advised that, in connection with the offering, the Underwriters may over-allot or effect transactions, which stabilize or maintain the market price of the Units at a level above that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time.

6. The Offering was underwritten, subject to certain terms, by an underwriting syndicate which included RBC Dominion Securities Inc. and CIBC World Markets Inc. (the "**Related Underwriter**"), among others (the Related Underwriter together with the other underwriters, the "**Underwriters**"). The Related Underwriters are affiliates of the Dealer Managers.

7. According to the Preliminary Prospectus, the Issuer intends to use the net proceeds to fund the acquisition of additional properties. Any proceeds not initially used for such purposes will be used to reduce the Issuer's indebtedness.

8. The Issuer and the Underwriters have entered into an underwriting agreement dated October 20, 2006 whereby the Underwriters have agreed to purchase a total of 6,500,000 Units for an aggregate consideration of $150,475,000. The Issuer has agreed to pay the Underwriters a fee of $0.926 per Unit for the services provided by the Underwriters in distributing such Units to the public.

9. The Issuer's outstanding units are listed on the Toronto Stock Exchange ("**TSX**") under the symbol "HR.UN". The Issuer has applied to list the Units on the TSX.

10. According to the Preliminary Prospectus, the Issuer may be considered a "connected issuer" as defined in National Instrument 33-105 ("**NI 33-105**") to the Related Underwriters and two of the Underwriters which are subsidiaries of banks (the "**Banks**") that are, or are related to, lenders to the Issuer for reasons set forth in the Preliminary

Prospectus. The Issuer may use a portion of the net proceeds of this offering to, among other things, reduce its indebtedness to one of the Banks. The Banks, and their related entities have agreed to make available to the Issuer credit facilities in the maximum aggregate principal amount of approximately $180 million, which is secured by a first charge over certain properties, and have granted mortgage financings to the Issuer in the aggregate amount of approximately $78.6 million, secured by certain of the Issuer's assets. As of October 19, 2006, the Issuer was indebted to the Banks, and their related entities, in respect of such credit facilities in the aggregate amount of approximately $66.8 million and in respect of such mortgage financings in the aggregate amount of approximately $78.6 million. As at October 20, 2006, the Issuer was in compliance with the terms of all such indebtedness. The decision to distribute the Units and the determination of the terms of distribution were made through negations between the Issuer and the Underwriters. The Banks did not have any involvement in such decision or determination.

11. The Issuer is not a "related issuer" of the Related Underwriters, as defined in NI 33-105.

12. 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 Manager and the Related Underwriter may communicate to enable the Dealer Manager to maintain an up to date restricted-issuer list to ensure that the Dealer Manager complies with applicable securities laws); and

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

13. The Dealer Managed Funds are not required or obligated to purchase any Units during the Prohibition Period.

14. The Dealer Managers may cause the Dealer Managed Funds to invest in Units during the Prohibition Period. Any purchase of the Units will be consistent with the investment objectives of the Dealer Managed Funds and represent the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Funds or in fact be in the best interests of the Dealer Managed Funds.

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. There will be an independent committee (the "**Independent Committee**") appointed in respect of the Dealer Managed Funds to review the investments of the Dealer Managed Funds in Units during the Prohibition Period.

17. 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.

18. 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.

19. If a Dealer Manager files a Notice during the 60-Day Period, the Funds will no longer be able to rely on this Decision and will only be able to make further investments in Units during the remainder of the 60-Day Period in compliance with NI 81-107, including compliance with an applicable standing instruction under NI 81-107.

20. 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, of the filing of the SEDAR Report on SEDAR, as soon as practicable after the filing of such report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.

21. Each Dealer Manager has not been involved in the work of the Related Underwriter and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Manager as to whether the Dealer Managed Funds will purchase 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 underwriter in the Offering provided that, in respect of the Dealer Managers and their 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. Until a Notice is provided to the principal regulators, 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 a Dealer Manager, any portfolio manager of the Dealer Managed Fund, or any associate or affiliate of the Dealer Manager or any portfolio manager of the Dealer Managed Funds to indemnify or insure the members of the Independent Committee in respect of a loss that arises out of a failure to satisfy the standard of care set out in paragraph V above is not paid either directly or indirectly by the Dealer Managed Fund;

IX. Each Dealer Manager files a certified report on SEDAR (the "**SEDAR Report**") in respect of each Dealer Managed Fund, no later than 30 days after the end of the 60-Day Period; provided, however, that if the Dealer Manager files a Notice during the

60-Day Period, the SEDAR Report shall be field concurrently with the Notice being provided to the principal regulator. The SEDAR Report shall contain 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, or, if a Notice has been provided to the principal regulator during the 60-Day Period, an independent review committee established under NI 81-107, 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 each 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.

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

APPENDIX A

THE MUTUAL 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 Canadian Dividend Pool
(formerly, RBC Private Dividend Pool)
RBC Private Canadian Growth & Income Equity Pool
RBC Private Canadian Equity Pool
RBC Private Canadian Mid Cap Equity Pool

Imperial Pools

Imperial Canadian Equity Pool
Imperial Canadian Dividend Income Pool
Imperial Canadian Dividend Pool
Imperial Canadian Income Trust Pool

Renaissance Talvest Mutual Funds

Renaissance Canadian Balanced Value Fund
Renaissance Canadian Dividend Income Fund
Renaissance Canadian Growth Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Income Trust Fund
Renaissance Canadian Income Trust Fund II
Renaissance Canadian Small Cap Fund
Talvest Dividend Fund
Talvest Cdn. Equity Growth Fund
Talvest Cdn. Asset Allocation Fund
Talvest Cdn. Equity Value Fund
Talvest Small Cap Cdn. Equity Fund

CIBC Mutual Funds and
CIBC Family of Managed Portfolios

CIBC Balanced Fund
CIBC Canadian Equity Fund
(formerly CIBC Core Canadian Equity Fund)
CIBC Capital Appreciation Fund
CIBC Dividend Fund
CIBC Diversified Income Fund
CIBC Financial Companies Fund
CIBC Canadian Equity Value Fund

(formerly Canadian Imperial Equity Fund)
CIBC Canadian Small Companies Fund
CIBC Monthly Income Fund
CIBC Canadian Real Estate Fund

Frontiers Pools

Frontiers Canadian Equity Pool
Frontiers Canadian Monthly Income Pool

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

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Exemption to allow dealer managed mutual funds to purchase securities offered by private placement, during the distribution period and the 60 days after the distribution period in which an affiliate of the dealer manager has acted as an underwriter in connection with the distribution of securities of the issuer.

Applicable Legislative Provisions

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

November 20, 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, THE NORTHWEST TERRITORIES, NUNAVUT AND THE YUKON
(the "Jurisdictions")

AND

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

AND

GOODMAN & COMPANY, INVESTMENT COUNSEL LTD.
(the "Applicant" or "Dealer Manager")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Jurisdictions has received an application from the Applicant, on behalf of the portfolio advisers of the funds listed in Appendix "A" (the "**Funds**" or "**Dealer Managed Funds**") for a decision under section 19.1 of National Instrument 81-102 *Mutual Funds* ("**NI 81-102**") for:

- an exemption from subsection 4.1(1) of NI 81-102 to enable the Dealer Managed Funds to invest in common shares (the "**Common Shares**") of Aurelian Resources Inc. (the "**Issuer"**) during the period of distribution for the Offering (as defined below) (the "**Distribution**") and the 60-day period following the completion of the Distribution (the "**60-Day Period**") (the Distribution and the 60-Day Period together, the "**Prohibition Period**") notwithstanding that an associate or affiliate of the Dealer Manager acts or has acted as an

underwriter in connection with the private placement (the "**Offering**") of Common Shares offered in each of the provinces of Canada under a term sheet dated November 6, 2006 (the "**Term Sheet**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

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

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

Interpretation

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

Representations

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

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

2. The head office of the Dealer Manager is in Toronto, Ontario.

3. The securities of the Dealer Managed Funds are qualified for distribution in all of the provinces and territories of Canada pursuant to a simplified prospectus that has been prepared and filed in accordance with the applicable securities legislation.

4. The Offering is being underwritten, subject to certain terms, by a syndicate which includes Dundee Securities Corporation (the "**Related Underwriter**"), an affiliate of the Dealer Manager, among others (the Related Underwriter and any other underwriters, which are now or may become part of the syndicate prior to closing, the "**Underwriters**").

5. The closing date for the Offering is expected to occur as early as November 22, 2006 (the "**Closing Date**").

6. The Issuer is a corporation formed under the laws of Canada and is a reporting issuer in British Columbia, Alberta, Ontario and Quebec. The Issuer is a junior resource company exploring precious and base metals in the frontier area of south-eastern Ecuador.

7. According to the Term Sheet, the Common Shares will be offered at a price of $37.50 per Common Share with gross proceeds of the Offering expected to be approximately $75 million. The price of the Common Shares was determined by negotiation among the Underwriters and the Issuer.

8. According to the Term Sheet, the Issuer will apply to the TSX Venture Exchange ("**TSXV**") to have the Common Shares listed on the TSXV. The listing of the Common Shares will be conditional upon the Issuer fulfilling all listing requirements and conditions of the TSXV. The Issuer's outstanding common shares are currently listed on the TSXV under the symbol "ARU".

9. According to the Term Sheet, the Issuer shall not issue any Common Shares or financial instruments convertible or exercisable into Common Shares on a public or private basis in an agency or underwritten offering (other than for purposes of acquisitions, binding agreements under which the Issuer is required to do so and which have been disclosed to the Underwriters, directors', officers', consultants' or employee stock options, to satisfy existing instruments issued at the date hereof or securities which may be issued in connection with a take-over bid made for the Issuer) until the date which is 120 days following the closing of the Offering without the prior written consent of Sprott Securities Inc. (an Underwriter), such consent not to be unreasonably withheld.

10. According to the Term Sheet, pursuant to National Instrument 45-102, the Common Shares will be subject to a four month hold period in each of the Canadian provinces, commencing upon closing of the Offering. A "legend" in the form prescribed by National Instrument 45-102 or other applicable securities legislation of stock exchange rules will appear on the Common Share certificates, together with such additional legends as may be appropriate in the circumstances.

11. The Term Sheet does not disclose that the Issuer is a "related issuer" or "connected issuer" as defined in National Instrument 33-105 – *Underwriting Conflicts* ("**NI 33-105**"), of the Related Underwriter.

12. Despite the affiliation between the Dealer Manager and the Related Underwriter, they operate independently of each other. In particular, the investment banking and related dealer activities of the Related Underwriter and the investment portfolio management activities of the Dealer Manager are separated by "ethical" walls. Accordingly, no information flows from one to the

other concerning their respective business operations or activities generally, except in the following or similar circumstances:

I. in respect of compliance matters (for example, the Dealer Manager and the Related Underwriter may communicate to enable the Dealer Manager to maintain an up to date restricted-issuer list to ensure that the Dealer Manager complies with applicable securities laws); and

II. the Dealer Manager and the Related Underwriter may share general market information such as discussion on general economic conditions, bank rates, etc.

13. The Dealer Managed Funds are not required or obligated to purchase any Common Shares during the Prohibition Period.

14. The Dealer Manager may cause the Dealer Managed Fund to invest in Common Shares during the Prohibition Period. Any purchase of the Common Shares will be consistent with the investment objectives of the Dealer Managed Fund and represent the business judgment of the Dealer Manager 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 the Dealer Manager manages the Dealer Managed Fund and other client accounts that are managed on a discretionary basis (the "**Managed Accounts**"), the Common Shares purchased for them will be allocated:

I. in accordance with the allocation factors or criteria stated in the written policies or procedures put in place by the Dealer Manager for the Dealer Managed Fund and Managed Accounts, and

II. taking into account the amount of cash available to each Dealer Managed Fund for investment.

16. There will be an independent committee (the "**Independent Committee**") appointed in respect of the Dealer Managed Funds to review the investments of the Dealer Managed Funds in Common Shares during the Prohibition Period.

17. 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 Fund, 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.

18. 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 Fund and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

19. The Dealer Manager, in respect of the Dealer Managed Fund, will notify a member of staff in the Investment Funds Branch of the Ontario Securities Commission, of the filing of the SEDAR Report (as defined below) on SEDAR, as soon as practicable after the filing of such report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.

20. The Dealer Manager has not been involved in the work of the Related Underwriter and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Manager as to whether the Dealer Managed Fund will purchase Common Shares during the Prohibition Period.

Decision

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

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

The Decision of the Decision Makers under the Legislation is that the Requested Relief is granted, notwithstanding that the Related Underwriter acts or has acted as underwriter in the Offering provided that the following conditions are satisfied:

I. At the time of each purchase (the "**Purchase**") of Common Shares by a Dealer Managed Fund pursuant to this Decision, the following conditions are satisfied:

(a) the Purchase

(i) represents the business judgment of the Dealer Manager uninfluenced by considerations other than the best interests of the Dealer Managed Fund, or

(ii) is, in fact, in the best interests of the Dealer Managed Fund;

(b) the Purchase is consistent with, or is necessary to meet, the investment objective of the Dealer Managed Fund as disclosed in its simplified prospectus; and

(c) the Dealer Managed Fund does not place the order to purchase, on a principal or agency basis, with its Related Underwriter;

II. Prior to effecting any Purchase pursuant to this Decision, the Dealer Managed Fund has in place written policies or procedures to ensure that,

(a) there is compliance with the conditions of this Decision; and

(b) in connection with any Purchase,

(i) there are stated factors or criteria for allocating the Common Shares purchased for the Dealer Managed Fund 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. The Dealer Manager does not accept solicitation by its Related Underwriter for the Purchase of Common Shares for the Dealer Managed Fund;

IV. The Related Underwriter does not purchase Common Shares in the Offering for its own account except Common Shares sold by the Related Underwriter on Closing;

V. The Dealer Managed Fund has an Independent Committee to review the Dealer Managed Fund's investments in Common Shares during the Prohibition Period;

VI. 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;

VII. 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 Fund and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;

VIII. 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 VII above;

IX. 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 VII above;

X. The cost of any indemnification or insurance coverage paid for by the Dealer Manager, any portfolio manager of the Dealer Managed Fund, or any associate or affiliate of the Dealer Manager or any portfolio manager of the Dealer Managed Fund 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 VII above is not paid either directly or indirectly by the Dealer Managed Fund;

XI. The Dealer Manager files a certified report on SEDAR (the "**SEDAR Report**") no later than 30 days after the end of the Prohibition Period, that contains a certification by the Dealer Manager that contains:

(a) the following particulars of each Purchase:

(i) the number of Common Shares purchased by the Dealer Managed Fund;

(ii) the date of the Purchase and purchase price;

(iii) whether it is known whether any underwriter or syndicate member has engaged in market stabilization activities in respect of the Common Shares;

(iv) if Common Shares were purchased for the Dealer Managed Fund and other Managed Accounts of the Dealer Manager, the aggregate amount so purchased and the percentage of such aggregate amount that was allocated to the Dealer Managed Fund; and

(v) the dealer from whom the Dealer Managed Fund purchased the Common Shares and the fees or commissions, if any, paid by the Dealer

Managed Fund in respect of such Purchase;

(b) a certification by the Dealer Manager that the Purchase:

(i) was made free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and

(ii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interest of the Dealer Managed Fund, or

(iii) was, in fact, in the best interests of the Dealer Managed Fund;

(c) confirmation of the existence of the Independent Committee to review the Purchase of the Common Shares by the Dealer Managed Fund, 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 the Dealer Managed Fund by the Dealer Manager to purchase Common Shares for the Dealer Managed Fund 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.

XII. The Independent Committee advises the Decision Makers in writing of:

(a) any determination by it that the condition set out in paragraph XI(d) has not been satisfied with respect to any Purchase of the Common Shares by the 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 the Dealer Managed Fund, in response to the determinations referred to above.

XIII. For Purchases of Common Shares during the Distribution only, the Dealer Manager:

(a) expresses an interest to purchase on behalf of the Dealer Managed Fund and Managed Accounts a fixed number of Common Shares (the "**Fixed Number**") to an Underwriter other than its Related Underwriter;

(b) agrees to purchase the Fixed Number or such lesser amount as has been allocated to the Dealer Manager by the Underwriter;

(c) does not place an order with an Underwriter of the Offering to purchase an additional number of Common Shares under the Offering prior to the completion of the Distribution, provided that if the Dealer Manager was allocated less than the Fixed Number at the closing date of the Offering, the Dealer Manager may place an additional order for such number of additional Common Shares equal to the difference between the Fixed Number and the number of Common Shares allotted to the Dealer Manager after the closing of the Offering; and

(d) does not sell Common Shares purchased by the Dealer Manager under the

Offering, prior to the listing of the Common Shares on the TSXV.

XIV. Each Purchase of Common Shares during the 60-Day Period is made on the TSXV; and

XV. For Purchases of Common Shares during the 60-Day Period only, an underwriter provides to the Dealer Manager written confirmation that the "dealer restricted period" in respect of the Offering, as defined in Ontario Securities Commission Rule 48-501 Trading During Distributions, Formal Bids and Share Exchange Transactions, has ended.

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

Appendix "A"

THE MUTUAL FUNDS

Dynamic Funds

DMP Resource Class
Dynamic Focus+ Resource Fund
Dynamic Power Balanced Fund
Dynamic Power Canadian Growth Class
Dynamic Power Canadian Growth Fund
Dynamic Precious Metals Fund

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

Headnote

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

Applicable Legislative Provisions

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

November 17, 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, THE NORTHWEST TERRITORIES, NUNAVUT AND THE YUKON
(the "Jurisdictions")

AND

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

AND

GOODMAN & COMPANY, INVESTMENT COUNSEL LTD.
(the "Applicant" or "Dealer Manager")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Jurisdictions has received an application from the Applicant, on behalf of the portfolio advisers of the Dynamic Focus + Resource Fund (the "**Fund**" or "**Dealer Managed Fund**") 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 Fund to invest in units (the "**Units**") and in common shares (the "**Common Shares**") (the Units and the Common Shares, collectively, the "**Securities**") of MetalCORP Limited (the "**Issuer**"), each Unit consisting of one Common Share of the Issuer and one half of one Common Share purchase warrant (each whole warrant, a "**Warrant**"), during the period of distribution for the Offering (as defined below) (the "**Distribution**") and the 60-day period following the completion of the Distribution (the "**60-Day Period**") (the Distribution and the 60-Day Period together, the "**Prohibition Period**") notwithstanding that an associate or affiliate of the Dealer Manager acts or has acted as an underwriter in connection with the offering (the "**Offering**") of Units of the Issuer pursuant to a private placement in the provinces of British Columbia, Alberta and Ontario (the "**Requested Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

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

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

Interpretation

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

Representations

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

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

2. The head office of the Dealer Manager is in Toronto, Ontario.

3. The securities of the Dealer Managed Fund are qualified for distribution in all of the provinces and territories of Canada pursuant to a simplified prospectus that has been prepared and filed in accordance with the applicable securities legislation.

4. The Offering is being underwritten, subject to certain terms, by a syndicate which we understand will include Dundee Securities Corporation (the "**Related Underwriter**"), an affiliate of the Dealer Manager, among others (the Related Underwriter and any other underwriters, which are now or may become part of the syndicate prior to closing, the "**Underwriters**").

5. The Issuer is a development stage public company engaged in exploration for mineral deposits in the Northwestern Ontario region of Canada. The Issuer is in the early exploration stage with respect to all of its properties.

6. The Issuer is currently listed on the TSX Venture Exchange ("**TSXV**") under the symbol MTC.

7. According to the term sheet (the "**Term Sheet**") for the Offering, the Offering will consist of $8 million Units being offered at a price of $1.65 per Unit, each Unit comprising of one Common Share of the Issuer and one half of one Common Share purchase warrant, with each Warrant entitling the holder thereof to purchase one Common Share of the Issuer at a price of $2.10 and exercisable for a period of 18 months following the closing of the Offering. The Issuer will also be offering $5 million flow-through common shares ("**Flow-Through Shares**") of the Issuer being at a price of $2.00 per Flow-Through Share. The Fund will not purchase any Flow-Through Shares.

8. Pursuant to the Term Sheet, Research Capital Corporation (one of the syndicate underwriters) will be granted an over-allotment option (the "**Over-Allotment Option**") to increase the size of the Offering by an additional $2 million Units, which may be exercised within 10 days of the closing of the Offering.

9. The gross proceeds of the Offering are expected to be approximately $13 million. According to the Term Sheet, the gross proceeds from the sale of the Flow-Through Shares will be used for exploration work on the Issuer's properties. The remaining net proceeds from the Offering will be used for working capital purposes.

10. The Units will be subject to a hold period of four months and one day commencing on the closing of the Offering.

11. The Term Sheet does not disclose that the Issuer is a "related issuer" or "connected issuer" as defined in National Instrument 33-105 - *Underwriting Conflicts* ("**NI 33-105**"), of the Related Underwriter.

12. Despite the affiliation between the Dealer Manager and the Related Underwriter, they operate independently of each other. In particular, the investment banking and related dealer activities of the Related Underwriter and the investment portfolio management activities of the Dealer Manager are separated by "ethical" walls. Accordingly, no information flows from one to the other concerning their respective business operations or activities generally, except in the following or similar circumstances:

    I. in respect of compliance matters (for example, the Dealer Manager and the Related Underwriter may communicate to enable the Dealer Manager to maintain an up to date restricted-issuer list to ensure that the Dealer Manager complies with applicable securities laws); and

    II. the Dealer Manager and the Related Underwriter may share general market information such as discussion on general economic conditions, bank rates, etc.

13. The Dealer Managed Fund is not required or obligated to purchase any Securities during the Prohibition Period.

14. The Dealer Manager may cause the Dealer Managed Fund to invest in Securities during the Prohibition Period. Any purchase of the Securities will be consistent with the investment objectives of the Dealer Managed Fund and represent the business judgment of the Dealer Manager 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 the Dealer Manager manages the Dealer Managed Fund and other client accounts that are managed on a discretionary basis (the "**Managed Accounts**"), the Securities purchased for them will be allocated:

    I. in accordance with the allocation factors or criteria stated in the written policies or procedures put in place by the Dealer Manager for the Dealer Managed Fund and Managed Accounts, and

    II. taking into account the amount of cash available to the Dealer Managed Fund for investment.

16. There will be an independent committee (the "**Independent Committee**") appointed in respect of the Dealer Managed Fund to review the investments of the Dealer Managed Fund in Securities during the Prohibition Period.

17. 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 Fund, 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.

18. 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 Fund and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances.

19. The Dealer Manager, in respect of the Dealer Managed Fund, will notify a member of staff in the Investment Funds Branch of the Ontario Securities Commission, of the filing of the SEDAR Report (as defined below) on SEDAR, as soon as practicable after the filing of such report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.

20. The Dealer Manager has not been involved in the work of the Related Underwriter and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Manager as to whether the Dealer Managed Fund will purchase Securities 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 the NI 81-102 that provides the Decision Maker with the jurisdiction to make the Decision has been met.

The Decision of the Decision Makers under the Legislation is that the Requested Relief is granted, notwithstanding that the Related Underwriter acts or has acted as underwriter in the Offering provided that the following conditions are satisfied:

I. At the time of each purchase (the "**Purchase**") of Securities by the 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 Securities purchased for the Dealer Managed Fund 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. The Dealer Manager does not accept solicitation by its Related Underwriter for the Purchase of Securities for the Dealer Managed Fund;

IV. The Related Underwriter does not purchase Securities in the Offering for its own account except Securities sold by the Related Underwriter on Closing;

V. The Dealer Managed Fund has an Independent Committee to review the Dealer Managed Fund's investments in Securities during the Prohibition Period;

VI. The Independent Committee has a written mandate describing its duties and standard of care which, as a minimum, sets out the conditions of this Decision;

VII. 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 Fund and, in so doing, exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances;

VIII. 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 VII above;

IX. 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 VII above;

X. The cost of any indemnification or insurance coverage paid for by the Dealer Manager, any portfolio manager of the Dealer Managed Fund, or any associate or affiliate of the Dealer Manager or any portfolio manager of the Dealer Managed Fund 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 VII above is not paid either directly or indirectly by the Dealer Managed Fund;

XI. The Dealer Manager files a certified report on SEDAR (the "**SEDAR Report**") no later than 30 days after the end of the Prohibition Period, that contains a certification by the Dealer Manager that contains:

(a) the following particulars of each Purchase:

(i) the number of Securities 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 Securities;

(iv) if Securities were purchased for the Dealer Managed Fund and other Managed Accounts of the Dealer Manager, the aggregate amount so purchased and the percentage of such aggregate amount that was allocated to the Dealer Managed Fund; and

(v) the dealer from whom the Dealer Managed Fund purchased the Securities 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 Securities by the Dealer Managed Fund, 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 the Dealer Managed Fund by the Dealer Manager to purchase Securities for the Dealer Managed Fund 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.

XII. The Independent Committee advises the Decision Makers in writing of:

(a) any determination by it that the condition set out in paragraph XI(d) has not been satisfied with respect to any Purchase of the Securities by the 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 the Dealer Managed Fund, in response to the determinations referred to above.

XIII. For Purchases of Securities during the Distribution only, the Dealer Manager:

(a) expresses an interest to purchase on behalf of the Dealer Managed Fund and Managed Accounts a fixed number of Securities (the "**Fixed Number**") to an Underwriter other than its Related Underwriter;

(b) agrees to purchase the Fixed Number or such lesser amount as has been allocated to the Dealer Manager no more than five (5) business days after the closing of the Offering;

(c) does not place an order with an underwriter of the Offering to purchase an additional number of Securities under the Offering prior to the completion of the Distribution, provided that if the Dealer Manager was allocated less than the Fixed Number at the time of the closing of the Offering for the purposes of the Closing, the Dealer Manager may place an additional order for such number of additional Securities equal to the difference between the Fixed Number and the number of Securities allotted to the Dealer Manager, in the event that the Over-Allotment Option is exercised at the time of the closing of the Offering; and

(d) does not sell Securities purchased by the Dealer Manager under the Offering, prior to the listing of the Common Shares on the TSXV.

XIV. Each Purchase of Common Shares during the 60-Day Period is made on the TSXV; and

XV. For Purchases of Securities during the 60-Day Period only, an underwriter provides to the Dealer Manager written confirmation that the "dealer restricted period" in respect of the Offering, as defined in Ontario Securities Commission Rule 48-501 - Trading During Distributions, Formal Bids and Share Exchange Transactions, has ended.

"Leslie Byberg"
Manager – Investment Funds Branch

2.1.9 MedMira Inc. and Cornell Capital Partners, LP - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – variation of a previous decision to permit the use of a short form prospectus rather than a long form prospectus for a distribution of securities by an issuer by way of an equity line of credit - the previous decision granted relief to the issuer and equity line purchaser from certain registration requirements, certain disclosure requirements, prospectus delivery requirements, certain withdrawal rights and from the underwriter certificate requirement.

Applicable Ontario Statutory Provisions

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

November 21, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, NOVA SCOTIA
AND ONTARIO
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF MEDMIRA INC. (MedMira)
AND CORNELL CAPITAL PARTNERS, LP
(Cornell, and collectively with MedMira, 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) varying a MRRS decision document of the Decision Makers dated November 18, 2005 (the Original Decision) in favour of the Filer which granted an exemption from certain registration and prospectus requirements concerning the ongoing distribution of MedMira common shares to Cornell (the Distributions) in connection with an equity line arrangement between MedMira and Cornell.

Under the Mutual Reliance Review System for Exemptive Relief Applications:

(a) the Nova Scotia 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. MedMira is a corporation governed by the Business Corporations Act (Alberta) having its registered office in Calgary, Alberta, and its head office in Halifax, Nova Scotia. MedMira is a reporting issuer not in default under the Legislation.

2. Under the Original Decision, exemptions were granted that certain registration requirements under the Legislation do not apply to Cornell and that certain prospectus requirements under the Legislation do not apply to MedMira and Cornell in respect of the Distributions. MedMira was issued a receipt for a (final) long-form prospectus on November 21, 2005 for the Distributions.

3. The Original Decision requires MedMira to file further (final) long-form prospectuses with the Decision Makers in order to qualify the Distributions.

4. Since the Original Decision, MedMira has become eligible under National Instrument 44-101 – *Short Form Prospectus Distributions* to file a prospectus in the form of a short-form prospectus. MedMira filed a (preliminary) short-form prospectus in connection with the Distributions on October 20, 2006.

5. The Filer wishes to give effect to the Distributions by filing subsequent (final) short-form prospectuses. The Filer also wishes to continue to rely on the relief granted in the Original Decision. Accordingly, it is necessary to vary the Original Decision so as to permit MedMira, in its discretion, to file a (final) prospectus rather than a (final) long-form prospectus.

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 Original Decision is varied by deleting from paragraph 10 the words "long-form" appearing in line 9, such that paragraph 10 now reads as follows:

"the MedMira Shares to be issued during the first 12 months pursuant to Draw Downs will be qualified by filing a (final) long-form prospectus (the First Prospectus) with the Decision Makers. Immediately following issuance of all receipts for the First Prospectus, the obligations of Cornell under the Subscription Agreement will become unconditional. After the end of the first 12 month period, and after the end of each succeeding 12 month period, if additional Draw Downs may be made pursuant to the Subscription Agreement, the MedMira Shares to be issued pursuant to such Draw Downs will be qualified by filing a further (final) prospectus (each, a Subsequent Prospectus) with the Decision Makers (the First Prospectus and each Subsequent Prospectus are collectively referred to as the Prospectus);"

"H. Leslie O'Brien, Q.C."
Chairman
Nova Scotia Securities Commission

"R. Daren Baxter"
Vice-Chairman
Nova Scotia Securities Commission

2.1.10 Æterna Zentaris Inc. - MRRS Decision

Headnote

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

Applicable Ontario Statutory Provisions

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

November 17, 2006

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

AND

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

AND

IN THE MATTER OF
ÆTERNA ZENTARIS INC.
(the Filer)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (each, a Decision Maker and collectively, the Decision Makers) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) for an exemption from the dealer registration requirement (the Registration Requirement) and the prospectus requirement (the Prospectus Requirement) of the Legislation (the Requested Relief) for a proposed distribution by the Filer to the holders of its common shares (the Æterna Shareholders), by way of reduction of capital, of 11,052,996 subordinate voting shares it holds in the capital of Atrium Biotechnologies Inc. (Atrium) (the Capital Reduction Distribution).

Under the Mutual Reliance Review System for Exemptive Relief Applications :

(a) the *Autorité des marchés financiers* is the principal regulator for this application; and

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

Interpretation

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

Representations

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

1. The Filer was incorporated in September 1990 under the *Canada Business Corporations Act* (the CBCA) and commenced operations in 1991.

2. The Filer is a reporting issuer or holds equivalent status in each of the Provinces of Canada, and to the best of its knowledge, is not in default of any requirements of the Legislation applicable to it.

3. The Filer's authorized share capital consists of an unlimited number of common shares (the Common Shares) and an unlimited number of preferred shares. As at October 26, 2006, there were 53,160,970 Common Shares and no preferred shares issued and outstanding. The Common Shares are listed and posted for trading on the Toronto Stock Exchange (the TSX) under the symbol "AEZ" and quoted on the NASDAQ National Market under the symbol "AEZS".

4. Between 1992 and 2000, the Filer operated two separate and operationally distinct divisions. The "Biopharmaceutical Division" was engaged in the development of therapies for various illnesses, with a focus on therapies for cancer; and the "Cosmetics and Nutrition Division" was engaged in the development, manufacture and marketing of innovative, high-quality cosmetics ingredients and value-added nutritional products.

5. In December 1999, the Filer incorporated Atrium as a wholly-owned subsidiary. The Filer's Cosmetics and Nutrition Division was transferred to Atrium in 2000. Since then, the Filer has only been engaged in biopharmaceutical activities, although Atrium's results of operations and balance sheet continued to be consolidated into the Filer's financial statements.

6. Atrium's authorized share capital consists of an unlimited number of multiple voting shares (the Multiple Voting Shares), subordinate voting shares (the Subordinate Voting Shares) and preferred shares, the latter of which are issuable in series. On April 6, 2005, Atrium completed an initial public offering and listed and posted for trading its subordinate voting shares on the TSX under the symbol "ATB".

7. The Multiple Voting Shares entitle the holders thereof to two (2) votes per share and the Subordinate Voting Shares entitle the holders thereof to one (1) vote per share.

8. On October 17, 2006, Atrium had 14,000,000 Multiple Voting Shares, 16,592,947 Subordinate Voting Shares and no preferred shares issued and outstanding, of which the Filer held all 14,000,000 Multiple Voting Shares as well as 537,996 Subordinate Voting Shares.

9. On October 18, 2006, the Filer voluntarily converted, in accordance with the articles of amendment of Atrium, 2,947,004 Multiple Voting Shares into 2,947,004 Subordinate Voting Shares (the Voluntary Conversion), following which the Filer held 11,052,996 Multiple Voting Shares and 3,485,000 Subordinate Voting Shares.

10. On October 18, 2006 and immediately following the Voluntary Conversion, the Filer sold all 3,485,000 Subordinate Voting Shares that it then held to a syndicate of underwriters led by RBC Dominion Securities Inc. (collectively, the Underwriters) as part of a secondary offering of 3,930,000 Subordinate Voting Shares, which Subordinate Voting Shares were then sold and distributed to the public pursuant to a final short form prospectus of Atrium dated September 28, 2006 (the Secondary Offering Prospectus). Six senior officers of Atrium also sold an aggregate of 445,000 Subordinate Voting Shares to the Underwriters as part of the secondary offering on October 18, 2006, which shares were also subsequently sold and distributed to the public pursuant to the Secondary Offering Prospectus.

11. Immediately following the closing of the secondary offering of 3,485,000 Subordinate Voting Shares by the Filer and 445,000 Subordinate Voting Shares by the six senior officers of Atrium, the Filer's remaining 11,052,996 Multiple Voting Shares in the capital of Atrium were automatically converted, in accordance with the articles of amendment of Atrium, into 11,052,996 Subordinate Voting Shares (the Automatic Conversion).

12. Consequently, as at October 18, 2006, Atrium had no Multiple Voting Shares, 30,592,947 Subordinate Voting Shares and no preferred shares issued and outstanding, of which the Filer owned 11,052,996 Subordinate Voting Shares, representing approximately 36.1% of all then issued and outstanding Subordinate Voting Shares.

13. On September 19, 2006, in the same press release in which the Filer initially announced that it had entered into a an agreement with RBC Dominion Securities Inc. for the sale of 3,485,000 Subordinate Voting Shares by way of secondary

offering on a bought deal basis, it also announced its intention to effect the Capital Reduction Distribution by distributing its remaining 11,052,996 Subordinate Voting Shares to the Æterna Shareholders prior to the end of 2006, that it would notify them as soon as a definitive decision would be made regarding the form and timing of such distribution, and that it would seek shareholder approval at a special meeting of the Æterna Shareholders to effect the Capital Reduction Distribution if deemed necessary or advisable.

14. On October 25, 2006, the Filer announced by way of press release that it would effect the Capital Reduction Distribution on a pro rata basis based on the number of Common Shares held by the Æterna Shareholders and, that in connection therewith, it had convened a special meeting of the Æterna Shareholders to be held on or about December 15, 2006 (the Special Meeting). It is currently estimated by the Filer that, in the event the Capital Reduction Distribution is approved by the Æterna Shareholders at the Special Meeting, the Æterna Shareholders will receive 0.2079 Subordinate Voting Shares in the capital of Atrium for each Common Share of the Filer held by them, and no fractional Subordinate Voting Shares will be distributed to registered Æterna Shareholders.

15. The Capital Reduction Distribution will be effected in compliance with the CBCA.

16. The Filer will seek the approval of the Æterna Shareholders for the Capital Reduction Distribution at the Special Meeting.

17. It is currently anticipated that the management proxy (or information) circular of the Filer in connection with the Special Meeting will be mailed to the Æterna Shareholders on or about November 16, 2006.

18. It is currently anticipated that the Capital Reduction Distribution will be effected on or about January 2, 2007.

19. If the Capital Reduction Distribution is approved by the requisite majority of Æterna Shareholders at the Special Meeting, Æterna Shareholders will not be required to pay for the Subordinate Voting Shares received in the Capital Reduction Distribution or to surrender or exchange Common Shares in order to receive Subordinate Voting Shares or to take any other action in connection with the Capital Reduction Distribution.

20. The initial distribution of the Subordinate Voting Shares from Atrium to the Filer, namely the issuance of Subordinate Voting Shares by Atrium to the Filer upon the occurrence of each of the Voluntary Conversion and the Automatic Conversion, was exempt from the Registration Requirement pursuant to paragraph 2.42(1)(a) of National Instrument 45-106 – *Prospectus and Registration Exemptions* (NI 45-106) as well as from the Prospectus Requirement pursuant to subsection 2.42(3) of NI 45-106. The applicable resale restriction to the Subordinate Voting Shares following the Voluntary Conversion and the Automatic Conversion is determined by the exemption under which the Multiple Voting Shares were originally acquired by the Filer. The Filer initially acquired the Multiple Voting Shares from Atrium pursuant to an exemption equivalent to the exemption set forth in section 2.4 of NI 45-106. Consequently, the first trade in such Subordinate Voting Shares following the Voluntary Conversion and the Automatic Conversion is subject to the conditions set forth in section 2.6 of National Instrument 45-102 – *Resale of Securities* (NI 45-102) in accordance with Appendix E of NI 45-102.

21. The Legislation in the Jurisdictions requires that, subject to the Requested Relief being granted, the Filer satisfy the Registration Requirement and the Prospectus Requirement with respect to the Capital Reduction Distribution.

22. Subsections 2.31(2) and 2.31(3) of NI 45-106 provide exemptions from the Registration Requirement and the Prospectus Requirement, respectively, in respect of a trade by an issuer in, or a distribution of, respectively, a security of a reporting issuer held by the issuer that is distributed by the issuer to its security holders as a dividend in specie or a distribution out of earnings or surplus.

23. The Capital Reduction Distribution is neither a dividend in specie nor a distribution out of earnings or surplus, but is a return of capital.

24. If the Capital Reduction Distribution were instead a dividend in specie or a distribution out of earnings or surplus, there would be an exemption available under subsections 2.31(2) and 2.31(3) of NI-45-106 from each of the Registration Requirement and the Prospectus Requirement.

25. Sufficient information concerning Atrium is available to Æterna Shareholders on SEDAR.

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:

(i) the Æterna Shareholders approve the Capital Reduction Distribution in compliance with the CBCA; and

(ii) the first trade in the Subordinate Voting Shares acquired pursuant to this decision shall be deemed a distribution or a primary distribution to the public under the Legislation unless the conditions in subsection 2.6(3) of National Instrument 45-102 – *Resale of Securities* are satisfied.

"Josée Deslauriers"
Directrice des marchés des capitaux
Autorité des marchés financiers

2.1.11 MediSystem Technologies 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.

November 27, 2006

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
Toronto, ON M5X 1B8

ATTN: Douglas Bryce

Dear Sirs/Mesdames:

Re: MediSystem Technologies Inc. (the "Applicant") – Application to Cease to be a Reporting Issuer under the securities legislation of Ontario, Saskatchewan and Alberta (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,

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

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

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

2.1.12 SAFRAN - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Securities Act (Ontario), ss. 25 and 53 - Application for relief from the prospectus requirement and the dealer registration requirement in respect of certain trades made in connection with an employee share offering by a French issuer - The offering involves the use of a collective employee shareholding vehicle, a fonds commun de placement d'entreprise (FCPE) - The issuer cannot rely on the employee exemption in section 2.24 of National Instrument 45-106 Prospectus and Registration Exemptionsas the shares are not being offered to Canadian participants directly by the issuer, but through the FCPE - Number of Canadian employees de minimis - Canadian participants will not be induced to participate in the offering by expectation of employment or continued employment - Canadian participants will receive certain disclosure documents - The FCPE is subject to the supervision of the French Autorité des marchés financiers – No market for shares of the issuer in Canada - Relief granted, subject to conditions.

Securities Act (Ontario), s. 25 - Application for relief from the dealer registration requirement and adviser registration requirement for the manager of the FCPE to the extent its activities require compliance - The manager will not be involved in providing advice to Canadian participants and its activities do not affect the underlying value of the shares being offered – Relief granted in respect of specified activities of the manager, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am. ss. 25, 53, 74.
National Instrument 45-102 Resale of Securities, s. 2.14.
National Instrument 45-106 Prospectus and Registration Exemptions, ss. 2.24, 2.28.

November 24, 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
SAFRAN (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:

1. an exemption from the prospectus requirements and the dealer registration requirements of the Legislation (the "**Prospectus and Registration Relief**") so that such requirements do not apply to:

   (i) trades in the units ("**Units**") of a collective shareholding vehicle, the SAFRAN International FCPE (the "**Fund**") made pursuant to the Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdictions who elect to participate in the Employee Share Offering (the "**Canadian Participants**"); and

   (ii) trades of ordinary shares of the Filer (the "**Shares**") by the Fund to Canadian Participants upon the redemption of Units by Canadian Participants;

2. an exemption from the adviser registration requirements and dealer registration requirements of the Legislation so that such requirements do not apply to the manager of the Fund, Natexis Asset Management (the "**Manager**"), to the extent that its activities described in paragraphs 15 and 16 hereof require compliance with the adviser registration requirements and dealer registration requirements (collectively, with the Prospectus and Registration Relief, the "**Initial Requested Relief**"); and

3. an exemption from the dealer registration requirements of the Legislation so that such requirements do not apply to the first trade in any Shares acquired by Canadian Participants under the Employee Share Offering (the "**First Trade Registration Relief**").

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

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

Interpretation

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

Representations

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

1. The Filer is a corporation formed under the laws of France. It is not and has no current intention of becoming a reporting issuer (or equivalent) under the Legislation. The Shares are listed on Euronext Paris.

2. The Filer carries on business in Canada through the following affiliated companies: Messier-Dowty Inc., Turboméca Canada Inc., Hispano-Suiza Canada Inc. and Sagem-Interstar Inc. (the "**Canadian Affiliates**", together with the Filer and other affiliates of the Filer, the "**SAFRAN Group**"). Each of the Canadian Affiliates is a direct or indirect controlled subsidiary of the Filer and is not and has no current intention of becoming a reporting issuer (or equivalent) under the Legislation.

3. The Filer intends to establish a global employee share offering (the "**Employee Share Offering**") for Qualifying Employees (as defined below) of the Filer and its participating affiliates including the Canadian Affiliates. Only persons who are employees of a member of the SAFRAN Group at the time of investment and who have been employed by a member of the SAFRAN Group for a minimum of three months (in the aggregate) during the period starting from January 1st of the year prior to investment and ending on the last day of the applicable Offering Period (as defined below) (the "**Qualifying Employees**") will be invited to participate in the Employee Share Offering.

4. The Fund was established for the purpose of implementing the Employee Share Offering.

5. The Fund is not and has no intention of becoming a reporting issuer under the Legislation.

6. The Fund is a collective shareholding vehicle (fonds commun de placement d'entreprise or "**FCPE**") of a type commonly used in France for the conservation or custodianship of shares held by employee investors. The Fund has been registered with and approved by the Autorité des marchés financiers in France (the "**French AMF**"). Only Qualifying Employees will be allowed to hold Units of the Fund in an amount proportionate to the number of Shares held by the Fund on behalf of such participants.

7. The Employee Share Offering will consist of four quarterly offering periods in each year (each such quarterly period, an "**Offering Period**"), followed by an investment date (an "**Investment Date**"). During each Offering Period, Canadian Participants may submit purchase orders indicating the amount they wish to invest in the Fund as of the applicable Investment Date.

8. The Canadian Affiliates will, as part of the Employee Share Offering, provide Canadian Participants with an employer contribution amount calculated at a rate of 60% of the amount invested by a Canadian Participant in any Offering Period, up to an annual maximum of €2,000 (the "**Employer Contribution**"), for the acquisition of additional Units. For this purpose, the Canadian Affiliates will cause a cash payment to be made to the Fund on behalf of the Canadian Participants and the Fund will subscribe for additional Shares in the name of such Canadian Participants and issue to such Canadian Participants a number of Units corresponding to the value of the Employer Contribution.

9. Qualifying Employees will be invited to participate in the Employee Share Offering under the following terms:

   (i) Canadian Participants will be issued Units in the Fund, which will purchase Shares on behalf of the Canadian Participants, at a purchase price that is equal to the price of the Shares at the time of acquisition on Euronext Paris on the Investment Date of the applicable Offering Period;

   (ii) the Shares will be held in the Fund and the Canadian Participant will receive Units in the Fund in an amount proportionate to their respective investments in the Fund;

   (iii) Canadian Participants will receive additional Units of the Fund corresponding to the value of the Employer Contribution;

   (iv) the Units will be subject to a hold period of approximately five years (the "**Lock-Up Period**"), subject to certain exceptions prescribed by French law (such as a release on death or termination of employment);

   (v) any dividends paid on the Shares held in the Fund will be contributed to the Fund and used to purchase additional Shares. The Canadian Participants will receive additional Units or fractions of Units representing such Shares; and

   (vi) at the end of the Lock-Up Period, or in the event of an early unwind resulting from the Canadian Participant exercising one of the exceptions to the Lock-Up Period prescribed by French law, a Canadian Participant may (a) redeem

Units in the Fund in consideration for the underlying Shares or a cash payment equal to the then market value of the Shares, or (b) continue to hold Units in the Fund and redeem those Units at a later date.

10. In consideration for their investments, the Canadian Participants will receive a number of Units corresponding to the number of Shares purchased on their behalf by the Fund. The Units will not be listed on any stock exchange.

11. The value of a Unit under the Fund is tied to the market price of the Share. The Unit value of the Fund will be calculated and reported to the French AMF on a regular basis, based on the net assets of the Fund divided by the number of Units outstanding. The number of Units in the Fund will be adjusted on the basis of the market price of the Shares and other assets (cash, in exceptional circumstances) held by the Fund, effective from the first date on which the net asset value is calculated and whenever Shares or other assets are contributed to the Fund, as applicable. Upon such adjustments being made, a holder may be credited with additional Units or tenths, hundredths, thousandths or ten-thousandths of Units.

12. Subject to the Lock-Up Period described above, the Fund will redeem Units at the request of the Canadian Participants. The Canadian Participant will be paid on the basis of the net market price of the Shares corresponding to the Canadian Participant's Units and will be settled by payment in cash or Shares. All management charges relating to the Fund will be paid by the Filer, as provided by the Fund's regulations. The Fund, due to board lot sizes, will be able to liquidate positions in the Shares more readily and at a better price than an individual investor.

13. Under French law the Fund, as a FCPE, is a limited liability entity. The Fund's portfolio will consist exclusively of the Shares and, from time to time, cash or cash equivalents pending investments in Shares and for the purposes of Unit redemptions.

14. The Manager of the Fund is an asset management company governed by the laws of France. The Manager is registered with the French AMF to manage French investment funds and complies with the rules of the French AMF. The Manager is not and has no intention of becoming a reporting issuer under the Legislation.

15. The Manager's portfolio management activities in connection with the Employee Share Offering and the Fund are limited to subscribing for Shares from the Filer and selling such Shares as necessary in order to fund redemption requests.

16. The Manager is also responsible for preparing accounting documents and publishing periodic informational documents as provided by the rules of the Fund. The Manager's activities in no way affect the underlying value of the Shares and the Manager will not be involved in providing advice to any Canadian Participant.

17. Shares issued in the Employee Share Offering will be deposited in the Fund through Natexis Banque Populaires (the "**Depositary**"), a large French commercial bank subject to French banking legislation.

18. Under French law, the Depositary must be selected by the Manager from among a limited number of companies identified on a list by the French Minister of the Economy, Finance and Industry and its appointment must be approved by the French AMF. The Depositary carries out orders to purchase, trade and sell securities in the portfolio and takes all necessary action to allow the Fund to exercise the rights relating to the securities held in its portfolio.

19. The Canadian resident Qualifying Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.

20. The total amount invested by a Qualifying Employee in the Employee Share Offering cannot exceed 25% of his or her estimated gross annual compensation for the applicable year of investment, exclusive of any Employer Contribution.

21. None of the Filer, the Manager, the Canadian Affiliates or any of their employees, agents or representatives will provide investment advice to the Canadian Participants with respect to an investment in the Shares or Units.

22. The Canadian Participants will receive an information package in the English or French language, as applicable, which will include a summary of the terms of the Employee Share Offering, a description of Canadian income tax consequences of purchasing and holding the Units in the Fund and redeeming Units at the end of the Lock-Up Period, an Information Notice approved by the French AMF for the Fund describing the main characteristics of the Fund and a purchase order form.

23. Upon request, Canadian Participants may receive copies of the Filer's French *Document de Référence* filed with the French AMF in respect of the Shares and a copy of the Fund's rules (which are analogous to company by-laws). The Canadian Participants will also have access to the continuous disclosure materials relating to the Filer furnished to the Filer's shareholders

generally, which are accessible on the Filer's website and the French AMF website.

24. There are approximately 1,010 Qualifying Employees resident in Canada, in the provinces of Ontario (648) and Québec (362), who represent in the aggregate less than 2% of the number of the SAFRAN Group's employees worldwide.

25. As of the date hereof and after giving effect to the Employee Share Offering, Canadian Participants do not and will not beneficially own (which term, for the purposes of this paragraph, is deemed to include all Shares held by the Fund on behalf of Canadian Participants) more than 10% of the Shares and do not and will not represent in number more than 10% of the total number of holders of the Shares as shown on the books of the Filer.

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 Initial Requested Relief is granted provided that:

1. the first trade in any Units or Shares acquired by Canadian Participants pursuant to this Decision in a Jurisdiction is deemed a distribution or a primary distribution to the public under the Legislation of such Jurisdiction unless the following conditions are met:

   (a) the issuer of the security

      (i) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or

      (ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

   (b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada

      (i) did not own directly or indirectly more than 10 percent of the outstanding securities of the class or series, and

      (ii) did not represent in number more than 10 percent of the total number of owners directly or indirectly of securities of the class or series; and

   (c) the trade is made

      (i) through an exchange, or a market, outside of Canada, or

      (ii) to a person or company outside of Canada; and

2. in Québec, the required fees are paid in accordance with Section 271.6(1.1) of the Securities Regulation (Québec).

It is the further decision of the Decision Makers under the Legislation that the First Trade Registration Relief is granted provided that the conditions set out in paragraphs (1)(a), (b) and (c) under this decision granting the Initial Requested Relief are satisfied.

"Robert L. Shirriff"
Commissioner
Ontario Securities Commission

"Harold P. Hands"
Commissioner
Ontario Securities Commission

2.1.13 Mackenzie Financial Corporation et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – NI 81-102 Mutual Funds, – approval of fund mergers – mergers do not meet the criteria for pre-approval outlined in s.5.6 of NI 81-102 – unitholders of terminating fund have received timely and adequate disclosure regarding the mergers, will be provided tailored version of continuing fund's simplified prospectus and will be able to obtain continuing fund's financial statements from the fund manager, fund manager 's website or SEDAR.

Applicable Legislative Provisions

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

November 21, 2006

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

AND

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

AND

IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
("MACKENZIE")

AND

IN THE MATTER OF
MACKENZIE SENTINEL SHORT-TERM BOND FUND
("SHORT-TERM BOND FUND")

AND

MACKENZIE SENTINEL MORTGAGE FUND
("MORTGAGE FUND")

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions has received an application (the "Application") from Mackenzie and Short-Term Bond Fund and Mortgage Fund (the "Filers") for a decision under the securities legislation of the Jurisdictions (the "Legislation") granting approval for the proposed merger (the "Proposed Merger") of Short-Term Bond Fund into Mortgage Fund under s. 5.5(1)(b) of National Instrument 81-102 *Mutual Funds* (the "Requested Approval"). Short-Term Bond Fund and Mortgage Fund are collectively referred to as the "Funds" and individually as a "Fund".

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

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

Interpretation

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

Representations

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

1. Mackenzie is a corporation governed by the laws of Ontario and is registered as an advisor in the categories of investment counsel and portfolio manager in Ontario, Manitoba and Alberta. Mackenzie is also registered with the Ontario Securities Commission as a dealer in the category of Limited Market Dealer and under the *Commodity Futures Act* (Ontario) in the categories of Commodity Trading Counsel and Commodity Trading Manager.

2. Mackenzie is the manager and trustee of the Funds, each of which is an open-ended mutual fund trust governed under the laws of Ontario and subject to the requirements of NI 81-102.

3. Series A, F, G, I, M and O units of Short-Term Bond Fund and Mortgage Fund are offered for sale in all provinces and territories of Canada under a simplified prospectus and annual information form dated November 30, 2005, as amended.

4. The Funds are reporting issuers under the applicable securities legislation of each province and territory of Canada and are not on the list of defaulting reporting issuers maintained under the applicable securities legislation of the Authorities.

5. Other than for exemptions granted by the Authorities to the Funds, the Funds follow the standard investment restrictions and practices established by the Authorities, including, in respect of Mortgage Fund, the investment

restrictions and practices established under National Policy 29.

6. Mackenzie is proposing to merge Short-Term Bond Fund into Mortgage Fund.

7. Unitholders in Mortgage Fund will be asked to consider a change in the investment objectives of the Fund and unitholders of both Short-Term Bond Fund and Mortgage Fund will be asked to approve the Proposed Merger at special meetings scheduled to be held on November 22, 2006. Although the Proposed Merger generally would not constitute a material change for the larger Mortgage Fund, approval is being sought from its unitholders as the transaction will result in a substantial addition of assets to the Fund.

8. The Proposed Merger is conditional upon approval from unitholders of Mortgage Fund of its change of investment objectives. Conditional upon and coincidental with the change in the investment objectives of Mortgage Fund, there will also be a change in the investment strategies and in the name of the Fund to Mackenzie Sentinel Short-Term Income Fund. Implicit in the approval of the Proposed Merger is the adoption by unitholders of Short-Term Bond Fund of the amended investment objectives of Mortgage Fund.

9. Mackenzie will pay the costs of holding the special meeting in connection with the Proposed Merger and for soliciting proxies. The costs of holding the special meeting in connection with the change in investment objectives of Mortgage Fund and for soliciting proxies will be borne by Mortgage Fund.

10. The Short-Term Bond Fund's portfolio assets which will be acquired by Mortgage Fund will be acceptable to the portfolio adviser of Mortgage Fund and is consistent with the revised investment objectives of Mortgage Fund.

11. No sales charges will be payable in connection with the acquisition by Mortgage Fund of the investment portfolio of Short-Term Bond Fund.

12. If the approval of investors of Short-Term Bond Fund and Mortgage Fund are not received in the special meetings, then the Proposed Merger and the change in the investment objectives, strategies and change of name of Mortgage Fund will proceed in any case.

13. The Filers submit that the Proposed Merger will result in the following benefits to unitholders of the Funds:

    (i) Increased economies of scale by being able to spread certain fixed operating costs across a larger pool of assets;

    (ii) Consistency in management as Mackenzie is the manager of both the Short-Term Bond Fund and Mortgage Fund, and the individual principally responsible for portfolio investment for Short-Term Bond Fund is also the individual principally responsible for portfolio investment for Mortgage Fund;

    (iii) Reduced volatility, since subject to investor approval, Mortgage Fund's new mandate will allow it to purchase short-term fixed income securities such as short-term bonds as well as mortgages; and

    (iv) Consistency in Management Fees since subject to investor approval of the Proposed Merger, the management fees on Series A and Series I units of Mortgage Fund will be reduced to be consistent with the current management fee structure for the Short-Term Bond Fund. Investors who invested in Series F units of the Short-Term Bond Fund prior to the Proposed Merger will benefit from lower management fees for Series F units after the Proposed Merger.

14. The net asset value for each series of units of the Funds is calculated on a daily basis on each day the Toronto Stock Exchange is open for trading.

15. Investors of Short-Term Bond Fund will continue to have the right to redeem units of the Fund for cash at any time up to the close of business on the business day immediately preceding the effective date of the Proposed Merger.

16. Following the Proposed Merger, Short-Term Bond Fund will be wound up as soon as possible and Mortgage Fund will continue as a publicly offered open-ended mutual fund.

17. A material change report, press release and amendments to the simplified prospectus and annual information form of the Funds in respect of the change in investment objective and the Proposed Merger have been filed under SEDAR Project Nos. 998906, 997939 and 842703 respectively.

18. A management information circular (the "Circular") in connection with the Proposed Merger was filed on SEDAR and was mailed to Short-Term Bond Fund and Mortgage Fund unitholders of record as at October 20, 2006, on approximately October 27, 2006.

19. Subject to the required approval of investors and the Authorities, the change in investment objectives, strategies and change of name of Mortgage Fund to Mackenzie Sentinel Short-Term

Income Fund will take effect on or about November 24, 2006 and the Proposed Merger will be implemented on or about November 24, 2006.

20. If the Proposed Merger is approved, the costs of the Proposed Merger will be borne by Mackenzie.

21. Mackenzie believes that the Proposed Merger would not satisfy all of the criteria for pre-approved organisations and transfers set forth in section 5.6 of NI 81-102 for the following reasons:

    (a) the Proposed Merger will not be implemented as a "qualifying exchange" or a tax-deferred transaction under the *Income Tax Act (*Canada);

    (b) The Filers submit that a reasonable person would conclude that the Funds do not have substantially similar investment objectives; and

    (c) A complete current simplified prospectus and the most recent annual and interim financial statements of the Continuing Fund will not be sent to unitholders of the Terminating Fund.

22. Rather than delivering Mortgage Fund's entire current simplified prospectus, which qualifies 42 mutual funds, it is proposed that Mackenzie deliver a tailored version to unitholders consisting of Part A, the Introduction to Part B and the Part B for Mortgage Fund as set out in the current simplified prospectus filed on SEDAR.

23. Additionally, rather than delivering the most recent annual and interim financial statements of Mortgage Fund, Mackenzie has disclosed in the management information circular sent to unitholders the various ways these statements can be accessed without cost to the investor.

24. The tax implications of the Proposed Merger as well as the differences between the Funds are described in the Circular so that the unitholders may consider this information before voting on the Proposed Merger.

Decision

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

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

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

    (b) the material sent to unitholders of Short-Term Bond Fund in connection with the approval of the Proposed Merger includes a copy of:

        (i) the current Part A of the simplified prospectus of Mortgage Fund; and

        (ii) the current Introduction to Part B and Part B of the simplified prospectus of Mortgage Fund.

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

2.1.14 iShares CDN S&P/TSX 60 Index Fund et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Exemptive relief granted to exchange traded funds offered in continuous distribution from certain mutual fund requirements and restrictions on: transmission of purchase or redemption orders, calculation and payment of redemptions, and date of record for payment of distributions. - National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 9.1, 10.2, 10.3, 14.1, 19.1.

November 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, YUKON, NORTHWEST TERRITORIES AND NUNAVUT
(the "Jurisdictions")

AND

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

AND

IN THE MATTER OF
iSHARES CDN S&P/TSX 60 INDEX FUND ("XIU"), iSHARES CDN S&P/TSX CAPPED COMPOSITE INDEX FUND ("XIC"), iSHARES CDN S&P/TSX MIDCAP INDEX FUND ("XMD"), iSHARES CDN S&P/TSX CAPPED ENERGY INDEX FUND ("XEG"), iSHARES CDN S&P/TSX CAPPED FINANCIALS INDEX FUND ("XFN"), iSHARES CDN S&P/TSX CAPPED GOLD INDEX FUND ("XGD"), iSHARES CDN S&P/TSX CAPPED INFORMATION TECHNOLOGY INDEX FUND ("XIT"), iSHARES CDN S&P/TSX CAPPED REIT INDEX FUND ("XRE"), iSHARES CDN SCOTIA CAPITAL SHORT TERM BOND INDEX FUND ("XSB"), and iSHARES CDN SCOTIA CAPITAL UNIVERSE BOND INDEX FUND ("XBB")
(collectively, the "Affected iShares Funds")

AND

BARCLAYS GLOBAL INVESTORS CANADA LIMITED
as trustee of the Affected iShares Funds
("Barclays Canada", and together with the Affected iShares Funds, 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 under the securities legislation of the Jurisdictions (the "Legislation") for a decision that exempts the Filers from the following provisions of National Instrument 81-102 – Mutual Funds ("NI 81-102"):

1. Sections 9.1 and 10.2 to permit purchases and sales of Units of XIU and XRE on the Toronto Stock Exchange ("**TSX**");

2. Section 10.3 to permit XIU, XIC, XMD, XEG, XFN, XGD, XIT, XSB and XBB to redeem less than the Prescribed Number of Units at a price equal to 95% of the closing price of the Units on the TSX; and

3. Section 14.1 to permit XIU, XIC, XMD, XEG, XFN, XGD, XIT, XSB and XBB to establish a record date for distributions in accordance with TSX Rules.

(collectively, the "Requested Relief")

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

"Baskets" means baskets of shares, bonds or other securities as Barclays Canada may determine in its discretion from time to time that may be used, along with cash, by Designated Brokers and Underwriters as subscription proceeds for a Prescribed Number of Units of the Affected iShares Funds and for which, along with cash, a Prescribed Number of Units of the Affected iShares Funds may be exchanged.

"Designated Brokers" means registered brokers and dealers that enter into agreements with the Affected iShares Funds to perform certain duties in relation to the Affected iShares Funds, and **"Designated Broker"** means any one of them.

"iShares™ Funds" means the family of exchange traded mutual funds for which Barclays Canada acts as trustee.

"Prescribed Number of Units" means, in relation to an Affected iShares Fund, the number of Units of the Affected iShares Fund determined by Barclays Canada from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

"Underwriters" means registered brokers and dealers that have entered into underwriting agreements with the

Affected iShares Funds and that subscribe for and purchase Units from the Affected iShares Funds, and "Underwriter" means any one of them.

"Unitholders" means beneficial and registered holders of Units.

"Units" means units of beneficial interest in the Affected iShares Funds.

Section references set out in this decision are references to NI 81-102, unless otherwise indicated.

Defined terms contained in NI 81-102 and National Instrument 14-101 have the same meaning in this decision unless they are defined in this decision.

Representations

This decision is based on the following facts represented by the Affected iShares Funds:

1. Each Affected iShares Fund is (i) a mutual fund trust governed by the laws of Ontario, and (ii) issues Units.

2. Each Affected iShares Fund is a reporting issuer under the laws of all of the Jurisdictions.

3. Each Affected iShares Fund is listed on the TSX.

4. Units issued by the Affected iShares Funds are index participation units within the meaning of NI 81-102. The Affected iShares Funds are generally described as exchange traded funds ("**ETFs**").

5. Barclays Canada is the trustee of all the Affected iShares Funds. Barclays Canada is registered under the Legislation of all Jurisdictions as a portfolio manager and investment counsel (or the equivalent categories of registration). Barclays Canada is also registered as a Commodity Trading Manager and Limited Market Dealer in Ontario and as a Limited Market Dealer in Newfoundland and Labrador.

6. The investment objective of each Affected iShares Fund is to replicate, to the extent possible, the performance of an index provided by a third-party index provider, net of expenses. The investment objective and applicable index for each Affected iShares Fund, as well as its investment strategy, is disclosed on an ongoing basis in the prospectus of the iShares Funds.

7. Units may only be subscribed for or purchased directly from the Affected iShares Funds by Underwriters or Designated Brokers and orders may only be placed for Units in the Prescribed Number of Units (or an integral multiple thereof) on any day when there is a trading session on the TSX.

8. The Affected iShares Funds have appointed Designated Brokers to perform certain functions which include standing in the market with a bid and ask price for Units of each Affected iShares Fund for the purpose of maintaining liquidity for the Units.

9. Each Underwriter or Designated Broker that subscribes for Units must deliver, in respect of each Prescribed Number of Units to be issued, (i) a Basket and cash in an amount sufficient so that the value of the Basket and cash delivered is equal to the net asset value of the Units next determined following the receipt of the subscription order; or (ii) cash in an amount equal to the net asset value of the Prescribed Number of Units next determined following the receipt of the subscription order.

10. The net asset value per Unit of each Affected iShares Funds is calculated and published daily.

11. Upon notice given by Barclays Canada from time to time and, in any event, not more than once quarterly, a Designated Broker will subscribe for Units in cash in an amount not to exceed 0.30% of the net asset value of XIU, XIC, XMD, XEG, XFN, XGD, XIT and XRE and 0.15% of the net asset value of XSB and XBB next determined following delivery of the notice of subscription to that Designated Broker.

12. Neither the Underwriters nor the Designated Brokers receive any fees or commissions in connection with the issuance of Units to them. Barclays Canada may, at its discretion, charge an administration fee on the issuance of Units to the Designated Brokers or Underwriters.

13. Except as described in paragraphs 7 through 11 above, Units may not be purchased directly from the Affected iShares Funds. Investors are generally expected to purchase Units through the facilities of the TSX. However, Units may be issued directly to Unitholders upon the reinvestment of distributions of income or capital gains.

14. Unitholders that wish to dispose of their Units may generally do so by selling their Units on the TSX, through a registered broker or dealer, subject only to customary brokerage commissions. A Unitholder that holds a Prescribed Number of Units or an integral multiple thereof may exchange such Units for Baskets and cash. Unitholders may also redeem their Units for cash at a redemption price equal to 95% of the closing price of the Units on the TSX on the date of redemption.

15. As trustee, Barclays Canada is entitled to receive an annual trustee fee from each Affected iShares Fund. Such annual trustee fee is calculated as a fixed percentage of the net asset value of each

Affected iShares Fund. Except for XIU, Barclays Canada is responsible for the payment of all expenses of the Affected iShares Funds, except for the trustee fee, any administration fee payable by Designated Brokers or Underwriters in connection with the issuance of Units, any redemption fees payable by Unitholders upon the redemption of a Prescribed Number of Units, and any withholding taxes and any income taxes. Barclays Canada is responsible for all costs and expenses of XIU, except for: the trustee fee; brokerage expenses and commissions; registrar and transfer agency fees; securities movement charges payable to XIU's custodian; legal and audit fees; the preparation, printing, filing and distribution of prospectuses, financial statements, annual reports; and annual filing fees payable to Canadian securities regulatory authorities relating to the issuance of Units of XIU. Barclays Canada has agreed, however, that the aggregate of the costs and expenses charged to XIU in any year including GST, will not exceed 0.17% per year of the average daily net asset value of XIU. Barclays Canada has agreed to be responsible for the costs and expenses of XIU in excess of that amount except for income taxes and withholding taxes.

16. The Requested Relief has been granted to all of the iShares Funds other than the Affected iShares Funds. With the exception of the Requested Relief, the Affected iShares Funds have received all of the exemptive relief that has been granted to the other iShares Funds. The Requested Relief is being sought so that all the iShares Funds will have the same exemptive relief.

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.

"Leslie Byberg"
Manager – Investment Funds

2.1.15 Cable Satisfaction International Inc. - MRRS Decision

Headnote

Mutual Reliance Review System For Exemptive Relief Applications – Section 83 of Securities Act (Ontario) - Common shares of the issuer are beneficially owned, directly or indirectly, by less than 15 securityholders in each of the jurisdictions in Canada and less than 51 securityholders in total in Canada - Issuer deemed to have ceased to be a reporting issuer under applicable securities laws.

Applicable Ontario Statutory Provisions

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

Translation

November 24, 2006

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

AND

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

AND

IN THE MATTER OF
CABLE SATISFACTION INTERNATIONAL INC. (THE FILER)

MRRS DECISION DOCUMENT

Background

The securities regulatory authority or regulator (the "Decision Maker") in each of Jurisdictions has received an application from the Filer that the Filer be deemed to have ceased to be a reporting issuer or the Filer's status as a reporting issuer be revoked, as applicable, in each Jurisdiction;

Under the Mutual Reliance Review System for Exemptive Relief Applications:

(a) the Autorité des marchés financiers (Québec) is the principal regulator for this application; and

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

Interpretation

Unless otherwise defined, the terms herein have the meanings set out in National Instrument 14-101 – *Definitions*.

Representations

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

1. The Filer was incorporated under the provisions of the *Canada Business Corporations Act* on June 30, 1996.

2. The Filer's head office was located in Québec until August 1, 2006.

3. The Filer is a reporting issuer in each of the Jurisdictions.

4. The subordinate voting shares of the Filer were listed for trading on the Toronto Stock Exchange in 1996. The subordinate voting shares were delisted on June 2, 2006 in advance of the implementation of the plan of reorganization and arrangement of the Filer described below.

5. On August 1, 2006, the second amended and restated plan of reorganization and arrangement of the Filer dated March 16, 2004 under the *Companies Creditors' Arrangement Act* (Canada), which was unanimously approved by the creditors of the Filer on March 16, 2004 and sanctioned and ratified by the Superior Court of the Province of Québec on March 19, 2004 (the "Plan"), was implemented. Upon the implementation of the Plan, the following, among other things, occurred:

   (a) all of the subordinated voting shares of the Filer were cancelled and the holders of such shares did not receive a distribution under the Plan; and

   (b) newly-created common shares and rights of the Filer were issued in exchange for the compromise, settlement and payment of the claims of affected creditors under the Plan; and

   (c) newly-created common shares of the Filer were issued to a new investor.

6. Immediately after the implementation of the Plan, the Filer sold its only asset, the shares of its wholly-owned subsidiary, Cabovisão – Televisão por Cabo, S.A. (“Cabovisão”), to an arm's length third party. On September 22, 2006, the Filer distributed substantially all of the proceeds from such sale to its shareholders as a return of capital (as approved by the Filer's shareholders at a special shareholder meeting held for that purpose on September 7, 2006).

7. As of the date hereof, the Filer has no operating business and it intends to continue to exist only until October 2007 so that it may receive an additional payment that may become payable by the purchaser of the shares of Cabovisão to the Filer in certain circumstances on or before September 30, 2007. If this additional payment is made, the Filer will distribute the amount received by it to its shareholders and will wind down its affairs in a tax efficient manner.

8. Other than the newly–created common shares of the Filer, the Filer has no securities (including debt securities) outstanding. The Filer does not intend to distribute any securities to the public in the future.

9. Based on the results of recent searches conducted by the Filer's transfer agent, the newly-created common shares of the Filer are beneficially owned, directly or indirectly, by less than 15 securityholders in each of the Jurisdictions in Canada and less than 51 securityholders in total in Canada.

10. The Applicant surrendered its status as a reporting issuer under the *Securities Act* (British Columbia) pursuant to BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* as of September 28, 2006.

11. The Filer is in default of its obligations under the Legislation as it has not (a) paid any fees required to be paid to certain of the Decision Makers where applicable, or (b) prepared or filed any of the public disclosure documents required to be filed under National Instrument 51-102 – *Continuous Disclosure Requirements* and Multilateral Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* since June 27, 2003, including the consolidated financial statements of the Filer and related management's discussion and analysis for each of the annual and interim periods ended during such time.

Decision

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides each 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 Filer be deemed to have ceased to be a reporting issuer or the Filer's status as a reporting issuer be revoked, as applicable, in each Jurisdiction.

“Louis Auger”
Manager of the Corporate Financing Department
Autorité des marchés financiers

2.1.16 GrowthWorks Commercialization Fund Ltd. and GrowthWorks WV Management Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemption granted to a labour sponsored investment fund (LSIF) from the requirement in section 9.2 and 9.3 of National Instrument 81-106 Investment Fund Continuous Disclosure(NI 81-106) to prepare and file an annual information form for a specific series of securities and certain future series. The current prospectus of the LSIF contains substantially the same disclosure concerning the discontinued series as would be required by NI 81-106 to be included in an AIF for the series.

Applicable Statutory Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 9.2, 9.3, 17.1.

November 20, 2006

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO, BRITISH COLUMBIA, ALBERTA AND SASKATCHEWAN
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
GROWTHWORKS COMMERCIALIZATION FUND LTD.
AND GROWTHWORKS WV MANAGEMENT LTD.
(the Filers)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Makers) in each of the Jurisdictions has received an application from the Filers for a decision under section 17.1 of National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106), that GrowthWorks Commercialization Fund Ltd. (the Fund) be exempt from the requirement in sections 9.2 and 9.3 of NI 81-106 to prepare and file an annual information form (AIF) for the 05 Series Shares (as defined below), the 06 Series Shares (as defined below) and any Future Commercialization Shares (as defined below) for this and all subsequent financial years (the Requested Relief).

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

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

(b) This MMRS decision document evidences the decision of each Decision Maker.

Representations

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

The Fund

1. The Fund is incorporated under the Canada Business Corporation Act.

2. The Fund is a registered labour sponsored investment fund corporation under the *Community Small Business Investment Funds Act* (Ontario). The Fund is also a labour-sponsored venture capital corporation registered under the *Income Tax Act* (Canada). The Fund is an approved fund under the *Labour-sponsored Venture Capital Corporations Act* (Saskatchewan). The Fund's investment objectives and redemptions are affected by provisions under this legislation (together, the RVC Legislation).

3. GrowthWorks WV Management Ltd. (GrowthWorks) is the manager for the Fund and its head office is in Toronto, Ontario.

4. The Fund invests in small and medium sized businesses with the objective of obtaining long term capital appreciation. As the Fund is a labour-sponsored investment fund that offers its shares under a prospectus to retail investors (also known as a retail venture capital fund or "RVC"), its investment objectives and restrictions are governed by the RVC Legislation.

5. The Fund is an investment fund in the Jurisdictions for the purposes of NI 81-106. The Fund is deemed to be a mutual fund in all of the Participating Jurisdictions.

AIF Requirements

6. The Fund's prospectus dated January 12, 2005 (Previous Prospectus) qualified one series of Class A shares, namely Class A Shares, Series 1 (05 Series Shares). Since this series of shares was offered under a current prospectus as of the August 31, 2005 financial year end of the Fund, the Fund did not have an obligation to file an AIF pursuant to sections 9.2 and 9.3 of NI 81-106 in respect of these shares.

7. The Fund's prospectus dated December 14, 2005 (Current Prospectus) qualifies a new series of Class A shares for sale to the public: the Class A Shares, 06 series (06 Series Shares). Since sales of the 05 Series Shares were suspended by the

Fund, and the Fund is now offering 06 Series Shares in lieu of the 05 Series Shares under its Current Prospectus, the Fund did not have a current prospectus for the 05 Series Shares as of its August 31, 2006 financial year end.

8. The Fund is a labour sponsored investment fund and, therefore, is subject to the provisions of NI 81-106. Under the provisions of sections 9.2 and 9.3 of NI 81-106, the Fund is required to file an annual information form on or before November 29, 2006 with respect to those "investment funds" (as defined in NI 81-106) that are no longer offered under a current prospectus as of the financial year end of the Fund.

9. As indicated above, the 05 Series Shares were no longer offered under a current prospectus as at the Fund's year end of August 31, 2006. Furthermore, the Fund currently offers the 06 Series Shares which, upon filing the Renewal Prospectus, will no longer be offered, and anticipates that it will create and offer Future Commercialization Shares under Future Prospectuses. In the absence of exemptive relief, the Fund would be required to file an annual information form in respect of the 05 Series Shares, the 06 Series Shares and the Future Commercialization Shares this year and for each financial year thereafter.

Future Series of Shares

10. The authorized capital of the Fund is as follows:

    (i) an unlimited number of Class A shares issuable in series, which are widely held, of which there are currently 2 series issued, namely, the 05 Series Shares and the 06 Series Shares;

    (ii) an unlimited number of Class B shares, all of which are held by the Canadian Federation of Labour, the sponsor of the Fund; and

    (iii) an unlimited number of Class C shares, all of which are held by GrowthWorks to provide a "participating" or "carried" interest in the venture investments of the Fund.

11. Under its Current Prospectus, the Fund currently offers the 06 Series Shares.

12. The Fund anticipates that it will offer future similar series of "commercialization shares" (**Future Commercialization Shares**) which will be created and offered on a similar basis as the 05 Series Shares and the 06 Series Shares.

13. The key distinction between the various "commercialization series" of shares offered by the Fund is that, for a period of three years, assets are and will be allocated to each such series separately in accordance with the Fund's rules on allocation of assets among series as set out in the Current Prospectus, and as will be set out in future renewal long form prospectuses of the Fund (**Future Prospectuses**). The Fund implements these asset allocation rules to enable the specific dividend policy associated with a particular series of "commercialization shares" to be more easily administered, to avoid dilution for earlier investors and to pool participation in commercialization venture investments to gain the benefits of diversification.

14. Thus, each year (until determined otherwise by the Fund's Board), the Fund will offer a new "commercialization series" of shares, and the venture and non-venture investments made with the capital raised from the sale of such series of shares will be allocated solely to that series during the period ending on March 1st of the third calendar year after the RSP season that such series was first offered in (**Separate Pool End Date**).

15. Then, once the Separate Pool End Date has passed for a given "commercialization series" of shares, the venture and non-venture investments previously solely allocated to that particular series will be pooled with the assets of all other "commercialization series" of shares that have passed their Separate Pool End Dates and will be allocated among those series in proportion to their relative net asset values. As a result, while separate "commercialization series" of shares have separate asset pools for an initial three year period, after such three year period all such series of shares will be in the same asset pool.

16. Under securities laws applicable to the Fund, each series of shares that is referable to a separate portfolio of assets is considered to be a separate mutual fund. The asset allocation rules referred to above provide for the initial allocation of assets on a series by series basis, therefore each series of "commercialization" shares may technically be considered to be a separate mutual fund under applicable securities laws.

17. Future Prospectuses will include substantially the same disclosure concerning the 05 Series Shares, the 06 Series Shares and concerning any Future Commercialization Shares as is required by NI 81-106 through the filing of an AIF.

Decision

Each of the Decision Makers is satisfied that the test contained in the legislation that provided the Decision Maker with the jurisdiction to make the decision has been met. The decision of the Decision Makers is that the Requested Relief is granted provided that:

a. the Fund continues to have a current prospectus;

b. the Fund's prospectus contains, and any Future Prospectuses of the Fund contain, all disclosure required by NI 81-106 to be included in an annual information form for the 05 Series Shares, the 06 Series Shares and Future Commercialization Shares;

c. the Fund files no later than November 29, 2006, and on an annual basis thereafter, on SEDAR a notice which includes the following:

(i) a statement that the Fund has received exemptive relief from the requirement to file an AIF in respect of the 05 Series Shares, the 06 Series Shares and Future Commercialization Shares; and

(ii) a direction to holders of the 05 Series Shares, the 06 Series Shares and Future Commercialization Shares that they should refer to the then current prospectus of the Fund, as it may be amended from time to time, for information concerning the 05 Series Shares, the 06 Series Shares and Future Commercialization Shares, as the case may be;

d. if a holder of 05 Series Shares, 06 Series Shares, or Future Commercialization Shares requests a copy of the annual information form for the 05 Series Shares, the 06 Series Shares or the Future Commercialization Shares, the Fund sends, without charge, to the holder within 10 calendar days after the Fund receives the request, a copy of the most recent prospectus of the Fund, together with a clear and concise statement that indicates that the prospectus contains the information about the 05 Series Shares, the 06 Series Shares and the Future Commercialization Shares, as the case may be, that would otherwise be disclosed in an AIF.

e. the Fund files and delivers its annual financial statements and management reports of fund performance in accordance with securities laws requirements; and

f. the Fund files and delivers notices as required under all other continuous disclosure requirements as set out in securities legislation and NI 81-106.

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

2.2. Orders

2.2.1 Trimark Balanced Pool and Trimark Global Equity Pool - ss. 113, 117(2)

Headnote

Exemption granted from mutual fund conflict of interest investment restrictions in paragraphs 111(2)(b), 111(2)(c) and 111(3) and the management company reporting requirements in section 117(1)(a) of the Act to permit a pooled fund to purchase and hold securities of another pooled fund managed by the same manager.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 111(2)(b), 111(2)(c), 111(3), 113, 117(1)(a), 117(2).

November 17, 2006

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

AND

IN THE MATTER OF
THE TRIMARK BALANCED POOL AND
TRIMARK GLOBAL EQUITY POOL
(collectively, the "AIM Funds")

ORDER
(Section 113 and Subsection 117(2) of the Act)

Background

The Ontario Securities Commission (the "Commission") has received an application (the "Application") from AIM Funds Management Inc. (the "Applicant") on behalf of the AIM Funds for an order under section 113 and subsection 117(2) of the Act, exempting the AIM Funds from the following investment prohibitions in paragraph 111(2)(b), paragraph 111(2)(c) and subsection 111(3), and the reporting requirements in paragraph 117(1)(a) of the Act (the "Requested Relief") in respect of investments by the Trimark Balanced Pool (the "Balanced Fund"), a pooled fund managed by the Applicant, in the Trimark Global Equity Pool (the "Global Fund"), a pooled fund managed by the Applicant:

(i) the restriction prohibiting a mutual fund from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder; or

(ii) in an issuer in which

(a) any officer or director of the mutual fund, its management company or distribution company or an associate of any of them, or

(b) any person or company who is a substantial securityholder of the mutual fund, its management company or its distribution company,

has a significant interest; and

(iii) the requirement of a management company to file a report of every transaction of purchase or sale of securities between a mutual fund if that mutual fund is a reporting issuer it manages and any related person or company.

Representations

1. The Applicant is the trustee, manager and portfolio adviser of the AIM Trimark Pooled Funds (the "Funds"), each established by a declaration of trust made by the Applicant on September 7, 2004, as amended. The Funds include the Balanced Fund and the Global Fund (the "AIM Funds").

2. Each of the AIM Funds is a "mutual fund" and a "mutual fund in Ontario" as defined in the Act but is not a reporting issuer in Ontario or any other jurisdiction of Canada.

3. Units of the AIM Funds are offered on a prospectus exempt basis under National Instrument 45-106 Prospectus and Registration Exemptions ("NI 45-106") primarily to Canadian pension funds pursuant to section 2.3 of NI 45-106.

4. The investment objective of the Balanced Fund is to achieve strong capital growth and interest income over the long term by investing in a diversified portfolio of equity and fixed income securities. The investment objective of the Global Fund is to achieve long-term capital growth by investing primarily in equity securities anywhere in the developed world.

5. In furtherance of its investment objective, the Balanced Fund has invested a portion of its assets in the Global Fund, this being a more cost effective and efficient way for the Balanced Fund to achieve exposure to global securities than a direct investment in such securities. Accordingly, the Balanced Fund's investment in the Global Fund thus represents the business judgement of the Applicant uninfluenced by considerations other than the best interests of the Balanced Fund and its unitholders.

6. As a mutual fund in Ontario, the Balanced Fund is subject to the restriction in the Act that prohibits a mutual fund in Ontario from knowingly making or holding an investment in a person or company in

which the mutual fund, alone or together with one or more related funds, is a substantial security holder, and the Applicant is subject to the requirement in the Act that reports be filed with respect to purchases or sales of units by one mutual fund in a related mutual fund.

7. The Balanced Fund would be a substantial securityholder in the Global Fund pursuant to section 110(2)(b) of the Act if at any time the Balanced Fund, alone or together with one or more related funds including other Funds, held more than 20% of the outstanding units of the Global Fund.

8. The Balanced Fund and the Global Funds are related issuers by virtue of the common management of such Funds by the Applicant.

9. When causing the Balanced Fund to make investments in the Global Fund, the Applicant will ensure that:

   (a) the arrangements between or in respect of the Balanced Fund and the Global Fund are such as to avoid the duplication of management fees or incentive fees (if any);

   (b) no sales or redemption fees are payable by the Balanced Fund in relation to its purchases or redemptions of units of an Underlying Fund;

   (c) the Applicant will not vote the units of the Global Fund held by the Balanced Fund at any meeting of the holders of such units;

   (d) investors will receive details of the investment objective and strategies of the Global Fund prior to entering into agreements for the provision of investment management services pursuant to which the investors may invest in units of the Balanced Fund; and

   (e) where the Balanced Fund is substantially invested in the Global Fund, the annual and interim financial statements of the Balanced Fund will list the 25 largest holdings of the Global Fund by percentage of assets of that fund.

10. In the absence of the Requested Relief, the Balanced Fund would be precluded from investing in the Global Fund due to the investment prohibitions in paragraph 111(2)(b) and subsection 111(3) of the Act. In the absence of the Requested Relief, the Applicant would also be required to file a report for every transaction between the Balanced Fund and the Global Fund involving units of the Global Fund under section 117(1)(a) of the Act.

11. Industrial Alliance Insurance and Financial Services Inc. ("Industrial Alliance") is an insurance company, unrelated to the Applicant. Industrial Alliance may from time to time be a substantial securityholder of the Balanced Fund as a result of holding more than 20% of the outstanding units of the Balanced Fund. Industrial Alliance may also invest in the Global Fund such that it may from time to time have a significant interest in the Global Fund as a result of holding more than 10% of the outstanding units of the Global Fund. Accordingly, at any given time, Industrial Alliance may be a both a substantial securityholder of the Balanced Fund and have a significant interest in the Global Fund.

12. In the absence of the Requested Relief, the Balanced Fund would be precluded from investing in the Global Fund due to the investment prohibitions in paragraph 111(2)(c) and subsection 111(3) of the Act if Industrial Alliance is a substantial securityholder the Balanced Fund and has a significant interest in the Global Fund at the same time,

Order

The Commission is satisfied that the tests contained in section 113 and 117(2) of the Act have been met.

The Commission orders that the Requested Relief be granted, provided that:

1. units of the Balanced Fund are sold in Canada solely in accordance with NI 45-106;

2. the arrangements between or in respect of the Balanced Fund and the Global Fund are such as to avoid any duplication of management fees or incentive fees (if any);

3. no sales or redemption charges are payable by the Balanced fund in relation to its purchases or redemptions of units of the Global Fund;

4. the Applicant will not vote units of the Global Fund held by the Balanced Fund at any meeting of holders of such units;

5. investors will receive details of the investment objective and strategies of the Global Fund prior to entering into agreements for the provision of investment management services pursuant to which such investors acquire units of the Balanced Fund; and

6. where the Balanced Fund is substantially invested in the Global Fund, the annual and interim financial statements of the Balanced Fund will list

the 25 largest holdings of the Global Fund by percentage of the net assets of that fund.

"Robert L. Shirriff"
Commissioner

"Harold P. Hands"
Commissioner

2.2.2 Philip Services Corp. and Robert Waxman

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

AND

**IN THE MATTER OF
PHILIP SERVICES CORP. AND
ROBERT WAXMAN**

ORDER

WHEREAS the Ontario Securities Commission (the "Commission") issued a Notice of Hearing dated August 30, 2000 and an Amended Notice of Hearing dated December 12, 2005 (the "Amended Notice of Hearing") pursuant to section 127 of the Ontario Securities Act, as amended, with respect to Philip Services Corp. ("Philip") and Robert Waxman;

AND WHEREAS on August 30, 2000, a Statement of Allegations was delivered and subsequently amended on October 12, 2005 and December 9, 2005, (the "Amended Statement of Allegations");

AND WHEREAS Robert Waxman (the "Respondent") has been charged with 12 counts of fraud in excess of $5,000 contrary to section 380 of the Criminal Code of Canada (the "Criminal Code") pursuant to an information identified by police file no. "RCMP (Hamilton-Niagara) 1998-1174" (referred to herein as the "Proceeding under the Criminal Code"). The Proceeding under the Criminal Code relates to the Respondent's conduct as an officer of Philip;

AND WHEREAS the Respondent has agreed to certain bail conditions in relation to the Proceeding under the Criminal Code, including an agreement by him to refrain from acting as an officer or director of a "publicly traded company" as that term is defined in the Securities Act (Ontario);

AND WHEREAS a judicial pre-trial in the Proceeding under the Criminal Code has been scheduled for January 12, 2007 and a set date in the Proceeding under the Criminal Code has been scheduled for January 19, 2007;

AND WHEREAS the Respondent requests an adjournment of this proceeding until January 26, 2007;

AND WHEREAS Staff consent to this request for an adjournment;

AND WHEREAS the Respondent has previously given an undertaking to the Commission that pending the conclusion of the proceedings commenced by the Amended Notice of Hearing dated December 12, 2005, he will refrain from acting or becoming an officer or director of a "reporting issuer" or "affiliated company" of a reporting issuer, as these terms are defined in the Act (Ontario) (the

"Act"), and in particular, subsections 1(1) and 1(1.1) of the Act, respectively;

AND WHEREAS the Commission considers it to be in the public interest to make this Order;

IT IS ORDERED THAT pursuant to section 21 of the Statutory Powers Procedure Act, R.S.O. 1990, c.S.22, as amended, the hearing before the Commission is adjourned until January 26, 2007.

DATED at Toronto this 28th day of November, 2006.

“Paul M. Moore”

“Robert L. Shirriff

“David L. Knight”

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
Toreador Resources Corporation	23 Nov 06	05 Dec 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
Cybersurf Corp.	06 Nov 06	17 Nov 06	17 Nov 06	24 Nov 06	
The Helical Corporation Inc.	28 Nov 06	11 Dec 06			
Pacrim International Capital Inc.	29 Sept 06	12 Oct 06	12 Oct 06	29 Nov 06	

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
Cybersurf Corp.	06 Nov 06	17 Nov 06	17 Nov 06	24 Nov 06	
Fareport Capital Inc.	13 Sep 05	26 Sep 05	26 Sep 05		
The Helical Corporation Inc.	28 Nov 06	11 Dec 06			
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
Hollinger Inc.	18 May 04	01 Jun 04	01 Jun 04		
Neotel International Inc.	02 Jun 06	15 Jun 06	15 Jun 06		
Pacrim International Capital Inc.	29 Sept 06	12 Oct 06	12 Oct 06	29 Nov 06	
Research In Motion Limited	24 Oct 06	07 Nov 06	07 Nov 06		
SR Telecom Inc.	17 Nov 06	30 Nov 06			
Straight Forward Marketing Corporation	02 Nov 06	15 Nov 06	15 Nov 06		

This page intentionally left blank

Chapter 6

Request for Comments

6.1.1 CSA Notice and Request for Comments - Proposed Rescission of NP 48 Future-Oriented Financial Information - Proposed Amendments to NI 51-102 Continuous Disclosure Obligations - Related Consequential Amendments

NOTICE

REQUEST FOR COMMENT

PROPOSED RESCISSION OF NATIONAL POLICY 48
FUTURE-ORIENTED FINANCIAL INFORMATION

PROPOSED AMENDMENTS TO NATIONAL INSTRUMENT 51-102
CONTINUOUS DISCLOSURE OBLIGATIONS

AND

RELATED CONSEQUENTIAL AMENDMENTS

Introduction

We, the Canadian Securities Administrators (CSA), are publishing for comment proposed amendments to several national instruments and forms to implement requirements for forward-looking information, including future-oriented financial information (FOFI) and financial outlooks such as earnings guidance. We are proposing to include the requirements in National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102), and are also proposing related amendments to Form 51-102F1 *Management's Discussion and Analysis* (Form 51-102F1) and Companion Policy 51-102CP *Continuous Disclosure Obligations* (CP 51-102). In addition, we propose to amend the following instruments to require that forward-looking information included in an offering document comply with the requirements set out in NI 51-102:

- Form 44-101F1 – *Short Form Prospectus* (Form 44-101F1)
- Form 45-101F – *Information Required in a Rights Offering Circular* (Form 45-101F)
- Form 45-106F2 – *Offering Memorandum for Non-Qualifying Issuers* (Form 45-106F2) and Form 45-106F3 – *Offering Memorandum for Qualifying Issuers* (Form 45-106F3)

We propose to rescind National Policy 48 – *Future-Oriented Financial Information* (NP 48). We also propose to amend National Policy 51-201 *Disclosure Standards* (NP 51-201) to remove references to NP 48 and earnings guidance.

The proposed requirements for FOFI are similar to certain elements in NP 48. The proposed requirements for earnings guidance and other forward-looking information either previously existed as requirements in Form 51-102F1, as policy guidance in NP 51-201 or did not exist.

We are publishing the proposed amendments to the Instruments with this Notice. You can find them on websites of CSA members, including the following:

- www.bcsc.bc.ca
- www.albertasecurities.com
- www.sfsc.gov.sk.ca
- www.msc.gov.mb.ca
- www.osc.gov.on.ca

- www.lautorite.qc.ca
- www.nbsc-cvmnb.ca
- www.gov.ns.ca/nssc

We are publishing

- revocation instrument for NP 48 (Appendix B)
- amending instruments for
    - NI 51-102 (Appendix C)
    - Form 51-102F1 (Appendix D)
    - CP 51-102 (Appendix E)
    - Companion Policy 44-101CP to National Instrument 44-101 – Short Form Prospectus Distributions, Form 44-101F1, Form 45-101F, Form 45-106F2 and Form 45-106F3 (Appendix F)
    - NP 51-201 (Appendix G)
    - in certain jurisdictions, amendments to local securities legislation (Appendix H)

Background, substance and purpose of the amendments

NP 48 specifies how FOFI should be prepared, updated and compared to actual, and specifies when an auditor should be involved. Since NP 48 was issued in 1993, there has been confusion in the market as to the applicability of NP 48 to other types of forward-looking information, such as earnings guidance.

In 2002, the CSA issued NP 51-201, which includes best disclosure practices for earnings guidance and for updating forward-looking information. However, issuers continue to question the applicability of NP 48 to earnings guidance and other financial outlooks.

In addition to NP 48 and the material on earnings guidance in NP 51-201, Form 51-102F1 includes instructions to issuers who prepare forward-looking information in management's discussion and analysis (MD&A).

We have concluded that the provisions for FOFI currently contained in NP 48 for comparison to actual, updating and withdrawal should also apply to financial outlooks such as earnings guidance. We also propose to place all requirements for forward-looking information in one location, in NI 51-102. This will allow us to rescind NP 48, delete provisions of NP 51-201, and eliminate certain instructions in Form 51-102F1. We believe this approach will result in streamlined regulation that will simplify and clarify our expectations for issuers who prepare forward-looking information.

Forward-looking information is not currently defined in the securities legislation of all jurisdictions, although these jurisdictions expect to propose amendments to their legislation to adopt a definition. Forward-looking information will be defined as "disclosure regarding possible events, conditions or results of operations that is based on assumptions about future economic conditions and courses of action and includes future oriented financial information with respect to prospective results of operations, financial position or cash flows that is presented either as a forecast or a projection."

Summary of proposed amendments

We have summarized the proposed amendments in Appendix A.

Authority for amendments – Ontario

Appendix H sets out the provisions of the *Securities Act* that provide the Ontario Securities Commission with authority to make the amendments with respect to forward-looking information contained in mandatory Commission filings. In addition, the Government has proposed an amendment to the *Securities Act* which would clarify the Commission's authority to make amendments that apply to forward-looking information released by reporting issuers outside of Commission filings.

Alternatives considered

We considered whether a stand-alone instrument should replace NP 48 and the material on earnings guidance in NP 51-201. However, given that the majority of forward-looking information occurs in the continuous disclosure of reporting issuers, we decided that NI 51-102 is the appropriate location for these requirements.

Anticipated costs and benefits

The CSA recognize the value of forward-looking information in many circumstances, but also recognize the serious possibility that such information may mislead investors unless it is appropriately prepared and presented with full disclosure of the underlying assumptions and the associated risks.

We expect that the proposed amendments will result in improved quality and consistency of forward-looking information regardless of where it is presented and how it is released. Issuers will benefit from the fact that the requirements will now be in one location and will apply to all forward-looking information, regardless of where it is presented. The costs of compliance with the proposed amendments relate primarily to the involvement of management in the preparation, review and, where required, updating of forward-looking information. The proposed amendments substantially maintain requirements for FOFI currently in NP 48 except that the proposed amendments do not require an auditor's report to accompany any FOFI included in a prospectus or circular. The proposed requirements will therefore result in an overall savings for an issuer that discloses FOFI in an offering document. The requirement for an auditor's report was removed as investors may place inappropriate reliance on an auditor's report with respect to forward-looking information, and as protection to investors exists through prospectus liability provisions. The focus of the requirements relating to forward-looking information should instead be on appropriate preparation and disclosure.

The proposed amendments substantially maintain requirements currently in NI 51-102 for forward-looking information included in MD&A and therefore do not impose any additional costs to issuers providing forward-looking information in MD&A. The proposed amendments may impose additional cost for issuers releasing forward-looking information outside of MD&A. This additional cost is not, however, expected to be significant, and will relate primarily to the involvement of management in the preparation, review and, where required, updating of forward-looking information.

Based on its experience to date under NP 48 and the local policies that preceded it, the CSA believe that the benefits of the proposed amendments justify the costs of compliance.

Local Amendments

We are proposing to amend or repeal elements of local securities legislation in conjunction with implementing the proposed amendments to NI 51-102. The members of the CSA may publish these local proposed changes separately in their local jurisdictions, and may also publish local changes in Appendix H to this Notice.

Unpublished materials

In proposing amendments to the Instruments, we have not relied on any significant unpublished study, report, or other written materials.

Request for comments

We welcome your comments on the proposed amendments.

Please submit your comments on the proposed amendments in writing on or before March 1, 2007. If you are not sending your comments by email, you should also forward a diskette containing the submissions (in Windows format, Word).

Address your submission to all of the CSA member commissions, as follows:

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission – Securities Division
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
New Brunswick Securities Commission
Registrar of Securities, Prince Edward Island
Nova Scotia Securities Commission
Newfoundland and Labrador Securities Commission

Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Registrar of Securities, Nunavut

Deliver your comments **only** to the addresses that follow. Your comments will be forwarded to the remaining CSA member jurisdictions.

Cameron McInnis, Chair of the National Policy 48 *Future-Oriented Financial Information* Reformulation Committee
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario
M5H 3S8
Fax: (416) 593-8244
e-mail : cmcinnis@osc.gov.on.ca

Anne-Marie Beaudoin, Secretary
Autorité des marchés financiers
Stock Exchange Tower
800 Victoria Square
P.O. Box 246, 22nd Floor
Montréal, Québec
H4Z 1G3
Fax : (514) 864-8381
e-mail : consultation-en-cours@lautorite.qc.ca

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

Questions

Please refer your questions to any of:

Carla-Marie Hait
Chief Accountant, Corporate Finance
British Columbia Securities Commission
(604) 899-6726 or (800) 373-6393 (if calling from B.C. or Alberta)
chait@bcsc.bc.ca

Fred Snell
Chief Accountant
Alberta Securities Commission
(403) 297-6553
fred.snell@seccom.ab.ca

Blaine Young
Associate Director, Corporate Finance
Alberta Securities Commission
(403) 297-4220
blaine.young@seccom.ab.ca

Ian McIntosh
Deputy Director, Corporate Finance
Saskatchewan Financial Services Commission – Securities Division
(306) 787-5867
imcintosh@sfsc.gov.sk.ca

Bob Bouchard
Director, Corporate Finance
Manitoba Securities Commission
(204) 945-2555
bbouchard@gov.mb.ca

Cameron McInnis
Manager, Corporate Finance
Ontario Securities Commission
(416) 593-3675
cmcinnis@osc.gov.on.ca

David Coultice
Senior Legal Counsel, Corporate Finance
Ontario Securities Commission
(416) 204-8979
dcoultice@osc.gov.on.ca

Louis Auger
Analyste
Autorité des marchés financiers
(514) 395-0558 ext. 4383
louis.auger@lautorite.qc.ca

Rosetta Gagliardi
Conseillère en réglementation
Autorité des marchés financiers
(514) 395-0558 ext. 4462
rosetta.gagliardi@lautorite.qc.ca

Pierre Thibodeau
Securities Analyst
New Brunswick Securities Commission
(506) 643-7751
Pierre.Thibodeau@nbsc-cvmnb.ca

Bill Slattery
Deputy Director, Corporate Finance and Administration
Nova Scotia Securities Commission
(902) 424-7355
slattejw@gov.ns.ca

The text of the proposed amendments follows or can be found elsewhere on a CSA member website.

December 1, 2006

APPENDIX A

SUMMARY OF PROPOSED AMENDMENTS

Amendments to NI 51-102

The following is a summary of the proposed requirements for forward-looking information.

(i) **Preparation and disclosure required upon initial publication.**

We will require issuers to have a reasonable basis for forward-looking information. We also propose broad disclosure requirements for material forward-looking information; specifically, an issuer should:

- identify forward-looking information as such,
- caution users that actual results will vary,
- disclose the material factors or assumptions used to develop the information, and
- disclose the issuer's policy for updating the information if it includes procedures in addition to those described below.

We propose some additional requirements for the assumptions used to prepare FOFI and financial outlooks and disclosure provided upon initial publication of FOFI or a financial outlook. These requirements are consistent with requirements in NP 48 and Section 4250 *Future-Oriented Financial Information* of the Handbook of the Canadian Institute of Chartered Accountants (CICA Handbook). We note in the proposed amendments to CP 51-102 that Section 4250 of the CICA Handbook is relevant to reporting issuers who release FOFI.

(ii) **Updating**

We propose to require an issuer to discuss in its MD&A events and circumstances that occurred during the MD&A period that are reasonably likely to cause actual results to differ materially from previously released material forward-looking information, including earnings guidance.

This approach compares to the existing NP 48 requirement that issuers report material changes in the events or assumptions used to prepare FOFI in the same way they report a material change. This approach is also consistent with our current MD&A form which requires issuers to "discuss any forward-looking information disclosed in MD&A for a prior period which, in light of intervening events and absent further explanation, may be misleading."

We propose additional guidance on this topic. Specifically, an issuer should consider whether the events and circumstances that are reasonably likely to cause actual results to differ materially from previously released forward-looking information trigger the material change reporting requirements.

(iii) **Comparing to actual**

We propose to require an issuer to disclose in its MD&A material differences between actual results and previously released FOFI or financial outlooks for the period to which the MD&A relates. This approach is the same as in NP 48, however we have extended the requirement to earnings guidance.

(iv) **Withdrawal**

We propose to require an issuer to discuss in its MD&A a decision made during the MD&A period to withdraw previously released material forward-looking information. This would include a discussion of the assumptions underlying the forward-looking information that are no longer valid.

We propose additional guidance on this topic. Specifically, an issuer should consider whether the events and circumstances relating to a withdrawal decision trigger the material change reporting requirements. As well, in order to properly effect a withdrawal, we believe an issuer should promptly communicate its withdrawal decision.

Our proposed approach is similar to the provision in NP 48 that when an issuer withdraws previously issued FOFI , the reasons for the withdrawal should be promptly disclosed in a manner identical to that followed when a material change occurs.

(v) **No audit report on FOFI in an offering document**

NP 48 specified that an auditors' report must accompany any FOFI included in a prospectus or circular. We propose to remove this requirement.

(vi) **Carve-out for oil and gas and mining issuers**

As in NP 48, our proposed requirements for FOFI, financial outlooks and disclosure in MD&A relating to updating, comparison to actual and withdrawal would not apply to disclosure that is subject to requirements in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* or National Instrument 43-101 *Standards of Disclosure for Mineral Projects* or the conditions of any exemption from these instruments. Those instruments contain the requirements applicable to oil and gas and mining issuers who release such information, and it is not necessary to require such issuers to also comply with many of the requirements in NI 51-102.

Amendments to Form 51-102F1 Management's Discussion and Analysis

We propose to amend the Form 51-102F1 to reflect the fact that the requirements for forward-looking information will now be in NI 51-102 itself.

Amendments to CP 51-102

The proposed amendments to CP 51-102 reflect the changes to NI 51-102 described above and provide guidance on how to interpret and apply the requirements for forward-looking information in NI 51-102.

Amendments to Other Instruments

We propose to amend the following forms to require that forward-looking information included in an offering document (prospectus, rights offering circular and offering memorandum) comply with the preparation and disclosure requirements set out in NI 51-102:

- Form 44-101F1 – *Short Form Prospectus*
- Form 45-101F – *Information Required in a Rights Offering Circular*
- Form 45-106F2 – *Offering Memorandum for Non-Qualifying Issuers* and Form 45-106F3 – *Offering Memorandum for Qualifying Issuers*

We propose to repeal sections 5.5, 5.6 and 6.9 of NP 51-201 as the subject matter of these sections will now be included in NI 51-102.

APPENDIX B

REVOCATION OF NATIONAL POLICY 48 FUTURE ORIENTED FINANCIAL INFORMATION

National Policy 48 *Future Oriented Financial Information* is revoked, effective ●, 2007.

APPENDIX C

AMENDMENTS TO
NATIONAL INSTRUMENT 51-102 CONTINUOUS DISCLOSURE OBLIGATIONS

1. National Instrument 51-102 Continuous Disclosure Obligations is amended by this Instrument.

2. National Instrument 51-102 Continuous Disclosure Obligations is amended by adding the following after section 4.11,

PART 4A – FORWARD-LOOKING INFORMATION

4A.1 **Application**

This Part applies to forward-looking information that is released by a reporting issuer other than forward-looking information contained in oral statements.

4A.2 **Reasonable Basis**

A reporting issuer must have a reasonable basis for forward-looking information.

4A.3 **Disclosure**

Material forward-looking information must include disclosure that

(a) identifies forward-looking information as such;

(b) cautions users of forward-looking information that actual results will vary from the forward-looking information and identifies material risk factors that could cause actual results to differ materially from the forward-looking information;

(c) states the material factors or assumptions used to develop forward-looking information; and

(d) identifies the reporting issuer's policy for updating forward-looking information if it includes procedures in addition to those described in subsection 5.8(2).

PART 4B – FOFI AND FINANCIAL OUTLOOKS

4B.1 **Definition**s – In this Part,

"financial outlook" means forward-looking information about prospective results of operations, financial position and/or cash flows, based on assumptions about future economic conditions and courses of action, and not presented in the format of a historical balance sheet, income statement or cash flow statement; examples include expected revenues, net income, earnings per share and R&D spending; a financial outlook relating to earnings is commonly referred to as "earnings guidance";

"FOFI" means future-oriented financial information and is forward-looking information about prospective results of operations, financial position and/or cash flows, based on assumptions about future economic conditions and courses of action, and presented in the format of a historical balance sheet, income statement or cash flow statement.

4B.2 **Application**

(1) Subject to subsection (2), this Part applies to FOFI or a financial outlook that is released by a reporting issuer other than forward-looking information contained in oral statements.

(2) This Part does not apply to disclosure that is subject to

(a) requirements in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* or National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, or

(b) the conditions of any exemption from the requirements referred to in paragraph (a) that a reporting issuer received from a regulator or securities regulatory authority.

4B.3 **Assumptions**

In addition to the requirement in section 4A.2, in preparing FOFI or a financial outlook, a reporting issuer must

(a) use assumptions that individually, and as a whole, are reasonable and appropriate in the circumstances;

(b) limit the period covered by the FOFI or the financial outlook to a period that is not longer than the point in time for which such information can be reasonably estimated, and

(c) use the accounting policies the reporting issuer expects to use to prepare its historical financial statements for the period covered by the FOFI or the financial outlook.

4B.4 **Disclosure**

In addition to the disclosure required by section 4A.3, FOFI or a financial outlook must include disclosure that

(a) identifies the date management approves the FOFI or financial outlook;

(b) explains the purpose of the FOFI or financial outlook and cautions readers that the information may not be appropriate for other purposes.

3. Part 5 is amended by adding the following after section 5.7,

5.8 **Disclosure Relating to Previously Released Forward-Looking Information**

Application

(1) This section applies to material forward-looking information that is released by a reporting issuer other than

(a) forward-looking information contained in oral statements, or

(b) disclosure that is subject to

(i) requirements in National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* or National Instrument 43-101 *Standards of Disclosure for Mineral Projects*, or

(ii) the conditions of any exemption from the requirements referred to in subparagraph (i) that a reporting issuer received from a regulator or securities regulatory authority.

Update

(2) A reporting issuer must discuss in its MD&A or MD&A supplement if one is required under section 5.2,

(a) events and circumstances that occurred during the period to which the MD&A relates that are reasonably likely to cause actual results to differ materially from forward-looking information for a period that is not yet complete that the reporting issuer previously released to the public, and

(b) the expected differences referred to in paragraph (a).

(3) A reporting issuer is not required to comply with subsection (2) if the reporting issuer includes the information required by paragraph (2)(a) and (b) in a news release issued and filed by the reporting issuer prior to the filing of the MD&A or MD&A supplement referred to in subsection (2).

Comparison to Actual

(4) A reporting issuer must disclose and discuss in its MD&A or MD&A supplement if one is required under section 5.2, material differences between

(a) actual results for the annual or interim period to which the MD&A relates, and

(b) any FOFI or financial outlook for the period referred to in paragraph (a) that the reporting issuer previously released.

Withdrawal

(5) If during the period to which its MD&A relates, a reporting issuer decides to withdraw previously released forward-looking information,

(a) the reporting issuer must, in its MD&A or MD&A supplement if one is required under section 5.2, disclose that decision and discuss the events and circumstances that led the reporting issuer to the decision to withdraw the forward-looking information including a discussion of the assumptions underlying the forward-looking information that are no longer valid, and

(b) the reporting issuer is not required to comply with subsection (4) if the reporting issuer complies with paragraph (a) in its MD&A or MD&A supplement filed before the end of the period covered by the forward-looking information.

(6) A reporting issuer is not required to comply with paragraph (5)(a) if the reporting issuer includes the information required by paragraph (5)(a) in a news release issued and filed by the reporting issuer prior to the filing of the MD&A or MD&A supplement.

4. These amendments come into force ●, 2007.

APPENDIX D

AMENDMENTS TO
FORM 51-102F1 MANAGEMENT'S DISCUSSION AND ANALYSIS

1. Form 51-102F1 Management's Discussion and Analysis is amended by this Instrument.

2. Part 1 – General Instructions and Interpretation is amended by,

(a) repealing paragraph (g); and

(b) renaming paragraphs (h) to (o) as paragraphs (g) to (n).

3. These amendments come into force ●, 2007.

APPENDIX E

AMENDMENTS TO
COMPANION POLICY 51-102CP CONTINUOUS DISCLOSURE OBLIGATIONS

1. Companion Policy 51-102CP Continuous Disclosure Obligations is amended by this Instrument.

2. Companion Policy 51-102CP Continuous Disclosure Obligations is amended by adding the following after section 4.2,

PART 4A – FORWARD-LOOKING INFORMATION

4A.1 **Application**

Section 4A.1 of the Instrument indicates that Part 4A applies to forward-looking information that is released by a reporting issuer other than forward-looking information contained in oral statements. Reporting issuers should consider broadly the various instances of forward-looking information made available to the public in considering the scope of forward-looking information that is "released". This includes, but is not limited to:

- Information that a reporting issuer files with securities regulators
- Information contained in news releases issued by a reporting issuer
- Information published on a reporting issuer's website
- Information published in marketing materials or other similar materials prepared by a reporting issuer or distributed to the public by a reporting issuer

4A.2 **Reasonable Basis**

Section 4A.2 of the Instrument requires a reporting issuer to have a reasonable basis for any forward-looking information it releases. When interpreting "reasonable basis", reporting issuers should consider:

(a) the reasonableness of the assumptions underlying the forward-looking information; and

(b) the process followed in preparing and reviewing forward-looking information.

4A.3 **Material Forward-Looking Information**

Section 4A.3 of the Instrument requires that any material forward-looking information include specified disclosure. Reporting issuers should exercise judgement when determining whether information is material. If a reasonable investor's decision whether or not to buy, sell or hold securities of the reporting issuer would be influenced or changed if the information was omitted or misstated, then the information is likely material. This concept of materiality is consistent with the financial reporting notice of materiality contained in the Handbook.

4A.4 **Location of Disclosur**e

Section 4A.3 of the Instrument requires that any material forward-looking information include specified disclosure. This disclosure should be presented in a manner that allows an investor who reads the document or other material containing the forward-looking information to be able to readily:

(a) understand that the forward-looking information is being provided in the document or other material;

(b) identify the forward-looking information; and

(c) inform himself or herself of the material assumptions underlying the forward-looking information and the material risk factors associated with the forward-looking information.

4A.5 **Disclosure of Cautionary Language and Material Risk Factors**

(1) Paragraph 4A.3(b) of the Instrument requires a reporting issuer accompany any forward-looking information with disclosure that cautions users that actual results will vary from the forward-looking information and identifies material risk factors that could cause material variation. The material risk factors identified in the

cautionary language should be relevant to the forward-looking information and the disclosure should not be boilerplate in nature.

(2) The cautionary statements required by paragraph 4A.3(b) of the Instrument should identify significant and reasonably foreseeable factors that could reasonably cause results to differ materially from those projected in the forward-looking statement. Reporting issuers should not interpret this as requiring a reporting issuer to anticipate and discuss everything that could conceivably cause results to differ.

4A.6 **Disclosure of Material Factors or Assumptions**

Paragraph 4A.3(c) of the Instrument requires a reporting issuer to disclose the material factors or assumptions used to develop forward-looking information. This requires the factors or assumptions to be relevant to the forward-looking information. Disclosure of material factors or assumptions does not require an exhaustive statement of every factor or assumption applied – a materiality standard applies.

4A.7 **Date of Assumptions**

Management of a reporting issuer who releases forward-looking information should satisfy itself that the assumptions are appropriate as of the date management approves the forward-looking information even though the information may have been accumulated over a period of time.

4A.8 **Time Period**

Paragraph 4B.3(b) of the Instrument requires a reporting issuer to limit the period covered by FOFI or a financial outlook to a period that does not extend beyond the point in time for which information can be reasonably estimated. In most cases that point in time will not extend beyond the end of the reporting issuer's next fiscal year. Some of the factors a reporting issuer should consider include the reporting issuer's ability to make appropriate assumptions, the nature of the reporting issuer's industry, and the reporting issuer's operating cycle.

4A.9 **FOFI**

Section 4250 *Future-Oriented Financial Information* (Section 4250) of the CICA Handbook is relevant to reporting issuers who release FOFI. If a reporting issuer determines that it has a reasonable basis for FOFI prepared using a hypotheses, as that term is defined in CICA Handbook Section 4250, the hypotheses should be consistent with the courses of action that the reporting issuer intends to adopt.

3. Part 5 is amended by adding the following after section 5.4,

5.5 **Forward-looking information**

(1) Subsection 5.8(2) of the Instrument requires a reporting issuer to discuss events and circumstances that occurred during the period to which its MD&A relates that are reasonably likely to cause actual results to differ materially from forward-looking information for a period that is not yet complete that the reporting issuer previously released to the public. Subsection 5.8(2) also requires a reporting issuer to discuss the expected differences.

For example, assume a reporting issuer published FOFI for the current year assuming no change in the prime interest rate, but by the end of the second quarter the prime interest rate went up by 2%. In its MD&A for the second quarter, the reporting issuer should discuss the interest rate increase and its expected effect on results compared to those indicated in the FOFI.

A reporting issuer should consider whether the events and circumstances that trigger MD&A disclosure under subsection 5.8(2) of the Instrument might also trigger material change reporting requirements under Part 7 of the Instrument.

(2) Subsection 5.8(4) of the Instrument requires a reporting issuer to disclose and discuss material differences between actual results for the annual or interim period to which its MD&A relates and any FOFI or financial outlook for that period that the reporting issuer previously released to the public. A reporting issuer should disclose and discuss material differences for material individual items included in the FOFI or financial outlook including assumptions.

For example, if the actual dollar amount of revenue approximates forecasted revenue but the sales mix or sales volume differs materially from what the reporting issuer expected, the reporting issuer should explain the differences.

(3) Subsection 5.8(5) of the Instrument addresses a reporting issuer's decision to withdraw previously released forward-looking information. The subsection requires the reporting issuer to disclose that decision and discuss the events and circumstances that led the reporting issuer to the decision to withdraw the forward-looking information, including a discussion of the assumptions included in the forward-looking information that are no longer valid. A reporting issuer should consider whether the events and circumstances that trigger MD&A disclosure under subsection 5.8(5) of the Instrument might also trigger material change reporting requirements under Part 7 of the Instrument. In all cases, to properly effect a withdrawal, a reporting issuer should promptly communicate to the market its decision to withdraw forward-looking information.

4. These amendments come into force ●, 2007.

APPENDIX F

AMENDMENTS TO COMPANION POLICY 44-101CP TO NATIONAL INSTRUMENT 44-101 SHORT FORM PROSPECTUS DISTRIBUTIONS

1. This Instrument amends Companion Policy 44-101CP to National Instrument 44-101 Short Form Prospectus Distributions.

2. Companion Policy 44-101CP to National Instrument 44-101 Short Form Prospectus Distributions is amended by adding the following after section 4.13:

4.14 Dissemination of Forward-Looking Information - During the course of a distribution of securities, the dissemination of any material forward-looking information that is not contained in the prospectus could indicate a failure to provide in the prospectus full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and result in the prospectus constituting a misrepresentation. Where an extract of FOFI (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) is disseminated, the extract or summary must be reasonable and balanced and shall have a cautionary note in bold face stating that the information presented is not complete and that complete FOFI is included in the prospectus.

3. These amendments come into force on ●, 2007.

AMENDMENTS TO FORM 44-101F1 SHORT FORM PROSPECTUS OF NATIONAL INSTRUMENT 44-101 SHORT FORM PROSPECTUS DISTRIBUTIONS

1. This Instrument amends Form 44-101F1 Short Form Prospectus.

2. Form 44-101F1 Short Form Prospectus is amended by adding the following after paragraph (12) under the heading "Instructions":

(13) Forward-looking information included in a prospectus must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook (each, as defined in NI 51-102) included in a prospectus must comply with Part 4B of NI 51-102.

3. This amendment comes into force on ●, 2007.

AMENDMENTS TO FORM 45-101F INFORMATION REQUIRED IN A RIGHTS OFFERING CIRCULAR OF NATIONAL INSTRUMENT 45-101 RIGHTS OFFERINGS

1. This Instrument amends Form 45-101F Information Required in a Rights Offering Circular.

2. Form 45-101F Information Required in a Rights Offering Circular is amended by adding the following after item 16.1:

Item 17 – Forward-Looking Information

17.1 – Forward-Looking Information

Forward-looking information included in a rights offering circular must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook (each, as defined in NI 51-102) included in a rights offering circular must comply with Part 4B of NI 51-102.

3. This amendment comes into force on ●, 2007.

AMENDMENTS TO FORM 45-106F2 OFFERING MEMORANDUM FOR NON-QUALIFYING ISSUERS OF NATIONAL INSTRUMENT 45-106 PROSPECTUS AND REGISTRATION EXEMPTIONS

1. This Instrument amends Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers.

2. Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers is amended by,

(a) adding the following after item A.10 under the heading "Instructions for Completing Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers":

11. During the course of a distribution of securities, any material forward-looking information disseminated must only be that which is set out in the offering memorandum. Where an extract of FOFI (as defined in National Instrument 51-102 Continuous Disclosure Obligations) is disseminated, the extract or summary must be reasonable and balanced and shall have a cautionary note in bold face stating that the information presented is not complete and that complete FOFI is included in the offering memorandum.**, and**

(b) striking **"**Refer to National Policy 48 *Future Oriented Financial Information* if future oriented financial information is included in the offering memorandum.***" in item B.12 under the heading "Instructions for Completing Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers" and substituting "***Forward-looking information included in an offering memorandum must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook (each, as defined in NI 51-102) included in an offering memorandum must comply with Part 4B of NI 51-102.**"**

3. These amendments come into force on ●, 2007.

AMENDMENTS TO
FORM 45-106F3 OFFERING MEMORANDUM FOR QUALIFYING ISSUERS OF
NATIONAL INSTRUMENT 45-106 PROSPECTUS AND REGISTRATION EXEMPTIONS

1. This Instrument amends Form 45-106F3 Offering Memorandum for Qualifying Issuers.

2. Form 45-106F3 Offering Memorandum for Qualifying Issuers is amended by,

(a) adding the following after item A.11 under the heading "Instructions for Completing Form 45-106F3 Offering Memorandum for Qualifying Issuers"

12. During the course of a distribution of securities, any material forward-looking information disseminated must only be that which is set out in the offering memorandum. Where an extract of FOFI (as defined in National Instrument 51-102 Continuous Disclosure Obligations) is disseminated, the extract or summary must be reasonable and balanced and shall have a cautionary note in bold face stating that the information presented is not complete and that complete FOFI is included in the offering memorandum.***, and***

(b) striking "Refer to National Policy 48 *Future Oriented Financial Information* if future oriented financial information is included in the offering memorandum.***" in item B.2 under the heading "Instructions for Completing Form 45-106F3 Offering Memorandum for Qualifying Issuers" and substituting "***Forward-looking information included in an offering memorandum must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook (each, as defined in NI 51-102) included in an offering memorandum must comply with Part 4B of NI 51-102.***"***

3. These amendments come into force on ●, 2007.

APPENDIX G

AMENDMENTS TO
NATIONAL POLICY 51-201 DISCLOSURE STANDARDS

1. This Instrument amends National Policy 51-201 Disclosure Standards.

2. National Policy 51-201 Disclosure Standards is amended by,

(a) repealing sections 5.5 and 5.6;

(b) renumbering section 5.7 as section 5.5;

(c) repealing section 6.9; and

(d) renumbering sections 6.10 to 6.14 as sections 6.9 to 6.13.

3. These amendments come into force on ●, 2007.

APPENDIX H

RELATED AMENDMENTS TO ONTARIO SECURITIES REGULATION

AND

ADDITIONAL INFORMATION REQUIRED IN ONTARIO

This Appendix:

- contains amendments to Companion Policy 41-501CP to Ontario Securities Commission Rule 41-501 *General Prospectus Requirements* and Form 41-501F1 *Information Required in a Prospectus*
- contains amendments to Ontario Securities Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*;
- contains changes to Ontario Regulation 1015 (the Regulation); and
- lists the authority in the *Securities Act* (Ontario) (the Act) which permits the Ontario Securities Commission (the Commission) to adopt the proposed amendments.

Amendment to Companion Policy 41-501CP to Ontario Securities Commission Rule 41-501 *General Prospectus Requirements*

1. This Instrument amends Companion Policy 41-501CP to Ontario Securities Commission Rule 41-501 General Prospectus Requirements.

2. Companion Policy 41-501CP to Ontario Securities Commission Rule 41-501 General Prospectus Requirements is amended by adding the following after section 2.9:

2.10 Dissemination of Forward-Looking Information - During the course of a distribution of securities, the dissemination of any material forward-looking information that is not contained in the prospectus could indicate a failure to provide in the prospectus full, true and plain disclosure of all material facts relating to the securities offered by the prospectus and result in the prospectus constituting a misrepresentation. Where an extract of FOFI (as defined in National Instrument 51-102 *Continuous Disclosure Obligations*) is disseminated, the extract or summary must be reasonable and balanced and shall have a cautionary note in bold face stating that the information presented is not complete and that complete FOFI is included in the prospectus.

3. This amendment comes into force on ●, 2007.

Amendment to Form 41-501F1 *Information Required in a Prospectus*

1. This Instrument amends Ontario Securities Commission Form 41-501F1 Information Required in a Prospectus.

2. Ontario Securities Commission Form 41-501F1 Information Required in a Prospectus is amended by adding the following after paragraph (11) under the heading "Instructions":

(12) Forward-looking information included in a prospectus must comply with section 4A.2 of NI 51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook (each, as defined in NI 51-102) included in a prospectus must comply with Part 4B of NI 51-102.

3. This amendment comes into force on ●, 2007.

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

1. This Instrument amends Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions.

2. Ontario Securities Commission Rule 45-501 Ontario Prospectus and Registration Exemptions is amended is amended by adding the following after section 6.4:

6.5 Forward-looking information in offering memorandum – If an offering memorandum is provided to a prospective purchaser, any forward-looking information included in the offering memorandum must comply with section 4A.2 of NI

51-102 and must include the disclosure described in section 4A.3 of NI 51-102. In addition to the foregoing, FOFI or a financial outlook (each, as defined in NI 51-102) included in an offering memorandum must comply with Part 4B of NI 51-102.

3. This amendment comes into force on ●, 2007.

Provisions of Regulation to be Amended

The Commission proposes to make a regulation that amends a provision of the Regulation made under the Act (R.R.O. 1990, Reg. 1015, as am.). This regulation is necessary or advisable to effectively implement the proposed amendments to NI 51-102. The regulation is subject to the approval of the Minister of Government Services.

The Commission proposes to revoke section 60 of the Regulation.

If approved by the Minister, the regulation will come into force on the day that the proposed amendments to NI 51-102 come into force.

Authority for Amendments

The following provisions of the Act provide the Commission with rule-making authority with respect to forward-looking information contained in Commission filings:

- Paragraph 143(1)22 authorizes the Commission to prescribe requirements in respect of the preparation and dissemination and other use, by reporting issuers, of documents providing for continuous disclosure that are in addition to the requirements under the Act, including requirements in respect of (i) an annual report, (ii) an annual information form and (iii) supplemental analysis of financial information.

- Paragraph 143(1)25 authorizes the Commission to prescribe requirements in respect of financial accounting, reporting and auditing for purposes of the Act, the regulations and the rules, including financial reporting requirements for the preparation and dissemination of future-oriented financial information and pro forma financial statements.

- Paragraph 143(1)39 authorizes the Commission to make rules requiring or respecting the media, format, preparation, form, content, execution, certification, dissemination and other use, filing and review of all documents required under or governed by the Act, the regulations or the rules and all documents determined by the regulations or the rules to be ancillary to the documents, including ... preliminary prospectuses and prospectuses; interim financial statements and financial statements; information circulars; and take-over bid circulars, issuer bid circulars and directors' circulars.

In addition on October 18, 2006, the Government introduced the *Budget Measures Act, 2006 (No. 2)* (Bill 151) which proposes various amendments to the *Securities Act*, including an amendment which would clarify the Commission's rule-making authority to make a rule that applies to disclosures of forward-looking information made by reporting issuers outside of mandatory Commission filings. In particular, proposed new paragraph 22.1 of subsection 143(1) will, if passed, give the Commission authority to make rules "respecting the preparation, form and content requirements applicable to the public dissemination of forward-looking information by reporting issuers where the dissemination is not part of a required filing".

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 Purchase Price ($)	# of Securities Distributed
11/08/2006	5	Airesurf Networks Holdings Inc. - Units	69,156.00	864,450.00
11/15/2006	3	Algonquin Credit Card Trust - Notes	285,000,000.00	285,000,000.00
11/14/2006	48	Allon Therapeutics Inc. - Units	9,000,000.00	11,250,000.00
08/01/2006	1	Arbitrage Fund Limited Partnership - Units	250,000.00	N/A
11/03/2006	1	Aurora Trust - Notes	50,000,000.00	50,000,000.00
11/06/2006	4	Bancorp Growth Mortgage Fund Ltd. - Preferred Shares	343,000.00	13,720.00
11/09/2006	12	Blackmont Capital Inc. - Units	2,849,625.00	759,900.00
11/10/2006	18	Blue Parrot Energy Inc. - Common Shares	5,452,750.00	16,774,900.00
11/17/2006	69	Burmis Energy Inc. - Flow-Through Shares	11,250,000.00	3,000,000.00
11/09/2006	21	Butler Developments Corp. - Units	100,725.00	1,343,000.00
09/30/2006 to 11/15/2006	12	CablesEdge Software Inc. - Units	809,000.00	359,000.00
11/08/2006 to 11/14/2006	1	Canadian Solar Inc. - Common Shares	1,709,250.00	100,000.00
11/20/2006	1	Clairvest Equity Partners III Limited Partnership - Limited Partnership Units	20,000,000.00	20,000.00
11/01/2006 to 11/02/2006	6	Escape Group Inc. - Common Shares	136,328.85	1,033,860.00
08/01/2006 to 11/01/2006	7	Flatiron Market Neutral L.P. - Limited Partnership Units	51,649,299.32	51,624.50
11/13/2006	11	Genesis Limited Partnership #6 - Limited Partnership Units	441,400.00	85.00
11/03/2006	24	Geovic Finance Corp. - Receipts	11,700,000.00	6,000,000.00
11/16/2006	4	Glacier Ventures International Corp. - Common Shares	15,549,567.00	5,183,189.00
07/31/2006	25	Globestar Mining Corporation - Warrants	29,999,935.00	26,086,900.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
11/17/2006	1	GMO Developed World Equity Investment Fund PLC - Units	91,438.58	2,733.42
10/26/2006 to 11/13/2006	222	Goldman Sachs Vintage Fund IV Offshore L.P. - Limited Partnership Interest	1,601,225,400.00	N/A
10/26/2006 to 11/13/2006	362	Goldman Sachs Vintage Fund IV, L.P. - Limited Partnership Interest	1,278,233,756.00	N/A
11/13/2006	2	Grantium Inc. - Debentures	1,910,070.00	1.00
11/15/2006	1	Greybrook Freight Management Inc. - Common Shares	892,500.00	892,500.00
11/01/2006	12	Griffiths McBurney L.P. - Notes	60,000,000.00	60,000,000.00
11/01/2006	25	Hi Ho Silver Resources Inc. - Units	480,000.60	800,000.00
11/10/2006	3	High River Gold Mines Ltd. - Debentures	12,000,000.00	12,000,000.00
11/08/2006	13	Hochschild Mining PLC - Common Shares	48,699,446.25	77,250,000.00
11/17/2006	45	Horizon FX Limited Partnership - Limited Partnership Units	1,464,963.45	1,174,903.00
11/15/2006 to 11/22/2006	24	IGW Properties Limited Partnership I - Limited Partnership Units	1,783,300.00	1,783,300.00
11/15/2006	1	Imex Systems Inc. - Preferred Shares	2,282,000.00	1,000,000.00
11/15/2006	1	Imex Systems Inc. - Preferred Shares	203.04	2,030,303.00
11/10/2006	8	International Properties Group Ltd. - Units	60,000.00	60,000.00
11/21/2006	1	Investeco Private Equity Fund II, L.P. - Limited Partnership Units	155,479.92	150.00
11/14/2006 to 11/15/2006	6	J-Pacific Gold Inc. - Common Shares	1,350,000.00	3,375,000.00
11/14/2006 to 11/15/2006	2	J-Pacific Gold Inc. - Units	700,200.20	2,000,572.00
01/25/2006	1	KBSH - Income Trust Fund - Units	112,103.00	11,171.20
01/25/2006	1	KBSH Enhanced Income Fund - Units	67,263.00	5,799.03
01/25/2006	1	KBSH Private - U.S. Equity Fund - Units	112,103.00	9,099.51
11/10/2006	22	La Quinta Resources Corporation - Units	766,000.00	1,915,000.00
11/10/2006	54	Linear Metals Corporation - Units	2,625,000.00	3,500,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
11/14/2006	1	Liquid Computing Corporation - Common Shares	2,599,287.45	11,196,533.00
10/30/2006	27	Mavrix Explore 2006-II FT Limited Partnership - Limited Partnership Units	786,000.00	78,600.00
11/09/2006	9	Merrill Lynch & Co., Inc. - Notes	554,500,000.00	N/A
11/08/2006	21	Metropolitan Life Global Funding I - Notes	496,405,500.00	313,000,000.00
11/18/2006	2	Ministerio de Hacienda y Credito Publico - Bonds	288,744.41	250,000.00
11/09/2006	3	Morguard Real Estate Investment Trust - Bonds	200,000,000.00	N/A
02/17/2006	11	MPH Ventures Corp. - Common Shares	450,000.00	N/A
11/15/2006	1	Natural Convergence Inc. - Debentures	341,700.00	341,700.00
10/27/2006	1	Neuf Cegetel - Common Shares	3,126,528.00	125,000.00
11/15/2006	29	Northern Challenger Exploration Ltd. - Flow-Through Shares	3,743,642.50	592,155.00
11/15/2006	69	NPC Growth Fund II Limited Partnership - Units	46,580,000.00	4,658.00
11/16/2006 to 11/22/2006	6	Nymex Holdings, Inc. - Common Shares	5,117,589.20	76,000.00
11/15/2006	64	Pacific Energy Resources Ltd. - Receipts	58,891,879.40	45,301,446.00
11/15/2006	13	Panterra Resources Corp. - Common Shares	2,199,689.20	6,285,714.00
11/06/2006	11	Patica 2003-1 Income Fund - Trust Units	5,200,351.00	800,054.00
11/09/2006	3	Patica 2003-1 Income Fund - Trust Units	1,332,500.00	205,000.00
11/09/2006	3	Patica 2003-1 Income Fund - Trust Units	1,527,500.00	235,000.00
11/09/2006	2	Patica 2003-1 Income Fund - Trust Units	780,000.00	120,000.00
11/06/2006	1	Patica 2003-1 Income Fund - Units	22,230.00	3,420.00
11/14/2006	96	Pearl Exploration and Production Ltd. - Receipts	110,999,993.85	N/A
11/17/2006	40	Photon Control Inc. - Units	2,231,130.00	14,874,200.00
11/09/2006	55	Plutonic Power Corporation - Common Shares	20,000,000.00	10,000,000.00
11/10/2006	5	Primary Petroleum Corporation - Notes	2,250,000.00	2,250,000.00
11/15/2006	4	Promittere Retirement Trust - Units	59,443.20	5,483,690.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
11/16/2006	6	Quinto Technology Inc. - Flow-Through Units	2,314,000.00	3,856,666.00
11/17/2006	60	RSX Energy Inc. - Common Shares	12,150,000.00	3,000,000.00
11/02/2006	10	Seaspan Corporation - Common Shares	22,790,817.00	940,000.00
11/10/2006	3	Sextant Strategic Opportunities Hedge Fund LP - Units	75,000.00	3,716.10
10/30/2006	43	Silver Grail Resources Ltd. - Units	1,300,000.00	2,600,000.00
11/16/2006	2	Simberi Gold Corporation - Common Shares	175,000.00	1,750,000.00
11/09/2006	22	Sonic Environmental Solutions Inc. - Warrants	3,335,000.00	6,670,000.00
11/06/2006	1	Spring 2004-1 Income Fund - Trust Units	78,325.00	12,050.00
11/16/2006	1	Tanzanian Royalty Exploration Corporation - Common Shares	375,000.00	54,058.00
11/14/2006	3	TenXc Wireless Inc. - Preferred Shares	3,958,511.19	11,049,245.00
11/14/2006	3	TenXc Wireless (Delaware) Inc. - Preferred Shares	2,807,699.12	7,837,056.00
11/10/2006 to 11/17/2006	1	The Griffin Coal Mining Company Pty Ltd. - Notes	4,010,650.00	1.00
07/01/2006 to 07/20/2006	11	The Presbyterian Church in Canada - Units	297,161.68	30.01
10/02/2006	1	The Presbyterian Church in Canada - Units	21,590.00	2.13
11/15/2006	2	Thermage Inc. - Common Shares	1,475,005.00	185,000.00
11/14/2006	16	Trelawney Resources Inc. - Units	1,781,100.00	9,627,566.00
10/11/2006	1	Trez Capital Corporation - Mortgage	1,000,000.00	1,000,000.00
11/10/2006	6	True North Corporation - Debentures	5,125,001.00	N/A
11/14/2006	8	Vancouver International Airport Authority - Notes	150,000,000.00	150,000,000.00
11/17/2006	2	Vast Exploration Inc - Flow-Through Shares	540,500.00	1,351,250.00
11/17/2006	75	Westchester Resources Inc. - Units	2,025,000.00	13,500,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Agnico-Eagle Mines Limited
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Shelf Prospectus dated November 22, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
US$500,000,000.00 - Debt Securities Common Shares Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1020020

Issuer Name:
Cangene Corporation
Principal Regulator - Manitoba
Type and Date:
Preliminary Short Form Prospectus dated November 27, 2006
Mutual Reliance Review System Receipt dated November 27, 2006
Offering Price and Description:
$81,000,000.00 - 10,000,000 Common Shares Price: $8.10 per Common Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
TD Securities Inc.
Scotia Capital Inc.
Sprott Securities Inc.
Promoter(s):
-
Project #1021720

Issuer Name:
Citadel Premium Income Fund
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated November 23, 2006
Mutual Reliance Review System Receipt dated November 24, 2006
Offering Price and Description:
$ * - * Units Exchange Offer.
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
Promoter(s):
Canadian Income Fund Group Inc.
CGF Funds Management Ltd.
Project #1020729

Issuer Name:
Corridor Resources Inc.
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated November 28, 2006
Mutual Reliance Review System Receipt dated November 28, 2006
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Jennings Capital Inc.
D&D Securities Company
Beacon Securities Limited
Promoter(s):
-
Project #1022561

Issuer Name:
Creststreet 2007 Limited Partnershp
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated November 21, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
$100,000,000.00 (Maximum Offering) $5,000,000.00 (Minimum Offering) A maximum of 10,000,000 and a minimum of 500,000 Limited Partnership Units Price: $10.00 Per Unit MINIMUM PURCHASE: 250 Units
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
HSBC Securities (Canada) Inc.
GMP Securities L.P.
Orion Securities Inc.
Peters & Co. Limited
Raymond James Ltd.
Tristone Capital Inc.
Promoter(s):
Creststreet 2007 General Partner Limited
Creststreet Asset Management Limited
Project #1019730

Issuer Name:
Lorian Capital Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary CPC Prospectus dated November 21, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
Minimum $500,000.00 - 5,000,000 Common Shares; Maximum $800,000.00 - 8,000,000 Common Shares Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Investpro Securities Inc.
Promoter(s):
Chris Schnarr
Project #1019700

Issuer Name:
Nventa Biopharmaceuticals Corporation
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated November 27, 2006
Mutual Reliance Review System Receipt dated November 27, 2006
Offering Price and Description:
$ * - * Units Price: $ * per Unit
Underwriter(s) or Distributor(s):
Jennings Capital Inc.
Promoter(s):
-
Project #1022141

Issuer Name:
Ogilvy Limited Partnership
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated November 22, 2006
Mutual Reliance Review System Receipt dated November 23, 2006
Offering Price and Description:
$35,000,800.00 - 26,120 Units Price: $340 per Limited Partnership Unit and $1,000 per Debenture
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
CIBC World Markets Inc.
National Bank Financial Inc.
Desjardins Securities Inc.
Promoter(s):
Pyxis Real Estate Equities Inc.
Project #1020366

Issuer Name:
Red Rock Energy Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated November 20, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
Minimum $1,650,000.00; Maximum $3,300,000.00 Up to 2,200,000 Units and up to 3,800,000 Flow Through Shares Price: $0.55 per Unit and $0.55 per Flow Through Share
Underwriter(s) or Distributor(s):
Union Securities Ltd.
Promoter(s):
Sandy Loutitt
Project #1019923

Issuer Name:
The GBC Growth and Income Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Simplified Prospectus dated November 16, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
Mutual Fund Securities Net Asset Value
Underwriter(s) or Distributor(s):
GBC Asset Management Inc.
GBC ASSET MANAGEMENT INC.
Promoter(s):
GBC Asset Management Inc.
Project #1018938

Issuer Name:
U308 Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated November 24, 2006
Mutual Reliance Review System Receipt dated November 24, 2006
Offering Price and Description:
$ * - * Common Shares
Underwriter(s) or Distributor(s):
Sprott Securities Inc.
Blackmont Capital Inc.
Canaccord Capital Corporation
Promoter(s):
Dr. Keith Barron
Project #1020922

Issuer Name:
VentureLink Brighter Future Fund Inc.
Type and Date:
Preliminary Prospectus dated November 22, 2006
Receipted on November 23, 2006
Offering Price and Description:
Class A Shares, Series III, IV and VI
Minimum Subscription - $500 initially and $50 subsequently
Underwriter(s) or Distributor(s):
-
Promoter(s):
CFPA Sponsor Inc.
VentureLink LP
Project #1020351

Issuer Name:
Whiterock Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated November 22, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
$15,005,900.00 -1,261,000 Units; $25,000,000.00 Series E Convertible Unsecured Subordinated Debentures
Underwriter(s) or Distributor(s):
Canaaccord Capital Corporation
Blackmont Capital Inc.
National Bank Financial Inc.
BMO Nesbitt Burns Inc.
Desjardins Securities Inc.
Genuity Capital Markets
TD Securities Inc.
Promoter(s):
-
Project #1020018

Issuer Name:
Aecon Group Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated November 23, 2006
Mutual Reliance Review System Receipt dated November 23, 2006
Offering Price and Description:
$104,434,445.00 - 16,576,896 Common Shares Price: $6.30 per Common Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Paradigm Capital Inc.
Raymond James Ltd.
Promoter(s):
-
Project #1018263

Issuer Name:
Algonquin Power Venture Fund Inc.
Type and Date:
Final Prospectus dated November 24, 2006
Receipted on November 24, 2006
Offering Price and Description:
Class A Series I Shares and Class A Series II Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1009213

Issuer Name:
Canada Mortgage Acceptance Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated November 22, 2006
Mutual Reliance Review System Receipt dated November 23, 2006
Offering Price and Description:
$386,335,000.00 (Approximate) Mortgage Pass-Through Certificates, Series 2006-C5
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
TD Securities Inc.
CIBC World Markets Inc.
Promoter(s):
GMAC Residential Funding Of Canada, Limited
Project #1016919

Issuer Name:
Column Canada Issuer Corporation
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated November 21, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
$600,000,000.00 - MULTICLASS PASS-THROUGH CERTIFICATES, SERIES 2006-WEM
Underwriter(s) or Distributor(s):
Credit Suisse Securities (Canada), Inc.
Merrill Lynch Canada Inc.
Column Canada Financial Corp.
Promoter(s):
-
Project #1010570

Issuer Name:
Conjuchem Biotechnologies Inc.
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated November 21, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
$37,498,500.00 (Minimum Offering); $120,250,000.00 (Maximum Offering) A Minimum of 57,690,000 Units and a Maximum of 185,000,000 Units Each Unit consisting of One Common Share and One Half of a Common Share Purchase Warrant At a price of $0.65 per Unit
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
Sprott Securities Inc.
Orion Securities Inc.
Versant Partners Inc.
Promoter(s):
-
Project #1012209

Issuer Name:
Diplomat Balanced Portfolio
Diplomat Growth Portfolio
Diplomat Maximum Growth Portfolio
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated November 27, 2006
Mutual Reliance Review System Receipt dated November 28, 2006
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1002679

Issuer Name:
Global Alternative Investments Inc.
Principal Regulator - Alberta
Type and Date:
Final CPC Prospectus dated November 20, 2006
Mutual Reliance Review System Receipt dated November 24, 2006
Offering Price and Description:
$300,000.00 - 1,500,000 Common Shares Price: $0.20 per Common Share
Underwriter(s) or Distributor(s):
Blackmont Capital Inc.
Promoter(s):
John F. Driscoll
C.A. Bancorp Inc.
Project #996542

Issuer Name:
LAB Research Inc.
Principal Regulator - Quebec
Type and Date:
Final Short Form Prospectus dated November 24, 2006
Mutual Reliance Review System Receipt dated November 24, 2006
Offering Price and Description:
$25,891,070.85 - 6,392,857 Common Shares Deliverable Upon the Exercise of 6,392,857 Special Warrants
Underwriter(s) or Distributor(s):
Desjardins Securities Inc.
Orion Securities Inc.
Westwind Partners Inc.
Promoter(s):
-
Project #1017184

Issuer Name:
Marquis Canadian Bond Pool
(Series A, Series V and Series I units)
Marquis High Yield U.S. Bond Pool
(Series A, Series V and Series I units)
Marquis Canadian Equity Pool
(Series A, Series V and Series I units)
Marquis Enhanced Canadian Equity Pool
(Series A, Series V and Series I units)
Marquis U.S. Equity Pool
(Series A, Series V and Series I Units)
Marquis International Equity Pool
(Series A, Series V and Series I units)
Marquis Global Equity Pool
(Series A, Series V and Series I units)
Marquis Diversified Defensive Portfolio
(Series A and Series V units)
Marquis Diversified Conservative Portfolio
(Series A and Series V units)
Marquis Diversified Balanced Portfolio
(Series A and Series V units)
Marquis Diversified Growth Portfolio
(Series A and Series V units)
Marquis Diversified High Growth Portfolio
(Series A and Series V units)
Marquis Diversified All Equity Portfolio
(Series A and Series V units)
Marquis Diversified All Income Portfolio
(Series A and Series V units)
Marquis MultiPartners Growth Portfolio
(Series A and Series V units)
Marquis MultiPartners High Growth Portfolio
(Series A and Series V units)
Marquis MultiPartners Equity Portfolio
(Series A and Series V units)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated November 23, 2006
Mutual Reliance Review System Receipt dated November 24, 2006
Offering Price and Description:
Series A, Series I and Series V units
Underwriter(s) or Distributor(s):
Goodman & Company, Investment Counsel Ltd
Goodman & Company, Investment Counsel Ltd.
Desjardins Trust Investment Services Inc.
Cartier Partners Securities Inc.
Promoter(s):
Goodman & Company, Investment Counsel Ltd
Project #1006148

Issuer Name:
Nordea International Equity Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated November 23, 2006
Mutual Reliance Review System Receipt dated November 24, 2006
Offering Price and Description:
Class O Units, Class I Units and Class P Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
SEI Investments Canada Company
Project #1004697

Issuer Name:
NACG Holdings Inc.
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated November 22, 2006
Mutual Reliance Review System Receipt dated November 22, 2006
Offering Price and Description:
C$229,750,000.00 - 12,500,000 Common Shares PRICE: C$18.38 PER COMMON SHARE
Underwriter(s) or Distributor(s):
Credit Suisse Securities (Canada), Inc.
UBS Securities Canada Inc.
CIBC World Markets Inc.
Peters & Co. Limited
Promoter(s):
-
Project #966536

Issuer Name:
One Exploration Inc.
Principal Regulator - Alberta
Type and Date:
Final Prospectus dated November 23, 2006
Mutual Reliance Review System Receipt dated November 23, 2006
Offering Price and Description:
Minimum: 10,000 Units ($10,000,000.00); Maximum: 12,000 Units ($12,000,000.00) Price: $1,000 per Unit – Minimum Subscription: 5 Units ($5,000)
Underwriter(s) or Distributor(s):
Tristone Capital Inc.
GMP Securities L.P.
Raymond James Ltd.
Promoter(s):
Al J. Kroontje
Walter Vrataric
Project #1004773

Issuer Name:
Pathway Mining 2006-II Flow-Through Limited Partnership
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated November 22, 2006
Mutual Reliance Review System Receipt dated November 23, 2006
Offering Price and Description:
$15,000,000.00 (maximum offering) - 1,500,000 Limited Partnership Units @ $10/Unit; $5,000,000.00 (minimum offering) - 500,000 Limited Partnership Units @ $10/Unit
Underwriter(s) or Distributor(s):
Wellington West Capital Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Burgeonvest Securities Ltd.
Argosy Securities Inc.
Integral Wealth Securities Limited
Jory Capital Inc.
Leede Financial Markets Inc.
Promoter(s):
Pathway Mining 2006-II Inc.
Project #1006703

Issuer Name:
Royal Utilities Income Fund
Principal Regulator - Ontario
Type and Date:
Final Short Form Base Shelf Prospectus dated November 24, 2006
Mutual Reliance Review System Receipt dated November 27, 2006
Offering Price and Description:
$500,000,000.00 - Debt Securities Subscription Receipts Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1008569

Issuer Name:
Sabrich Capital Corporation
Principal Regulator - Alberta
Type and Date:
Final CPC Prospectus dated November 21, 2006
Mutual Reliance Review System Receipt dated November 23, 2006
Offering Price and Description:
$900,000.00 - 9,000,000 common shares Price: $0.10 per common share
Underwriter(s) or Distributor(s):
Wolverton Securities Ltd.
Promoter(s):
Michael L. Russeau
Project #1002198

Issuer Name:
Sceptre Balanced Growth Fund
Sceptre Income Trusts Fund
Sceptre Canadian Equity Fund
Sceptre Equity Growth Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated November 20, 2006 to the Simplified Prospectuses and Annual Information Forms dated August 23, 2006
Mutual Reliance Review System Receipt dated November 23, 2006
Offering Price and Description:
Class A and O Units
Underwriter(s) or Distributor(s):
Sceptre Investment Counsel Limited
Promoter(s):
Sceptre Investment Counsel Limited
Project #966108

Issuer Name:
Select 100i Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 80i20e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 70i30e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 60i40e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 50i50e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 40i60e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 30i70e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 20i80e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select 100e Managed Portfolio Corporate Class
(Class A, F, W and I Shares)
Select Income Managed Fund
(Class I Units)
Select Canadian Equity Managed Fund
(Class I Units)
Select U.S Equity Managed Fund
(Class I Units)
Select International Equity Managed Fund
(Class I Units)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated November 22, 2006
Mutual Reliance Review System Receipt dated November 27, 2006
Offering Price and Description:
Class A, F, W and I Shares and Class I Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Investments Inc.
Project #1004974

Issuer Name:
Universal Infrastructure Corp.
Principal Regulator - Alberta
Type and Date:
Final CPC Prospectus dated November 20, 2006
Mutual Reliance Review System Receipt dated November 24, 2006
Offering Price and Description:
$300,000.00 - 1,500,000 Common Shares Price: $0.20 per Common Share
Underwriter(s) or Distributor(s):
Blackmont Capital Inc.
Promoter(s):
John F. Driscoll
C.A. Bancorp Inc.
Project #996549

This page intentionally left blank

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender of Registration	GMP Private Client Ltd.	Investment Dealer	November 12, 2006
Name Change	From: AmerUs Capital Management Group, Inc. To: Aviva Capital Management, Inc.	International Adviser (Investment Counsel and Portfolio Manager)	November 21, 2006
New Registration	Gestion De Placements Innocap Inc./Innocap Investment Management Inc.	Investment Counsel and Portfolio Manager	November 22, 2006
Name Change	From: Burgundy Asset Management Ltd. To: Burgundy Asset Management Ltd./Gestion D'Actifs Burgundy Ltée	Limited Market Dealer, Investment Counsel and Portfolio Manager	November 22, 2006
New Registration	OMG Wealth Management Inc.	Investment Dealer	November 23, 2006
New Registration	PUR Investing Inc.	Investment Counsel and Portfolio Manager	November 23, 2006
New Registration	Firstpoint Venture Capital Inc.	Limited Market Dealer	November 24, 2006
New Registration	Adaly Investment Management Corp.	Limited Market Dealer, Investment Counsel and Portfolio Manager	November 24, 2006
Change of Category	Wellington Management Company, LLP	From: Non-Canadian Adviser (Investment Counsel and Portfolio Manager) To: Non-Canadian Adviser (Investment Counsel and Portfolio Manager) and Non-Resident Commodity Trading Manager	November 27, 2006
Change of Category	UBS AG	From: International Dealer To: International Dealer and International Adviser (Investment Counsel & Portfolio Manager)	November 27, 2006
Voluntary Surrender of Registration	GMP Securities Ltd.	Investment Dealer	November 27, 2006

This page intentionally left blank

Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA - Calculation of Risk Adjusted Capital (Rule 3.2.2, 3.2.5 and Form 1)

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

CALCULATION OF RISK ADJUSTED CAPITAL (Rule 3.2.2, 3.2.5 and Form 1)

On June 29, 2006, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendments to Rule 3.2:

3.2.2 **Member Capital**.

(a) Each Member shall maintain capital in respect of its firm business in accordance with the requirements set out in Form 1.

(b) Each Member shall at all times maintain positive total financial statement capital as calculated in accordance with the requirements set out in Form 1.

. . .

3.2.5 **Notice Regarding Accelerated Payment of Long Term Debt.** Each Member shall immediately notify the Corporation of any request or demand by a creditor for accelerated payments or any other payments in addition to those specified under the agreed regular repayment schedule with respect to contingent and long term liabilities owed by the Member.

On June 29, 2006, the Board of Directors of the Mutual Fund Dealers Association of Canada made and enacted the following amendment to the General Notes and Definitions section of the MFDA Financial Questionnaire and Report:

MFDA FINANCIAL QUESTIONNAIRE AND REPORT
GENERAL NOTES AND DEFINITIONS

. . .

11. For purposes of these statements and capital calculations, all related party debt must be recorded as a current liability unless a subordination agreement in a form ~~satisfactory to~~ prescribed by the MFDA has been executed by the Member and other relevant parties in relation to such debt.

13.1.2 Summary of Public Comments Respecting Proposed Amendments to MFDA Rule 3.2 and MFDA Financial Questionnaire and Report and Response of the MFDA

SUMMARY OF PUBLIC COMMENTS
RESPECTING
PROPOSED AMENDMENTS TO MFDA RULE 3.2 AND MFDA FINANCIAL QUESTIONNAIRE AND REPORT AND RESPONSE OF THE MFDA

On July 28, 2006, the British Columbia Securities Commission and the Ontario Securities Commission published for public comment proposed amendments to MFDA Rule 3.2 and the General Notes and Definitions of the MFDA Financial Questionnaire and Report (Form 1) ("MFDA FQR").

The public comment period expired on August 28, 2006.

Two submissions were received during the public comment period:

1. Manulife Financial ("Manulife")

2. Federation of Mutual Fund Dealers ("Federation")

Copies of comment submissions may be viewed at the offices of the MFDA, 121 King Street West, Suite 1000, Toronto, Ontario by contacting Paige Ward, Director of Policy and Regulatory Affairs (416) 943-5838.

The following is a summary of the comments received, together with the MFDA's responses.

General Comments

The Federation expressed support for the proposed amendments and was of the view that they addressed the concerns with respect to the current capital formula.

Impact on Long-term Financing

Manulife expressed concern that Members will not be able to fund long-term assets with related party debt. For example, if a Member purchased real estate funded by a related party mortgage, the real estate would not count as an allowable asset and the mortgage would be deducted from capital. Manulife noted that similarly, other assets funded by non-recourse related party debt would also be adversely affected by the proposed Rule. Manulife suggested that since such transactions themselves are not objectionable, an exemption should be permitted for related party funding arrangements meeting criteria that eliminate the concerns regarding related party loans. Manulife did not understand the rationale for restricting legitimate long-term loans that fund long-term assets simply on the basis of whether the lender is a related party.

MFDA Response

The issue is not whether a particular transaction is objectionable or not. The issue is the extent of influence related parties have over MFDA Members and their ability to effect the Member's capital, which may ultimately give them the ability to put their interests ahead of investors' interests.

Timing

Manulife was of the view that a one-year transition period would be insufficient for Members to restructure existing long-term liabilities without incurring adverse financing and associated costs. Manulife requested that arrangements in existence on the date of the publication of the Rules be grandfathered or, alternatively, that the phase-in for deeming long-term debt as current liabilities be scaled up over time, from 10% to 100% inclusion as a current liability. Manulife suggested that a scale increasing over a three-year period would be reasonable.

MFDA Response

Restructuring is not necessary if the related party signs a subordination agreement. The MFDA is not proposing a one-year transition period. Based upon the financial information filed with the MFDA, this is not an issue affecting the majority of our Members, which would necessitate broad relief provisions. If a particular Member has a legitimate concern or issue with complying with the requirements, they are encouraged to approach the MFDA to discuss their particular circumstances.

Definitions

Manulife suggested that the reference to "related party debt" in section 11 of the FQR General Notes and Definitions reference the definition in the CICA Handbook.

MFDA Response

Note 1 in the General Notes and Definitions to the FQR states "these statements are to be prepared in accordance with generally accepted accounting principles, except as modified by the requirements of the MFDA or MFDA IPC." Accordingly, the CICA Handbook definition does apply.

Rule 3.2.5

Manulife requested clarification regarding whether the notice requirement in Rule 3.2.5 applies to long-term debt which has been deemed to be a current liability as a result of section 11 of the FQR General Notes and Definitions.

MFDA Response

Rule 3.2.5 would apply as the Rule relates to all creditors and not just third party creditors.

13.1.3 CDS Rule Amendment Notice – Technical Amendments to CDS Procedures Relating to International Services Procedures

CDS CLEARING AND DEPOSITORY SERVICES INC. ("CDS")

TECHNICAL AMENDMENTS TO CDS PROCEDURES
INTERNATIONAL SERVICES PROCEDURES

NOTICE OF EFFECTIVE DATE

A. DESCRIPTION OF THE RULE AMENDMENT

Background

CDS' International Message Hub ("IMHub"), which is intended to be implemented on 27 November 2006, facilitates the exchange of SWIFT messages in an ISO 15022 compliant format between CDS and the international organizations with which CDS has operating agreements. The IMHub is intended to streamline the current links with Euroclear France, SEB, and JASDEC, and will simplify the establishment of connections and links with other foreign depositories, as the need arises.

Description of Proposed Amendments

The existing procedure documents entitled *Euroclear France Link Participant Procedures* and *JSSC Link Participant Procedures* will be redacted. Procedures relating to the aforementioned international links will, effective 27 November 2006, be contained in the document entitled *International Services Procedures*.

The blacklined versions of these amendments may be found at the following URL:

http://www.cds.ca/cdsclearinghome.nsf/Pages/-EN-UserDocumentation?Open

B. REASONS FOR TECHNICAL CLASSIFICATION

The amendments proposed pursuant to this Notice are considered by CDS to be technical amendments; they are consequential amendments intended to implement a material rule that has been published for comment.

C. EFFECTIVE DATE OF THE RULE

Pursuant to Appendix A ("Rule Protocol Regarding The Review And Approval Of CDS Rules By The OSC") of the Recognition and Designation Order, as amended on 1 November, 2006, CDS has determined that these amendments will be effective on 27 November 2006.

D. QUESTIONS

Questions regarding this notice may be directed to:

Tony Hoffmann
Legal Counsel
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

Telephone: 416-365-3768
Fax: 416-365-1984
e-mail: attention@cds.ca

JAMIE ANDERSON
Managing Director, Legal

Chapter 25

Other Information

25.1 Consents

25.1.1 Moydow Mines International Inc. - 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, Ont. Reg. 289/00, as am., s. 4(b).

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

AND

IN THE MATTER OF
MOYDOW MINES INTERNATIONAL INC.

CONSENT
(Subsection 4(b) of the Regulation)

UPON the application of Moydow Mines International Inc. (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") requesting the consent (the "**Request**") of the Commission for the Applicant to continue in another jurisdiction (the "**Continuance**"), as required by subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was incorporated under the *Business Corporations Act* (Alberta) by certificate of incorporation issued on December 12, 1972 under the name Westley Mines International Inc. The Applicant was continued under the *Business Corporations Act* (British Columbia) by articles of incorporation issued on January 16, 1981. The Applicant was further continued under the OBCA by articles of continuance issued on December 9, 1998 and changed its name to Moydow Mines International Inc.

2. The Applicant's head office is located at 20 Toronto Street, Suite 1220, Toronto, Ontario, M5C 2B8. Following completion of the proposed Continuance, the registered office of the Applicant will be located at Suite 2100, 1075 West Georgia Street, Vancouver, British Columbia, V6E 3G2.

3. The authorized share capital of the Applicant consists of an unlimited number of Common Shares and an unlimited number of Preferred Shares, issuable in series, of which 38,275,718 Common Shares and no Preferred Shares were issued and outstanding as at November 1, 2006.

4. The Applicant's issued and outstanding Common Shares are listed for trading on the Toronto Stock Exchange and the Alternative Investment Market (AIM) of the London Stock Exchange under the symbol "MOY".

5. The Applicant proposes to make an application to the Director under the OBCA pursuant to Section 181 of the OBCA (the "**Application for Continuance**") for authorization to continue as a corporation under the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57 (the "**BCBCA**").

6. Pursuant to subsection 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 of the Commission.

7. The Applicant is an offering corporation under the provisions of the OBCA.

8. The Applicant is a reporting issuer within the meaning of the *Securities Act* (Ontario), R.S.O. 1990, c. S.5, as amended (the "**OSA**"), and within the meaning of the *Securities Act* (British Columbia), R.S.B.C 1996, c. 418 (the "**BCSA**"). The Applicant intends to remain a reporting issuer under the OSA and the BCSA following the Continuance.

9. The Applicant is not in default of any of the provisions of the OSA or the regulations or rules made thereunder and is not in default under the BCSA.

10. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, pending proceeding under the OSA or the BCSA.

11. The Continuance of the Applicant was approved by the Applicant's shareholders (the "**Shareholders**") by way of special resolution at an annual and special meeting of shareholders (the "**Meeting**") held on August 31, 2006.

12. The management information circular of the Applicant describing the Continuance, dated July 27, 2006, (the "**Information Circular**"), provided to the Shareholders in connection with the Meeting, advised them of their dissent rights in connection with the Continuance pursuant to section 185 of the OBCA.

13. The Continuance under the BCBCA has been proposed for the Applicant as there is no Canadian residency requirement for the directors under the BCBCA. The Applicant believes that this will make it easier for the Applicant to retain international talent for its board of directors.

14. The material rights, duties and obligations of a corporation governed by the BCBCA are generally similar to those of a corporation governed by the OBCA. A table summarizing certain differences between the two statutes, which is not intended to be exhaustive, is included as Schedule "B" to the Information Circular.

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.

DATED this 21st day of November, 2006

"Paul Moore"
Vice-Chair
Ontario Securities Commission

"David Knight"
Commissioner
Ontario Securities Commissioner

Index