

DIALOGUE WITH THE OSC 2007

ONTARIO SECURITIES COMMISSION



Tuesday, November 27, 2007

Metro Toronto Convention Centre, North Building

KEYNOTE SPEAKER

David Wilson, Chair, Ontario Securities Commission

GUEST SPEAKERS

Arthur Levitt, Former Chairman, U.S. Securities and Exchange Commission

Linda Chatman Thomsen, Director of Enforcement, U.S. Securities and Exchange Commission

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The Ontario Securities Commission

OSC Bulletin

November 16, 2007

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

The Ontario Securities Commission

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

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

NOVEMBER 16, 2007

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

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

The Harry S. Bray Hearing Room
 Ontario Securities Commission
 Cadillac Fairview Tower
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Robert L. Shirriff, Q.C.	—	RLS
Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

November 29, 2007	2:30 p.m.	David Watson, Nathan Rogers, Amy Giles, John Sparrow, Leasesmart, Inc., Advanced Growing Systems, Inc., Pharm Control Ltd., The Bighub.com, Inc., Universal Seismic Associates Inc., Pocketop Corporation, Asia Telecom Ltd., International Energy Ltd., Cambridge Resources Corporation, Nutrione Corporation and Select American Transfer Co.
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s. 127 and 127.1

P. Foy in attendance for Staff

Panel: JEAT/ST

November 29, 2007	2:30 p.m.	Stanton De Freitas
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s. 127 and 127.1

P. Foy in attendance for Staff

Panel: JEAT/ST

December 3, 2007	8:30 a.m.	Land Banc of Canada Inc., LBC Midland I Corporation, Fresno Securities Inc., Richard Jason Dolan, Marco Lorenti and Stephen Zeff Freedman
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s. 127

H. Craig in attendance for Staff

Panel: PJL/ST

December 5, 2007	10:00 a.m.	Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony
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s. 127 and 127.1

H. Craig in attendance for Staff

Panel: JEAT

December 6, 2007	FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun	January 7, 2008	*Philip Services Corp. and Robert Waxman
10:00 a.m.	s. 127 M. Mackewn in attendance for Staff Panel: RLS/ST	10:00 a.m.	s. 127 K. Manarin/M. Adams in attendance for Staff Panel: JEAT/MCH
December 10-14, 2007	Rex Diamond Mining Corporation, Serge Muller and Benoit Holemans		Colin Soule settled November 25, 2005
10:00 a.m.	s. 127 & 127(1) H. Craig in attendance for Staff Panel: WSW/KJK		Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey and John Woodcroft settled March 3, 2006 * Notice of Withdrawal issued April 26, 2007
December 11, 2007	Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boulton and Peter Y. Atkinson	January 16, 2008	Jose Castaneda
2:30 p.m.	s.127 J. Superina in attendance for Staff Panel: TBA	10:00 a.m.	s. 127 and 127.1 H. Craig in attendance for Staff Panel: WSW/ST
December 14, 2007	Saxon Financial Services, Saxon Consultants, Ltd., International Monetary Services, FXBridge Technology, Meisner Corporation, Merchant Capital Markets, S.A., Merchant Capital Markets, MerchantMarx et al	January 22, 2008	Global Partners Capital, WS Net Solution, Inc., Hau Wai Cheung, Christine Pan, Gurdip Singh Gahunia
10:00 a.m.	s. 127(1) & (5) S. Horgan in attendance for Staff Panel: JEAT	2:30 p.m.	s. 127 S. Horgan in attendance for Staff Panel: JEAT
December 18, 2007	Al-Tar Energy Corp., Alberta Energy Corp., Eric O'Brien, Bill Daniels, Bill Jakes, John Andrews, Julian Sylvester, Michael N. Whale, James S. Lushington, Ian W. Small, Tim Burton and Jim Hennesy	January 22, 2008	Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building Supplies Ltd., Kore International Management Inc., Petar Vucicevich and Andrew DeVries
10:00 a.m.	s. 127(1) & (5) Sean Horgan in attendance for Staff Panel: RLS/ST	3:00 p.m.	s. 127 & 127.1 J. S. Angus in attendance for Staff Panel: JEAT/ST
		March 31, 2008	Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton
		10:00 a.m.	s. 127 H. Craig in attendance for Staff Panel: TBA

April 2, 2008 10:00 a.m.	Peter Sabourin, W. Jeffrey Haver, Greg Irwin, Patrick Keaveney, Shane Smith, Andrew Lloyd, Sandra Delahaye, Sabourin and Sun Inc., Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Camdeton Trading Ltd. and Camdeton Trading S.A.	TBA	Yama Abdullah Yaqeen s. 8(2) J. Superina in attendance for Staff Panel: TBA
	s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: TBA	TBA	Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell s. 127 J. Waechter in attendance for Staff Panel: TBA
April 7, 2008 2:30 p.m.	Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)	TBA	Frank Dunn, Douglas Beatty, Michael Gollogly s.127 K. Daniels in attendance for Staff Panel: TBA
	s.127 and 127.1 D. Ferris in attendance for Staff Panel: TBA	TBA	Shane Suman and Monie Rahman s. 127 & 127(1) K. Daniels in attendance for Staff Panel: TBA
May 5, 2008 10:00 a.m.	John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir	TBA	Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin s. 127 S. Horgan in attendance for Staff Panel: TBA
	S. 127 & 127.1 I. Smith in attendance for Staff Panel: TBA	TBA	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: JEAT/ST
May 5, 2008 10:00 a.m.	Norshield Asset Management (Canada) Ltd., Olympus United Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas	TBA	
	s.127 P. Foy in attendance for Staff Panel: TBA	TBA	
November 3, 2008 10:00 a.m.	Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited	TBA	
	s. 127 E. Cole in attendance for Staff Panel: TBA		

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

Andrew Keith Lech

S. B. McLaughlin

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

Andrew Stuart Netherwood Rankin

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

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

Euston Capital Corporation and George Schwartz

1.1.2 Notice of Commission Approval – Amendment to the Rules of the Toronto Stock Exchange – Deletion of Rule 4-804 – Market Maker and Principal Accounts

TSX INC.

AMENDMENT TO THE RULES OF THE TORONTO STOCK EXCHANGE REGARDING THE DELETION OF RULE 4-804 – MARKET MAKER AND PRINCIPAL ACCOUNTS

NOTICE OF COMMISSION APPROVAL

The Ontario Securities Commission approved an amendment to the rules of the Toronto Stock Exchange regarding the deletion of Rule 4-804. This amendment removes the requirement that orders from a market maker account or a principal account that better the bid or ask must be at least the amount of the minimum guaranteed fill for that listed security. The proposed amendment was published for comment on September 22, 2006 at (2006) 29 OSCB 7682. A summary of the comments received and TSX Inc.'s response are published in Chapter 13.

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Dividend Growth Split Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemption granted to permit a fund that uses specified derivatives to calculate its NAV once per week subject to certain conditions – relief needed from the requirement that an investment fund that uses specified derivatives must calculate its NAV daily – relief not prejudicial to the public interest because the NAV will be posted on a website and the units of the investment fund are expected to be listed on the TSX which will provide liquidity for investors – National Instrument 81-106 Investment Fund Continuous Disclosure.

Applicable Legislative Provisions

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

October 30, 2007

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

AND

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

AND

IN THE MATTER OF
DIVIDEND GROWTH SPLIT CORP.
(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 (the “Application”) from the Filer dated September 27, 2007 for a decision under s. 17.1 of National Instrument 81-106 – *Investment Funds*

Continuous Disclosure (the “Legislation”) for an exemption from the requirement to calculate net asset value at least once every business day contained in section 14.2(3)(b) of the Legislation (the “Requested Relief”).

Under the Mutual Reliance Review System for Exemption 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 this Filer:

The Filer

1. The Filer is a mutual fund corporation established under the laws of Ontario.
2. Brompton Funds Management Limited (the “Manager”) is the promoter and manager of the Filer and will perform administrative services on behalf of the Filer.

The Offering

3. The Filer will be issuing preferred shares (the “Preferred Shares”) and class A shares (the “Class A Shares”) (together, referred to as the “Shares”). “Unit” means a notional unit consisting of one Preferred Share and one Class A Share.
4. The offering of Shares by the Filer is a one-time offering and the Filer will not continuously distribute the Shares.
5. The Filer’s investment objectives are: (i) to provide holders of Preferred Shares with fixed cumulative preferential quarterly cash distributions in the amount of \$0.13125 per Preferred Share representing a yield on the issue price of the Preferred Shares of 5.25% per annum; (ii) to provide holders of Class A Shares with regular monthly cash distributions targeted to be \$0.10 per Class A Share representing a yield on the

issue price of the Class A Shares of 8.0% per annum; (iii) to return the original issue price to holders of Preferred Shares at the time of redemption of shares on November 30, 2014; and (iv) to provide holders of Class A Shares with the opportunity for growth in net asset value per Class A Share.

6. The net proceeds from the offering will be invested on an equally weighted basis in a portfolio consisting of common shares of 20 high dividend growth rate companies (the "Portfolio").
7. The Filer may from time to time selectively write covered call options on the Shares included in the Portfolio in order to generate additional distributable income for the Filer.
8. A preliminary prospectus of the Filer dated September 27, 2007 (the "Preliminary Prospectus") has been filed with the securities regulatory authorities in each of the Provinces and Territories of Canada.

The Shares

9. The Shares are expected to be listed and posted for trading on the Toronto Stock Exchange (the "TSX").
10. The Preferred Shares will be retractable at the option of the holder on a monthly basis and a holder of a Preferred Share may concurrently retract an equal number of Preferred Shares and Class A Shares on a quarterly basis at a price computed by reference to the value of a proportionate interest in the net assets of the Filer. As a result, the Filer will be a "mutual fund" under applicable securities legislation.
11. The description of the retraction process in the Preliminary Prospectus contemplates that the retraction price for the Shares will be determined as of the valuation date, being the second last business day of the month (the "Retraction Date").
12. The retraction price for a Preferred Share surrendered for retraction on a monthly basis will be equal to 96% of the lesser of (i) the net asset value per Unit determined as of the relevant Retraction Date, less the cost to the Company of the purchase of a Class A Share for cancellation; and (ii) \$10.00.
13. The retraction price for a Class A Share surrendered for retraction on a monthly basis will be equal to 96% of the difference between (i) the net asset value per Unit determined as of the relevant Retraction Date, and (ii) the cost to the Company of the purchase of a Preferred Share for cancellation. If the net asset value per Unit is less than \$10.00, plus any accrued and unpaid

distributions on a Preferred Share, the retraction price of a Class A Share will be nil.

14. The retraction procedures described in the Preliminary Prospectus provide that shareholders will receive payment on or before the tenth business day of the month following the Retraction Date.
15. The net asset value per Unit and per Class A Share will be calculated weekly. The Filer will make available to the financial press for publication on a weekly basis the net asset value per Unit and per Class A Share, as well as through the Internet at www.bromptongroup.com.

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:

- (a) That the final prospectus of the Filer discloses that the net asset value per Unit and per Class A Share will be provided by the Manager to the public on request and further discloses that the net asset value per Unit and per Class A Share are accessible to the public on the Internet at www.bromptongroup.com or through a toll-free number;

for so long as:

- (b) the Shares are listed on the TSX; and
- (c) the Filer calculates its net asset value per Unit and per Class A Share at least weekly.

"Vera Nunes"
Assistant Manager, Investment Funds
Ontario Securities Commission

2.1.2 Dividend Growth Split Corp. - MRRS Decision

Headnote

Mutual Reliance System for Exemptive Relief Applications – Exemptive relief granted to an exchange traded fund from certain mutual fund requirements and restrictions on: borrowing, investments, organizational costs, calculation and payment of redemptions, preparation of compliance reports, and date of record for payment of distributions – Since investors will generally buy and sell units through the TSX, there are adequate protections and it would not be prejudicial to investors.

Applicable Legislative Provisions

National Instrument 81-102 – Mutual Funds, ss. 2.6(a), 3.3, 10.3, 10.4(1), 12.1(1), 14.1, 19.1.

October 31, 2007

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,
NORTHWEST TERRITORIES, YUKON AND NUNAVUT
(the “Jurisdictions”)

AND

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

AND

IN THE MATTER OF
DIVIDEND GROWTH SPLIT CORP.
(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 (the “Application”) from the Filer dated September 27, 2007 for a decision under section 19.1 of National Instrument 81-102 – *Mutual Funds* (the “Legislation”) for exemptive relief from sections 2.6(a), 3.3, 10.3, 10.4, 12.1(1) and 14.1 of the Legislation.

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

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

The Filer

1. The Filer is a mutual fund corporation established under the laws of Ontario.
2. Brompton Funds Management Limited (the “Manager”) is the promoter and manager of the Filer and will perform administrative services on behalf of the Filer.

The Offering

3. The Filer will be issuing preferred shares (the “Preferred Shares”) and class A shares (the “Class A Shares”) (together, referred to as the “Shares”).
4. The offering of Shares by the Filer is a one-time offering and the Filer will not continuously distribute Shares.
5. The Filer’s investment objectives are: (i) to provide holders of Preferred Shares with fixed cumulative preferential quarterly cash distributions in the amount of \$0.13125 per Preferred Share representing a yield on the issue price of the Preferred Shares of 5.25% per annum; (ii) to provide holders of Class A Shares with regular monthly cash distributions targeted to be \$0.10 per Class A Share representing a yield on the issue price of the Class A Shares of 8.0% per annum; (iii) to return the original issue price to holders of Preferred Shares at the time of redemption of such shares on November 30, 2014; and (iv) to provide holders of Class A Shares with the opportunity for growth in net asset value per Class A Share.
6. The net proceeds from the offering will be invested on an equally weighted basis in a portfolio consisting of common shares of 20 high dividend growth rate companies (the “Portfolio”).
7. The Company may from time to time selectively write covered call options on the shares included in the Portfolio in order to generate additional distributable income for the Company.
8. It is proposed that the initial costs of formation and organization of the Filer, including the preparation and filing of the Preliminary Prospectus and final

prospectus, be borne by the Filer rather than the promoter or manager of the Filer.

9. A preliminary prospectus of the Filer dated September 27, 2007 (the "Preliminary Prospectus") has been filed with the securities regulatory authorities in each of the Provinces and Territories of Canada.
10. The Filer intends to establish a credit facility which may be used by the Filer for working capital purposes. The Filer expects that the maximum amount it borrows thereunder will be limited to 5% of NAV. The Filer may pledge Portfolio shares as collateral for amounts borrowed thereunder.

The Shares

11. The Shares are expected to be listed and posted for trading on the Toronto Stock Exchange (the "TSX").
12. The Shares will be retractable at the option of the holder on a monthly and quarterly basis at a price computed by reference to the value of a proportionate interest in the net assets of the Filer. As a result, the Filer will be a "mutual fund" under applicable securities legislation.
13. The description of the retraction process in the Preliminary Prospectus contemplates that the retraction price for the Shares will be determined as of the valuation date, being the second last business day of the month (the "Retraction Date"). As requests for retractions may be made at any time during the month and are subject to a cut-off date (ten business days prior to the Retraction Date), and as the net asset value is calculated weekly, retractions may not be implemented at a price equal to the net asset value next determined after receipt of the retraction request.
14. The retraction procedures described in the Preliminary Prospectus provide that shareholders will receive payment on or before the tenth business day of the month following the Retraction Date.
15. The Preferred Shares have been provisionally rated Pfd-2 by Dominion Bond Rating Service Limited in accordance with the rating criteria applicable to conventional preferred shares issued by a non-mutual fund issuer.
16. The Filer will make distributions to holders of the Preferred Shares on the last business day of February, May, August and November and monthly distributions to holders of the Class A Shares. The record date for shareholders entitled to receive such distributions will be determined in accordance with the requirements of the TSX.

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 relief is granted from the following requirements of the Legislation:

- (a) clause 2.6(a) – to enable the Filer to obtain a credit facility for working capital purposes and provide a security interest over its assets, as stated in paragraph 10 above, so long as the outstanding amount of any such borrowings of the Filer does not exceed 5% of the net assets of the Filer taken at market value at the time of the borrowing;
- (b) section 3.3 – to permit the Filer to bear the expenses of the offering as described in paragraph 8 above, provided that such expenses will not exceed 1.5% of the gross proceeds of the offering;
- (c) section 10.3 – to permit the Filer to calculate the retraction price for the Class A Shares and Preferred Shares in the manner described in the Preliminary Prospectus and on the applicable Retraction Date as defined in the Preliminary Prospectus;
- (d) section 10.4 – to permit the Filer to pay the retraction price for the Class A Shares and the Preferred Shares on the Retraction Payment Date, as defined in the Preliminary Prospectus;
- (e) subsection 12.1(1) – to relieve the Filer from the requirement to file the prescribed compliance reports; and
- (f) section 14.1 – to relieve the Filer from the requirement relating to the record date for the payment of dividends or other distributions, provided that it complies with the applicable requirements of the TSX.

"Vera Nunes"
Assistant Manager, Investment Funds
Ontario Securities Commission

2.1.3 Sterlite Gold Ltd. - s. 1(10)(b)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(b).

November 9, 2007

Stikeman Elliott LLP

5300 Commerce Court
199 Bay Street
Toronto, Ontario
M5L 1B9

Dear Mr. Roy:

Re: Sterlite Gold Ltd. (the "Applicant") - application for an order not be a reporting issuer under the securities legislation of Ontario, Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Quebec and Saskatchewan (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 not 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 not 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 not a reporting issuer.

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

2.1.4 Dawson Creek Capital Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for relief from the take-over bid requirements; offeror wishes to complete acquisition of all the issued and outstanding securities of offeree; offeree is private company with no published market for the securities; acquisition will be completed in compliance with the policies of the TSX Venture Exchange; shareholders will receive prospectus-level disclosure

Applicable Ontario Statutory Provisions

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

October 26, 2007

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

AND

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

AND

IN THE MATTER OF
DAWSON CREEK CAPITAL CORP. (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 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**), do not apply in connection with the acquisition of all the issued and outstanding shares of Lydian Resource Company Limited (**Lydian**) by the Filer (the **Transaction**) (the **Requested Relief**).
2. Under the Mutual Reliance Review System for Exemptive Relief Applications (**MRRS**):

- (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

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

Representations

3. This decision is based on the following facts represented by the Filer:
 - (a) the Filer is incorporated under the *Business Corporations Act* (Alberta) and is a reporting issuer in British Columbia, Alberta and Ontario;
 - (b) the Filer's head office is in Toronto, Ontario;
 - (c) the Filer's common shares are listed on the TSX Venture Exchange (the **Exchange**) and the Filer is classified as a "Capital Pool Company" under the policies of the Exchange;
 - (d) Lydian is incorporated under the laws of Scotland and is not, and has never been, a reporting issuer in any jurisdiction including Canada, nor are any of its securities listed or posted for trading on any exchange or marketplace;
 - (e) Lydian's head office is in Glasgow, Scotland;
 - (f) there is no published market for Lydian's securities;
 - (g) at the time of this Decision, Lydian has 30,604,328 common shares outstanding held by 111 shareholders, of whom
 - (i) 5 registered shareholders reside in British Columbia and hold 430,000 common shares or 1.4% of the outstanding common shares of Lydian;
 - (ii) 12 registered shareholders reside in Ontario and hold 1,020,000 common shares or 3.3% of the outstanding common shares of Lydian; and
 - (iii) the remaining shareholders reside in foreign jurisdictions

- and hold 29,154,328 shares or 95.2% of the outstanding common shares of Lydian;
- (h) All of Lydian's Canadian resident shareholders acquired their shares in reliance upon the registration and prospectus exemptions available in National Instrument 45-106 *Prospectus Exempt Distributions* that are applicable to directors, officers, and their family, close personal friends and close business associates, employees, consultants, and accredited investors;
 - (i) 24 of Lydian's shareholders, holding 52.2% of Lydian's outstanding shares, are either insiders or employees of Lydian or accredited investors resident in Canada as defined in the Legislation;
 - (j) the Transaction will constitute the Filer's "Qualifying Transaction" under the policies of the Exchange;
 - (k) under the policies of the Exchange, the Filer must prepare a detailed disclosure document about the Transaction (the **Disclosure Document**), which will contain prospectus-level disclosure about the Transaction, Lydian and the resulting entity, assuming completion of the Transaction and will substantially comply with the requirements applicable to take-over bid circulars that are specified in the Take-over Bid Requirements;
 - (l) the Filer will file the Disclosure Document with each of the Decision Makers and also deliver the Disclosure Document to each of Lydian's shareholders in Ontario and British Columbia;
 - (m) the Transaction, as the Filer's Qualifying Transaction, will be subject to regulatory oversight of the Exchange and will be subject to the Exchange's sponsorship requirements;
 - (n) the Board of Directors of Lydian is expected to approve the Transaction prior to the Filer making its offer to acquire all the issued and outstanding shares of Lydian;
 - (o) the Transaction will be subject to the shareholders holding over 80% of the shares of Lydian signing a formal, negotiated share exchange agreement that sets out all the terms and conditions of the Transaction;
 - (p) the Filer will treat all of Lydian's shareholders equally under the Transaction;
 - (q) no exemptions from the Take-over Bid Requirements are available to the Filer in connection with the Transaction; and
 - (r) but for the fact that Lydian has greater than fifty shareholders, the proposed Transaction would otherwise satisfy all applicable conditions to qualify for an exemption from the Take-over Bid Requirements under the Legislation.

Decision

Each of the Decision Makers is satisfied that the test 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.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Paul K. Bates"
Commissioner
Ontario Securities Commission

2.1.5 Scotia Cassels Investment Counsel Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to permit portfolio manager, on behalf of mortgage fund, to continue to purchase and sell mortgages from and to affiliates of the portfolio manager past November 1, 2007 – Section 7.2 of National Instrument 81-107 Independent Review Committee for Investment funds causes prior relief to expire on November 1, 2007 – New relief now issued on revised conditions which contemplate IRC approval.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 117(1)(a), 117(1)(c), 118(2)(b), 121(2)(a)(ii).

November 1, 2007

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, ONTARIO, QUEBEC,
NEW BRUNSWICK, NOVA SCOTIA, SASKATCHEWAN
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
SCOTIA CASSELS INVESTMENT COUNSEL LIMITED
(the “Filer”)**

MRRS DECISION DOCUMENT

Background

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

- (a) that the Filer, as portfolio manager of Scotia Mortgage Income Fund (the “Fund”), be exempt from the requirement which prohibits a portfolio manager from causing an investment portfolio managed by it to buy or sell securities of any issuer from or to the account of a responsible person, any associate of the responsible person or the portfolio manager (the “Related Party Relief”); and
- (b) that the Filer be exempt from the obligation to file monthly reports in respect of such related party transactions (the “Reporting Relief”),

((a) and (b) are collectively the “Requested Relief”).

Definitions

“**Current Relief**” means the relief from certain self-dealing prohibitions in securities legislation granted to the predecessor of the Filer by the British Columbia Securities Commission on October 8, 1992, by the Alberta Securities Commission on September 17, 1992, by the Saskatchewan Securities Commission on September 30, 1992, by the Ontario Securities Commission on September 29, 1992, by the Commission des valeurs mobilières du Québec on August 18, 1992, by the Nova Scotia Securities Commission on July 29, 1992, and by the Newfoundland Department of Justice, Securities Division on July 21, 1992.

Representations

- 1. The Filer is a corporation amalgamated under the laws of Canada and has its head office in Toronto, Ontario. It is registered in the categories of investment counsel and portfolio manager in each of the Jurisdictions.
- 2. Scotia Securities Inc. (“SSI”) is a corporation amalgamated under the laws of Ontario. SSI is the trustee and manager of the Fund.
- 3. The Fund is an open-end mutual fund established under the laws of the Province of Ontario.
- 4. The Fund is a reporting issuer under the securities laws of each of the provinces and territories of Canada and is not in default of any requirements of applicable securities legislation.
- 5. The Fund is qualified for distribution in each of the provinces and territories of Canada under a simplified prospectus and annual information form dated October 31, 2006, as amended.
- 6. SSI has appointed an independent review committee (“IRC”) under National Instrument 81-107 *Independent Review Committee for Investment Funds* (“NI 81-107”) for the Fund.
- 7. SSI has appointed the Filer to provide portfolio management and investment advisory services to the Fund. As portfolio manager of the Fund, the Filer is a “responsible person” as defined in the Legislation.
- 8. The investment objective of the Fund is to provide regular interest income. It invests primarily in high quality mortgages on residential properties in Canada.
- 9. The Current Relief permits the Filer, on behalf of the Fund, to purchase and sell mortgages to and from Scotia Mortgage Corporation, an affiliate of BNS, and to sell mortgages to BNS. BNS has agreed to repurchase from the Fund any mortgage purchased from Scotia Mortgage

- Corporation or BNS if the mortgage is in default or is not a valid first mortgage.
10. In reliance on the Current Relief, the Fund currently purchases mortgages for its portfolio from Scotia Mortgage Corporation.
 11. Scotia Mortgage Corporation and BNS are "affiliates" of the Filer within the meaning of the Legislation and accordingly, the Filer is deemed to own securities beneficially owned by Scotia Mortgage Corporation or BNS.
 12. Neither Scotia Mortgage Corporation or BNS, nor any director, officer or employee of either of them participates in the formulation of investment decisions made on behalf of, or advice given to, the Fund by the Filer.
 13. The Filer is prohibited under the Legislation from purchasing or selling, on behalf of the Fund, the securities of any issuer from or to its own account so that the Fund is prohibited from purchasing mortgages from, or selling mortgages to BNS, Scotia Mortgage Corporation or any other affiliate of the Filer, as such mortgages are deemed to be beneficially owned by the Filer.
 14. The Filer seeks greater flexibility to purchase and sell mortgages, on behalf of the Fund, in the event that Scotia Mortgage Corporation is unable for any reason to sell mortgages to the Fund. The Requested Relief, if granted, will permit the Filer greater flexibility to purchase and sell mortgages, on behalf of the Fund, from or to Scotia Mortgage Corporation, BNS, or any other affiliate of the Filer. Accordingly, the Requested Relief will permit the Filer, on behalf of the Fund, to continue to engage in principal trades of mortgages with Scotia Mortgage Corporation, BNS, or any other affiliate of the Filer.
 15. National Instrument 81-107, *Independent Review Committee for Investments* ("NI-81-107") does not provide an exemption for principal trading of the type contemplated by the Requested Relief.
 16. The provisions of National Policy Statement No. 29 set out guidelines relating to the acquisition of mortgages by a mutual fund from lending institutions with whom such fund does not deal at arm's length and provide certain protections to the investing public.
 17. The IRC of the Fund will consider the policies and procedures of SSI and will provide its approval on whether the proposed transactions in mortgages achieve a fair and reasonable result for the Fund in accordance with section 5.2(2) of NI 81-107.
 18. To the extent that the Fund is purchasing mortgages from, or selling mortgages to, BNS, Scotia Mortgage Corporation or another affiliate of the Filer, this fact is set out, and will continue to be set out, in the simplified prospectus and annual information form of the Fund.
 19. The Legislation requires the filing of a report by the Filer with respect to each transaction involving the purchase and sale of mortgages between the Fund and any related person or company ("Related Company") as defined in the Legislation, including BNS, Scotia Mortgage Corporation or another affiliate of the Filer, and with respect to each transaction involving the purchase and sale of a mortgage effected by the Fund in respect of which BNS, Scotia Mortgage Corporation or another affiliate of the Filer receives a fee either from the Fund or the Filer or from both (the "Reporting Requirement").
 20. The Current Relief granted the Filer an exemption from the Reporting Requirement provided that the Filer cause the Fund to file and deliver to each of its unitholders on a semi-annual basis a statement of portfolio transactions prepared in accordance with the Legislation which discloses (a) the total number of mortgages purchased or sold during the period reported upon that were effected through Scotia Mortgage Corporation or BNS, (b) the total cost of mortgages purchased from Scotia Mortgage Corporation and the total consideration for the mortgages sold to Scotia Mortgage Corporation or BNS during the period reported on, and (c) the total fees, if any paid by the Fund, the other party to the transaction or both to Scotia Mortgage Corporation or BNS during the period reported on.
 21. Since the introduction of National Instrument 81-106 *Investment Fund Continuous Disclosure* ("NI 81-106"), mutual funds are no longer required to prepare a statement of portfolio transactions. NI 81-106 now requires the Fund to prepare and file annual and interim management reports of fund performance that include a discussion of transactions involving related parties to the Fund. When discussing portfolio transactions with related parties, NI 81-106 requires the Fund to include the dollar amount of commission, spread, or any other fee paid to a related party in connection with a portfolio transaction.
 22. The Current Relief was originally granted by the Decision Makers in each Jurisdiction, other than New Brunswick. The Current Relief will expire on November 1, 2007 pursuant to the application of Section 7.2 of NI 81-107, which provides that any exemption under a provision of securities legislation that was effective before NI 81-107 came into force and that deals with the matters that NI 81-107 regulates will expire on November 1, 2007.

Decision

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

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

"Robert L. Shirriff"
Commissioner
Ontario Securities Commission

"Lawrence E. Ritchie"
Vice-Chair/Commissioner
Ontario Securities Commission

- (1) With respect to the Related Party Relief:
 - (a) the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Fund;
 - (b) the IRC of the Fund has approved the transaction in accordance with section 5.2(2) of NI 81-107;
 - (c) SSI, as manager of the Fund, complies with section 5.1 of NI 81-107;
 - (d) SSI, as manager of the Fund, and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions; and
 - (e) the Fund keeps the written records required by section 6.1(2)(g) of NI 81-107;
- (2) With respect to the Reporting Relief:
 - (a) the annual and interim management reports of fund performance for the Fund disclose
 - (i) the name of the Related Company,
 - (ii) the amount of fees paid to each Related Company, and
 - (iii) the person or company who paid the fees if they were not paid by the Fund; and
 - (b) the records of portfolio transactions maintained by each Fund include, separately for every portfolio transaction effected by the Fund through a Related Company,
 - (i) the name of the Related Company
 - (ii) the amount of fees paid to the Related Company, and
 - (iii) the person or company who paid the fees.

2.1.6 Advantage Oil & Gas Ltd. - s. 1(10)(b)

Relief requested granted on the 1st day of November, 2007.

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

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

Ontario Statutes

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 1(10)(b).

Citation: Advantage Oil & Gas Ltd. , 2007 ABASC 792

November 1, 2007

Burnet, Duckworth & Palmer LLP

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

Attention: Lindsay Cox

Dear Madam:

Re: Advantage Oil & Gas Ltd. (the Applicant) - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick and Newfoundland and Labrador (the Jurisdictions)

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

As the Applicant has represented to the Decision Makers that:

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

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

2.1.7 Lawrence Income & Growth Fund and Lawrence Asset Management Inc. - MRRS Decision

Headnote

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

Rules Cited

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

November 7, 2007

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

AND

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

AND

**IN THE MATTER OF
LAWRENCE INCOME & GROWTH FUND
(the Fund)**

AND

**LAWRENCE ASSET MANAGEMENT INC.
(the Filer)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer, on behalf of the Fund, for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting the Funds from the following requirements of the Legislation, subject to certain terms and conditions:

- (a) the requirement contained in subsection 2.6(a) of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) prohibiting a mutual fund from providing a security interest over a mutual fund's assets;
- (b) the requirement contained in subsection 2.6(c) of NI 81-102 prohibiting a mutual fund from selling securities short; and

- (c) the requirement contained in subsection 6.1(1) of NI 81-102 prohibiting a mutual fund from depositing any part of a mutual fund's assets with an entity other than the mutual fund's custodian.

Paragraphs (a), (b) and (c) together shall be referred to as the Requested Relief.

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

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

Interpretation

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

Representations

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

1. The Filer is a corporation established under the laws of Ontario and is the trustee and manager of the Fund.
2. The Fund is a mutual fund trust established under the laws of Ontario and a reporting issuer in the Jurisdictions.
3. The Fund is the result of a conversion of a closed-end fund, Lawrence Payout Ratio Trust, to an open-ended mutual fund.
4. The Fund has filed a preliminary prospectus dated September 18, 2007 in each of the Jurisdictions under SEDAR #1159971.
5. Except for specific exemptions or approvals granted by the relevant Decision Makers, the investment practices of the Fund comply in all respects with the requirements of Part 2 of NI 81-102.
6. Notice of the Fund's intention to engage in short selling was provided to unitholders in the management information circular dated August 7, 2007 which was sent to unitholders in connection with the conversion from a closed-end fund to an open-ended mutual fund.
7. Each short sale made by the Fund will be subject to compliance with its investment objective.
8. In order to effect a short sale of securities, the Fund will borrow securities from either its custodian or a dealer (in either case, the

- Borrowing Agent**), which Borrowing Agent may be acting either as principal for its own account or as agent for other lenders of securities.
9. The Fund will implement the following controls when conducting a short sale of securities:
- (a) securities will be sold short for cash, with the Fund assuming the obligation to return to the Borrowing Agent the securities borrowed to effect the short sale;
 - (b) the short sale will be effected through market facilities through which the securities sold short are normally bought and sold;
 - (c) the Fund will receive cash for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;
 - (d) the securities sold short will be "liquid securities" and:
 - (i) the securities will be listed and posted for trading on a stock exchange, and
 - A. the issuer of the security will have either (I) a market capitalization of not less than CDN\$300 million, or the equivalent thereof, at the time the short sale is effected, or (II) a market capitalization of less than CDN\$300 million and not less than CDN\$50 million, or the equivalent thereof, at the time the short sale is effected, and the aggregate (calculated at the time of the short sale) of the securities sold short by the Fund of that issuer shall not exceed the average daily trading volume of the securities sold short over the five days immediately preceding the date on which the short sale is effected; or
 - B. the investment advisor will have pre-arranged to borrow for the
- purposes of such short sale; or
- (ii) the securities will be bonds, debentures or other evidences of indebtedness of or guaranteed by:
 - A. the Government of Canada or any province or territory of Canada; or
 - B. the Government of the United States of America;
- (e) at the time securities of a particular issuer are sold short by the Fund:
 - (i) the aggregate market value of all securities of that issuer sold short by the Fund will not exceed 5% of the net assets of the Fund; and
 - (ii) the Fund will place a "stop-loss" order with a dealer to immediately purchase for the Fund an equal number of the same securities if the trading price of the securities exceeds 120% (or such lesser percentage as the Filer may determine) of the price at which the securities were sold short;
 - (f) the Fund will deposit Fund assets with the Borrowing Agent as security in connection with the short sale transaction;
 - (g) the Fund will keep proper books and records of all short sales and Fund assets deposited with Borrowing Agents as security;
 - (h) the Fund will develop written policies and procedures for the conduct of short sales prior to conducting any short sales; and
 - (i) the Fund will provide disclosure in its simplified prospectus of the short selling strategies and the details of this exemptive relief prior to implementing the short selling strategy.

Decision

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

Decisions, Orders and Rulings

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

1. the aggregate market value of all securities sold short by the Fund does not exceed 20% of the net assets of the Fund on a daily marked-to-market basis;
2. the Fund holds "cash cover" (as defined in NI 81-102) in an amount, including the Fund assets deposited with Borrowing Agents as security in connection with short sale transactions, that is at least 150% of the aggregate market value of all securities sold short by the Fund on a daily marked-to-market basis;
3. no proceeds from short sales of securities by the Fund are used by the Fund to purchase long positions in securities other than cash cover;
4. the Fund maintains appropriate internal controls regarding its short sales, including written policies and procedures, risk management controls and proper books and records;
5. any short sale made by the Fund is subject to compliance with the investment objective of the Fund;
6. for short sale transactions in Canada, every dealer that holds Fund assets as security in connection with short sale transactions by the Fund shall be a registered dealer in Canada and a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund;
7. for short sale transactions outside of Canada, every dealer that holds Fund assets as security in connection with short sale transactions by the Fund shall:
 - (a) be a member of a stock exchange and, as a result, be subject to a regulatory audit; and
 - (b) have a net worth in excess of the equivalent of CDN\$50 million determined from its most recent audited financial statements that have been made public;
8. except where the Borrowing Agent is the Fund's custodian or a sub-custodian thereof, when the Fund deposits Fund assets with a Borrowing Agent as security in connection with a short sale transaction, the amount of Fund assets deposited with the Borrowing Agent does not, when aggregated with the amount of Fund assets already held by the Borrowing Agent as security for outstanding short sale of securities transactions of the Fund, exceed 10% of the net assets of the Fund, taken at market value as at the time of the deposit;
9. the security interest provided by the Fund over any of its assets that is required to enable the Fund to effect short sale transactions is made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions;
10. prior to conducting any short sales, the Fund discloses in its simplified prospectus, or an amendment thereto, a description of: (a) short selling, (b) how the Fund intends to engage in short selling, (c) the risks associated with short selling, and (d) in the investment strategy section of the simplified prospectus, the Fund's strategy and this exemptive relief;
11. prior to conducting any short sales, the Fund discloses in its annual information form, or an amendment thereto, the following information:
 - (a) that there are written policies and procedures in place that set out the objectives and goals for short selling and the risk management procedures applicable to short selling;
 - (b) who is responsible for setting and reviewing the policies and procedures referred to in the preceding paragraph, how often the policies and procedures are reviewed, and the extent and nature of the involvement of the board of directors or trustee of the Fund in the risk management process;
 - (c) the trading limits and other controls on short selling in place and who is responsible for authorizing the trading and placing limits or other controls on the trading;
 - (d) whether there are individuals or groups that monitor the risks independent of those who trade; and
 - (e) whether risk measurement procedures or simulations are used to test the portfolio under stress conditions.
12. the Requested Relief shall terminate upon the coming into force of any legislation or rule of the Decision Makers dealing with matters referred to in subsections 2.6(a), 2.6(c) and 6.1(1) of NI 81-102.

"Vera Nunes"
Assistant Manager
Ontario Securities Commission

2.1.8 Sound Energy Trust - s. 1(10)(b)

Relief requested granted on the 31st day of October, 2007.

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

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

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(b).

Citation: Sound Energy Trust, 2007 ABASC 787

October 31, 2007

Burnet, Duckworth & Palmer LLP

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

Attention: Lindsay Cox

Dear Madam:

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

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

As the Applicant has represented to the Decision Makers that:

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

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

2.1.9 EPCOR Preferred Equity Inc. - s. 1(10)(b)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 1(10)(b).

Citation: EPCOR Preferred Equity Inc., 2007 ABASC 780

October 30, 2007

Macleod Dixon LLP

3700 Canterra Tower
400 Third Avenue SW
Calgary, AB T2P 4H2

Attention: Stacey Scott

Dear Madam:

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

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

As the Applicant has represented to the Decision Makers that:

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

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

met and orders that the Applicant is deemed to have ceased to be a reporting issuer in the Jurisdictions.

Relief requested granted on the 30th day of October, 2007.

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

2.1.10 Diamond Tree Energy Ltd. - s. 1(10)(b)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(b).

Citation: Diamond Tree Energy Ltd., 2007 ABASC 797

November 5, 2007

Gowling Lafleur Henderson LLP

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

Attention: Maria V. Nathanail

Dear Madam:

Re: Diamond Tree Energy Ltd. (the Applicant) - Application to Cease to be a Reporting Issuer under the securities legislation of Alberta and Ontario (the Jurisdictions)

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

As the Applicant has represented to the Decision Makers that:

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

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

Relief requested granted on the 5th day of November, 2007.

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

2.1.11 Velcro Industries N.V. - MRRS Document

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Mutual Reliance Review System for Exemptive Relief Applications – Issuer bid – Exemption from issuer bid requirements of Part XX of Securities Act (Ontario) – De minimis exemption unavailable to Filer – Issuer exempt from portions of Exchange Act, but voluntarily complying with certain provisions applicable to issuer tender offers – Issuer bid to be conducted in accordance with U.S. securities laws for Target shareholders resident in Canada – number of registered shareholders in Ontario is greater than fifty – all shareholders treated equally – Bid exempted from the issuer bid requirements of Part XX, subject to certain conditions.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 93(3)(h), 95-98, 100, 104(2)(c).

Recognition Orders Cited

In the Matter of the Recognition of Certain Jurisdictions (Clauses 93(1)(e) and 93(3)(h) of Act)(1997) 20 OSCB 1035.

November 2, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, MANITOBA,
NEW BRUNSWICK, ONTARIO, QUEBEC
AND SASKATCHEWAN
(The “Jurisdictions”)

AND

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

AND

IN THE MATTER OF
VELCRO INDUSTRIES N.V.
(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 issuer bid requirements contained in the Legislation, including the provisions relating to the delivery of an offer and issuer bid circular and any notices of change or variation thereto, minimum deposit periods and

withdrawal rights, take-up of and payment for securities tendered to an issuer bid, disclosure, financing, restrictions upon acquisition of securities, identical consideration and collateral benefits (collectively, the **Issuer Bid Requirements**), shall not apply to the Filer in connection with its offer to acquire for cash all outstanding shares of its common stock (the **Requested Relief**).

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

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

Interpretation

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

Representations

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

1. The Filer is incorporated and domiciled in Curacao, Netherlands Antilles as a public limited liability company.
2. The Filer's issued share capital as at August 31, 2007 consisted of 30,798,441 shares of common stock, of which 757,951 are shares of treasury stock, resulting in 30,040,490 shares outstanding (the **Shares**, and each a **Share**) as of that date.
3. The Shares are traded on the NASDAQ Capital Market (**Nasdaq**) under the symbol “VELC”.
4. The Filer is a reporting issuer in the province of Quebec because its shares once traded on the Montréal Exchange. It is not a reporting issuer under the securities legislation of any other province or territory in Canada and none of its securities are listed for trading on any Canadian stock exchange. The Filer is not in default of its continuous disclosure obligations under the securities legislation of Quebec.
5. Cohere Limited is a British Virgin Islands corporation which owns approximately 88% of the Shares. The remaining Shares are held by approximately 1600 shareholders (not including objecting beneficial owners), of which approximately 80% are United States resident record holders.
6. According to the list of registered shareholders, as at August 31, 2007 there were 268 registered shareholders in Canada, holding a total of 179,536 Shares, representing approximately

- 0.60% of the outstanding Shares and, of these registered shareholders, there were 212 registered shareholders in Ontario holding approximately 0.52% of the outstanding Shares. In each of the remaining Jurisdictions there were fewer than 50 registered shareholders.
7. According to the analysis of beneficial shareholders obtained by the Filer, as at September 11, 2007 there are 53 beneficial holders in Canada, holding a total of 80,186 Shares, representing approximately 0.27% of the outstanding Shares, with less than 50 holders in each province.
 8. The Filer is a foreign private issuer for purposes of the United States Securities Exchange Act of 1934 (the **Exchange Act**). The Shares have never been registered under Section 12 of the Exchange Act, as they were exempt from registration until July 31, 2006 pursuant to Exchange Act Rule 12g3-2(b) and are currently exempt from registration pursuant to an order of the United States Securities and Exchange Commission (the **SEC**) dated July 31, 2006 (Release No. 34-54241) (the **Exemption**) issued in connection with the registration of Nasdaq as a national securities exchange.
 9. The Filer is not subject to Section 15(d) of the Exchange Act as it has never filed with the SEC a registration statement under the United States Securities Act of 1933. The Filer has never filed a listing application with Nasdaq, and has never registered the Shares under Section 12(b) of the Exchange Act. The Filer is one of only nine foreign private issuers identified by Nasdaq in its application for the Exemption that were trading on Nasdaq in reliance on exemptions from registration under section 12(g) of the Exchange Act pursuant to Rule 12g3-2(b). To the Filer's knowledge, it was one of only thirteen persons (including eight other foreign private issuers and four insurance companies) covered by the Exemption.
 10. The Filer is not an "issuer" within the meaning of Exchange Act Rule 13e-4, because: (i) it does not have a class of equity securities registered pursuant to Section 12 of the Exchange Act; (ii) it is not a closed-end investment company registered under the Investment Company Act of 1940; and (iii) is not required to file periodic reports pursuant to Section 15(d) of the Exchange Act. As a result, the Filer is not subject to Exchange Act Rules 13e-4 and 13e-3, which contain procedural and disclosure requirements of the Exchange Act with respect to issuer tender offers and going private transactions, respectively.
 11. The Exemption expires on August 1, 2009, by which time the Filer will be required to register the Shares under the Exchange Act unless the number of United States resident shareholders of the Filer as of September 30, 2008 is less than 300. Due to the significant additional costs associated with registering the Shares under the Exchange Act, the Filer wishes to reduce the number of U.S. resident holders of Shares to below 300.
 12. By an offer to purchase (the **Offer**) dated October 1, 2007 sent to each shareholder, the Filer is offering to acquire the Shares at a purchase price of US\$21.00 per Share, net to the seller in cash, without interest. The Offer is for any and all outstanding Shares without any condition of minimum tender; however it is a term of the Offer that the Filer will only accept for purchase Shares tendered by a shareholder if such shareholder tenders all of the Shares held by such shareholder, provided that the Filer will accept for purchase Shares registered in the name of a nominee and tendered by such nominee on behalf of a beneficial holder where all of the beneficial holder's Shares held by such nominee are tendered.
 13. The Filer's board of directors has approved the Offer. The board is not making any recommendation as to whether or not shareholders should tender their Shares or refrain from tendering their Shares.
 14. The Offer became effective on October 1, 2007 and is scheduled to expire on November 5, 2007, unless extended by the Filer.
 15. All holders of the Shares will be treated equally and, if the Requested Relief is granted, the holders of the Shares resident in Canada will be entitled to participate in the Offer on the same terms and conditions as those extended to holders of Shares resident in other jurisdictions.
 16. All materials relating to the Offer that have been sent by the Filer to holders of Shares resident in the United States have been concurrently sent to all Canadian holders.
 17. An advertisement summarizing the terms of the Offer was published in the national (U.S.) edition of the Wall Street Journal on October 1, 2007.
 18. Cohere Limited has advised the Filer that it will not tender any Shares pursuant to the Offer.
 19. Following completion of the Offer, if the percentage of Shares held by Cohere Limited increases to 90% or more of the outstanding Shares, the laws of the Netherlands Antilles and the Filer's articles of incorporation would allow Cohere Limited to institute a claim to compel the sale of Shares held by the remaining minority shareholders to Cohere Limited, possibly subject

- to a determination of the value of the Shares in the Netherlands Antilles courts.
20. The Filer is effecting the Offer in compliance with Regulation 14E of the Exchange Act, which applies to tender offers generally and contains rules against fraudulent activities in connection with tender offers. However, because of its unique status under the Exchange Act as described in paragraphs 8. to 10. above, the Filer is not subject to the provisions of the Exchange Act specifically applicable to issuer tender offers (i.e., Rule 13e-4), and to the extent the Filer is complying with such provisions it is doing so on a voluntary basis only.
21. The Offer constitutes an "issuer bid" as defined in the Legislation and is therefore subject to the Issuer Bid Requirements unless otherwise exempt from the Issuer Bid Requirements pursuant to: (i) specific provisions of the Legislation, or (ii) discretionary relief granted by the securities regulator or regulatory authority in each Jurisdiction.
22. Although each Jurisdiction, other than New Brunswick, has recognized the laws of the United States with respect to the *de minimis* exemption from the Issuer Bid Requirements where the bid complies with the requirements of the Exchange Act and the rules made thereunder governing issuer bids and is not exempt therefrom, the Filer cannot rely on this exemption in these Jurisdictions because most of the provisions of the Exchange Act governing issuer tender offers do not apply to the Filer and, to the extent the Filer is complying with such provisions, it is doing so on a voluntary basis only.
23. In New Brunswick, the Filer cannot rely on *de minimis* exemption from the Issuer Bid Requirements in the Legislation because the United States is not a jurisdiction recognized by the New Brunswick Securities Commission for the purposes of this exemption.
24. In Ontario, in addition to the circumstances described in paragraph 22., the Filer cannot rely on the *de minimis* exemption from the Issuer Bid Requirements in the Legislation because the number of registered shareholders with Ontario addresses is not less than 50.
- (a) the Offer is made in compliance with those requirements of the Exchange Act and rules made thereunder governing issuer bids that apply to the Offer, and
- (b) any additional materials relating to the Offer and any amendments thereto that are sent by or on behalf of the Filer to registered shareholders resident in the United States are also concurrently sent to registered shareholders with addresses in the Jurisdictions and copies of such materials are filed with the Decision Makers.

"James E.A. Turner"
Commissioner
Ontario Securities Commission

"Margot Howard"
Commissioner
Ontario Securities Commission

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:

2.1.12 Halcyon Fund Management Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Approvals granted for change of manager, for merger, and for change of custodian - Exemptions granted to allow mutual funds to engage in short selling up to 20% of net assets, subject to certain conditions.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.6(a), 2.6(c), 5.5(1)(a), 5.5(1)(b), 5.5(1)(c), 5.7(1)(a), 5.7(1)(b), 5.7(1)(c), 6.1(1), 19.1.

November 6, 2007

**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 AND NORTHWEST TERRITORIES
(the “Jurisdictions”)**

AND

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

AND

**IN THE MATTER OF
HALCYON FUND MANAGEMENT INC. (the “Filer”)**

AND

**IN THE MATTER OF
HALCYON HIRSCH OPPORTUNISTIC CANADIAN FUND
HALCYON HIRSCH OPPORTUNISTIC
TACTICAL ALLOCATION FUND
HALCYON CANADIAN DEMOGRAPHIC FUND
AND
BLUMONT CAPITAL CORPORATION (“BluMont”)**

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 on behalf of Halcyon Hirsch Opportunistic Canadian Fund (the “**Canadian Fund**”), Halcyon Hirsch Opportunistic Tactical Allocation Fund (the “**Tactical Allocation Fund**”) and Halcyon Canadian Demographic Fund (the “**Demographic Fund**”, and together with the Canadian Fund and Tactical Allocation Fund, the “**Existing Funds**”), for decisions under the

securities legislation of the Jurisdictions (the “**Legislation**”) for:

- (a) approval of the proposed change of manager of Canadian Fund and Tactical Allocation Fund from the Filer to BluMont under paragraph 5.5(1)(a) of National Instrument 81-102 Mutual Funds (“**NI 81-102**”) (the “**Change of Manager Approval**”);
- (b) approval of the merger of Demographic Fund into the Canadian Fund (the “**Merger**”) under paragraph 5.5(1)(b) of NI 81-102 (the “**Merger Approval**”);
- (c) approval of the change of custodian of Canadian Fund and Tactical Allocation Fund under paragraph 5.5(1)(c) of NI 81-102 (the “**Change of Custodian Approval**”); and
- (d) exemptions from restrictions on engaging in short-selling by mutual funds as set out in subsections 2.6(a), 2.6(c) and 6.1(1) of NI 81-102 with respect to Canadian Fund (post Merger), Tactical Allocation Fund and each mutual fund for which BluMont hereafter becomes the manager (the “**Future Funds**”, together with the Existing Funds, the “**Funds**”) (the “**Short-Selling Relief**”).

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

- (e) the Ontario Securities Commission is the principal regulator for this application; and
- (f) 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. Each Fund is or will be an open-end investment trust governed by a declaration of trust under the laws of the province of Ontario. The Filer is the trustee and manager of each of the Existing Funds and its affiliate, Burgeonvest Securities Limited (“**Burgeonvest**”) is the portfolio advisor and principal distributor of the Existing Funds.
- 2. Each of the Funds is or will be a reporting issuer in all the provinces and territories of Canada (other than Nunavut) and is separate and distinct from the other Funds in all respects, including as to its assets and liabilities.

3. Units of the Canadian Fund and the Tactical Allocation Fund are being offered in all provinces and territories (other than Nunavut) under a combined simplified prospectus and annual information form each dated June 11, 2007, as amended by Amendment No. 1 dated August 23, 2007.
4. The investment practices of each Fund comply or will comply in all respects with the requirements of NI 81-102, except to the extent that the Funds have received exemptions from the Decision Makers to deviate from those requirements.

Application for Change of Manager Approval

5. On August 13, 2007, the Filer and BluMont entered into an agreement to transfer the administrative management agreements (the "Management Agreements") of the Canadian Fund and the Tactical Allocation Fund from the Filer back to BluMont, subject to regulatory and unitholder approval.
6. BluMont was incorporated on June 2, 2000 under the *Business Corporations Act* (Ontario), and its head office address is 70 University Avenue, Suite 1200, Toronto, Ontario M5J 2M4. BluMont manages and distributes alternative investment products to Canadian retail investors designed to provide enhanced diversification and return potential outside of traditional equity and fixed income investments. As at August 31, 2007, BluMont had over \$690 million in assets under management.
7. BluMont (and its affiliate, Integrated Investment Management Inc. ("IIMI") prior to January 12, 2001) was previously the trustee and manager of the Existing Funds from the inception date of each Existing Fund to December 1, 2001, on which date BluMont transferred trusteeship and management of the Funds to Burgeonvest. On December 1, 2004, Burgeonvest then transferred ownership and management of the Funds to its affiliate, the Filer. Throughout this period and subsequent to the transfer to Burgeonvest, BluMont or its affiliate IIMI, provided investment advisory and management services to the Existing Funds pursuant to sub-advisory agreements entered into between its predecessor iPerformance Fund Corp. and each of Burgeonvest and the Filer.
8. BluMont is a wholly owned subsidiary of BluMont Capital Inc., which in turn is whole-owned by Toronto based Integrated Asset Management Corp. ("IAM"), a Canadian public company, the outstanding shares of which trade on the Toronto Stock Exchange.
9. IAM is a leading Canadian alternative asset investment management company. As of June

30, 2007, IAM had approximately \$3.0 billion in assets and committed capital under management in private corporate debt, private equity, managed futures, real estate investment management, property management and, through BluMont, alternative retail investments including internally managed hedge funds and structured products.

10. BluMont is registered under the *Securities Act* (Ontario) as an advisor in the categories of investment counsel and portfolio manager and as a mutual fund dealer.
11. Except for the following proposed changes, BluMont intends to administer Canadian Fund and Tactical Allocation Fund in substantially the same manner as has the Filer:
 - (a) Subject to unitholder approval and the granting of the Change of Manager Approval under this decision, the transfer of the Management Agreements to BluMont will result in the concurrent assignment of the applicable Funds' declaration of trust by the Filer to BluMont, as successor manager and successor trustee, and will result in BluMont becoming the trustee and administrative manager of each of Canadian Fund and Tactical Allocation Fund;
 - (b) The distribution agreements relating to each of the Funds will either be terminated or assigned to BluMont;
 - (c) The existing investment management agreement with Burgeonvest will be terminated. BluMont will become the portfolio manager of Canadian Fund and Tactical Allocation Fund and will enter into a new investment advisory agreement pursuant to which BluMont will provide investment advisory and management services to the Funds;
 - (d) Subject to the granting of the Change of Custodian Approval under this decision, the existing custodial services agreements between each of Canadian Fund and Tactical Allocation Fund with CIBC Mellon Trust Company ("CIBC"), as custodian, will be terminated, and each will enter into new custodial services agreements with BMO Nesbitt Burns Inc. ("BMO Nesbitt");
 - (e) Subject to the granting of the Merger Approval under this decision, the Demographic Fund will be merged into Canadian Fund;

- (f) BluMont will make the following name changes:
- Canadian Fund to become “BluMont Canadian Fund”, and
 - Tactical Allocation Fund to become “BluMont North American Fund”;
- (g) The head office of the Funds will change to 70 University Avenue, Suite 1200, P.O. Box 16, Toronto, Ontario M5J 2M4;
- (h) Subject to unitholder approval, the auditors of the Canadian Fund and Tactical Allocation Fund will be changed from BDO Dunwoody to PricewaterhouseCoopers LLP;
- (i) Subject to unitholder approval, BluMont will change the fundamental investment objective of Tactical Allocation Fund. The present investment objective of the Tactical Allocation Fund is to achieve consistent high overall investment returns through the allocation of assets among primarily Canadian equities, fixed income and money market instruments. BluMont proposes to change the investment objective of the Tactical Allocation Fund to achieve superior capital appreciation over both short and long-term horizons primarily by investing in North American equity securities.
- (j) Subject to unitholder approval of the change of investment objective of the Tactical Allocation Fund, BluMont will change the investment strategies of the Tactical Allocation Fund so that the fund may seek to achieve its objective primarily by investing in equity securities of North American companies, which BluMont believes to have the potential for exceptional returns, encompassing mainly mid to smaller capitalized companies;
- (k) Subject to being granted Short-Selling Relief under this decision, the investment strategies of the Tactical Allocation Fund and the Canadian Fund will be changed to allow each of those funds to take short positions, mostly in equity securities, in total not exceeding 20% of the net asset value of the fund; and
- (l) Subject to unitholder approval, and consistent with the proposed change in investment objective and investment strategies set out in paragraphs (i) and (j) above, the performance fee benchmark

of the Tactical Allocation Fund will be changed from a weighting of 45% of the S&P/TSX Total Return Index Value, 45% of the Scotia Capital Markets Universe Bond Index and 10% of the S&P 500's Total Return Index, to a weighting of 50% of the S&P/TSX Small Cap Index and 50% of the S&P MidCap 400.

Application for Merger Approval

11. Subject to unitholder approval and the granting of the Merger Approval under this decision, the Demographic Fund will be merged into the Canadian Fund. The Merger is expected to occur on or about November 2, 2007. The cost of effecting the Merger (consisting primarily of legal, proxy solicitation, printing, mailing and regulatory fees) will be borne by both the Filer and BluMont, and not by either of Demographic Fund or Canadian Fund.
12. The Merger will be structured as follows:
- (i) it is anticipated that, immediately prior to the date of the Merger, all of the security positions of Demographic Fund will be sold and converted to cash or cash equivalents. In this limited circumstance, Demographic Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objective for a brief period of time prior to the Merger;
 - (ii) Canadian Fund will not assume the liabilities of Demographic Fund, and Demographic Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the date of the Merger;
 - (iii) Demographic Fund's remaining assets will be valued and determined and Canadian Fund will acquire the remaining assets in exchange for units of Canadian Fund which will be issued at the applicable class net asset value per unit as of the close of business on the effective date of the Merger;
 - (iv) Demographic Fund will declare payable and distribute to its unitholders a sufficient amount of its net income and net realized capital gains such that it will not be subject to tax under Part I of the *Income Tax Act* (Canada) (the “**Tax Act**”) for its current taxation year;
 - (v) the units of Canadian Fund received by Demographic Fund under the Merger will be distributed to Unitholders of Demographic Fund on a dollar-for-dollar

basis in exchange for their units in Demographic Fund;

- (vi) as soon as reasonably possible following the Merger, the liabilities of Demographic Fund will be satisfied and Demographic Fund will be wound up.

13. Unitholders will continue to have the right to redeem units of Demographic Fund held by them and the right to switch their investment to other mutual funds offered and managed by the Filer until the close of business on the business day before the effective date of the Merger.

14. The Merger will eliminate the administrative and regulatory costs of operating Demographic Fund as a separate mutual fund, which because of its small size (net assets of \$646,693.00 as at the opening of business on September 11, 2007), will no longer be economically viable to operate on a stand alone basis. Unitholders of Demographic Fund will enjoy increased economies of scale as part of the larger continuing Canadian Fund (net assets of \$18,590,479.13 as at the opening of business on September 11, 2007).

15. Prior to completion of the Merger, the Demographic Fund has 38 unitholders, the majority of whom are either employees of the Filer or Blumont, or relatives of such employees.

16. Approval of the Merger is required because the Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102 in the following ways:

- (i) the fundamental investment objective of Demographic Fund is not substantially similar to the fundamental investment objective of Canadian Fund. Although both Demographic Fund and Canadian Fund invest primarily in Canadian securities, Canadian Fund invests in a broad range of sectors and has an expected portfolio turnover rate of at least 100%;
- (ii) the Merger will not qualify as a "qualifying exchange" under the Tax Act; and
- (iii) the meeting materials sent to the unitholders of Demographic Fund on September 12, 2007 did not include the current simplified prospectus and the most recent annual and interim financial statements of Canadian Fund. Those documents were not sent to unitholders of Demographic Fund having regard to the fact set out in paragraph 15 above. Instead of sending those documents, the Filer prominently disclosed in the information circular sent to unitholders of

Demographic Fund that copies of those documents can be obtained by contacting the Filer at Suite 1100, Box 65, 21 King Street West, Hamilton, Ontario L8P 4W7, Tel: (905) 528-0064 or toll free: 1 (888) 317-3133, by faxing a request to the Filer at (905) 528-3540, or visiting www.sedar.com.

Application for Change of Custodian Approval

17. The change of custodian from CIBC to BMO Nesbitt will permit each of Canadian Fund and Tactical Allocation Fund to have the same Borrowing Agent (as defined below) and custodian, facilitating and making more operationally efficient their engaging in short-selling. This would also comply with the requirement in subsection 6.1(1) of NI 81-102 prohibiting a mutual fund from depositing a mutual fund's assets with any entity other than the mutual fund's custodian, which would be the case if the Borrowing Agent and custodian were separate entities.

18. BMO Nesbitt is duly qualified to act as the custodian of the assets of each of Canadian Fund and Tactical Allocation Fund for their assets held in Canada pursuant to section 6.2 of NI 81-102, and the custodial agreements and arrangements to be entered into between Canadian Fund and Tactical Allocation Fund and BMO Nesbitt will be in compliance with Part 6 of NI 81-102.

19. Details of

- (i) the proposed change of manager and trustee of Canadian Fund and Tactical Allocation Fund from the Filer to BluMont;
- (ii) the Merger,
- (iii) the change of investment objectives of Tactical Allocation Fund,
- (iv) the change of the performance fee benchmark for Tactical Allocation Fund, and
- (v) the change of auditor of Canadian Fund and Tactical Allocation Fund from BDO Dunwoody LLP to Pricewaterhouse Coopers LLP,

have been disclosed to unitholders in the notice of meeting and management information circular dated September 12, 2007 sent to unitholders of the Existing Funds and filed on SEDAR under Project Number 01160842. A special meeting of unitholders of the Existing Funds was called for October 12, 2007 to approve the above proposed changes.

Application for Short-Selling Relief

- the short sale is effected; or
20. Subject to the Change of Manager Approval being granted under this decision, Blumont proposes that the Funds be authorized to engage in a limited, prudent and disciplined amount of short-selling. The aggregate market value of all securities sold short by a Fund will not exceed 20% of the net assets of the Fund on a daily marked-to-market basis. Blumont is of the view that permitting the Funds to short-sell on a limited basis would operate as a complement to those Fund's primary discipline of buying securities with the expectation that they will appreciate in market value, yet would provide those Funds with an opportunity to control volatility and enhance performance in declining or volatile markets.
- (B) the investment advisor has pre-arranged to borrow for the purposes of such short sale;
- or
- (ii) the security is a bond, debenture or other evidences of indebtedness of or guaranteed by the Government of Canada or any province or territory of Canada or the Government of the United States of America;
21. Each short sale made by a Fund will be subject to compliance with the investment objectives of such Fund.
- (e) at the time securities of a particular issuer are sold short:
22. In order to effect a short sale, a Fund will borrow securities from either its custodian or a dealer (in either case, the "**Borrowing Agent**"), which Borrowing Agent may be acting either as principal for its own account or as agent for other lenders of securities.
- (i) the aggregate market value of all securities of that issuer sold short by the Fund will not exceed 5% of the total net assets of the Fund; and
- (ii) the Fund will place a "stop-loss" order with a dealer to immediately purchase for the Fund an equal number of the same securities if the 10 day moving average trading price of the securities exceeds 120% (or such lesser percentage as Blumont may determine) of the price at which the securities were sold short;
23. Each Fund will implement the following controls when conducting a short sale:
- (a) securities will be sold short for cash, with the Fund assuming the obligation to return to the Borrowing Agent the securities borrowed to effect the short sale;
- (b) the short sale will be effected through market facilities through which the securities sold short are normally bought and sold;
- (f) the Fund will deposit Fund assets with the Borrowing Agent as security in connection with the short sale transaction;
- (c) the Fund will receive cash for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;
- (g) the Fund will keep proper books and records of all short sales and Fund assets deposited with Borrowing Agents as security;
- (d) the securities sold short will be liquid securities and a "liquid" security is a security which satisfies one of the following conditions:
- (h) the Fund will develop written policies and procedures for the conduct of short sales prior to conducting any short sales; and
- (i) the security is listed and posted for trading on a stock exchange, and
- (i) the Fund will provide disclosure in its simplified prospectus of the short selling strategies and the details of this exemptive relief prior to implementing the short selling strategy.
- (A) the issuer of the security has a market capitalization of not less than CDN\$300 million, or the equivalent thereof, at the time

Decisions

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 decisions has been met.

The decision of the Decision Makers under the Legislation is that:

1. The Change of Manager Approval, the Merger Approval and the Change of Custodian Approval are granted;
2. The Short-Selling Relief is granted to the Funds provided that in respect of each Fund:
 - (a) the aggregate market value of all securities sold short by the Fund does not exceed 20% of the total net assets of the Fund on a daily marked-to-market basis;
 - (b) the Fund holds cash cover (as defined in NI 81-102) in an amount, including the Fund assets deposited with Borrowing Agents as security in connection with short sale transactions, that is at least 150% of the aggregate market value of all securities sold short by the Fund on a daily marked-to-market basis;
 - (c) no proceeds from short sales by the Fund are used by the Fund to purchase long positions in securities other than cash cover;
 - (d) the Fund maintains appropriate internal controls regarding its short sales including written policies and procedures, risk management controls and proper books and records;
 - (e) any short sale made by a Fund is subject to compliance with the investment objectives of the Fund;
 - (f) the Short-Selling Relief will not apply to a Fund that is classified as a money market fund or a short-term income fund;
 - (g) for short sale transactions in Canada, every dealer that holds Fund assets as security in connection with short sale transactions by the Fund shall be a registered dealer in Canada and a member of a self-regulatory organization that is a participating member of the Canadian Investor Protection Fund;
 - (h) for short sale transactions outside of Canada, every dealer that holds Fund

assets as security in connection with short sale transactions by the Fund shall:

- (i) be a member of a stock exchange and, as a result, be subject to a regulatory audit; and
 - (ii) have a net worth in excess of the equivalent of CDN\$50 million determined from its most recent audited financial statements that have been made public;
- (i) except where the Borrowing Agent is the Fund's custodian, when the Fund deposits Fund assets with a Borrowing Agent as security in connection with a short sale transaction, the amount of Fund assets deposited with the Borrowing Agent does not, when aggregated with the amount of Fund assets already held by the Borrowing Agent as security for outstanding short sale transactions of the Fund, exceed 10% of the total net assets of the Fund, taken at market value as at the time of the deposit;
 - (j) the security interest provided by the Fund over any of its assets that is required to enable the Fund to effect short sale transactions is made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions;
 - (k) prior to conducting any short sales, the Fund discloses in its simplified prospectus or an amendment thereto a description of: (a) short selling, (b) how the Fund intends to engage in short selling, (c) the risks associated with short selling, and (d) in the Investment Strategy section of the simplified prospectus, the Fund's strategy and this exemptive relief;
 - (l) prior to conducting any short sales, the Fund discloses in its annual information form or an amendment thereto the following information:
 - (i) that there are written policies and procedures in place that set out the objectives and goals for short selling and the risk management procedures applicable to short selling;

- (ii) who is responsible for setting and reviewing the policies and procedures referred to in the preceding paragraph, how often the policies and procedures are reviewed, and the extent and nature of the involvement of BluMont's investment management committee or the Fund's trustee in the risk management process;
 - (iii) the trading limits or other controls on short selling in place and who is responsible for authorizing the trading and placing limits or other controls on the trading;
 - (iv) whether there are individuals or groups that monitor the risks independent of those who trade; and
 - (v) whether risk measurement procedures or simulations are used to test the portfolio under stress conditions;
- (m) prior to conducting any short sales, the Fund has provided to its securityholders not less than 60 days' written notice that discloses the Fund's intent to begin short selling transactions and the disclosure required in the Fund's simplified prospectus and annual information form as outlined in paragraphs (k) and (l) above, or the Fund's initial simplified prospectus and annual information form and each renewal thereof has included such disclosure; and
- (n) the Short-Selling Relief shall terminate upon the coming into force of any legislation or rule of the Decision Makers dealing with matters referred to in subsections 2.6(a), 2.6(c) and 6.1(1) of NI 81-102.

"Vera Nunes"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.13 Rally Energy Ltd. - s. 1(10)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10).

November 7, 2007

Osler Hoskin & Harcourt LLP

2500 Trans Canada Tower
450 - 1 Street SW
Calgary, AB T2P 5H1

Attention: Heidi Wong

Dear Madam:

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

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

As the Applicant has represented to the Decision Makers that:

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

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

Relief requested granted on the 7th day of November, 2007.

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

**2.1.14 Jones Heward Investment Counsel 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 – Subsection 4.1(1) of National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

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

May 2, 2007

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, 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 (MRRS)
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
JONES HEWARD INVESTMENT COUNSEL INC.
(the “Dealer Manager”)

AND

BMO HARRIS INVESTMENT MANAGEMENT INC.
AND BMO INVESTMENTS INC.
(the “Managers”)

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 Managers and from the Dealer Manager (the Managers and the Dealer Manager together, the “**Applicant**”) for and on behalf of the mutual funds named 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 NuVista Energy Ltd. (the "**Issuer**") during the 60-day period following the completion of the distribution (the "**Prohibition Period**") of the Offering (as defined below), 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 Common Shares on a bought deal basis pursuant to a short form prospectus filed in each of the provinces of Canada, except Québec (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(1) of NI 81-102 in relation to the specific facts of each application.

Interpretation

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

Representations

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

1. The Dealer Manager is a "dealer manager" with respect to the Dealer Managed Funds, and each Dealer Managed Fund is a "dealer managed fund", as such terms are defined in section 1.1 of NI 81-102.
2. The Dealer Manager is the portfolio adviser of the Dealer Managed Funds.
3. The head office of the Dealer Manager is in Toronto, Ontario.
4. 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 (the "**Prospectuses**") that have been prepared and filed in accordance with their respective securities legislation.
5. As described in the Prospectuses, the Manager of one of the Funds, BMO Harris Canadian Special Growth Portfolio, is BMO Harris Investment Management Inc. and the Manager of the other

two Funds, BMO Special Equity Fund and BMO Resource Fund, is BMO Investments Inc. Both Managers are indirect subsidiaries of Bank of Montreal.

6. A final short form prospectus (the "**Final Prospectus**") of the Issuer dated April 12, 2007, has been filed with the Decision Makers in each of the provinces of Canada (except Québec) for which an MRRS decision document evidencing receipt by such Decision Makers was issued on April 12, 2007.
7. According to the Issuer's Final Prospectus, the Offering will be underwritten, subject to certain terms, by a syndicate that includes, among others, BMO Nesbitt Burns Inc. (the "**Related Underwriter**"), an affiliate of the Dealer Manager and the Managers (the Related Underwriter and any other underwriters which are now or may become part of the syndicate, the "**Underwriters**").
8. As disclosed in the Final Prospectus, the Issuer is an independent oil and natural gas company incorporated under the laws of Alberta and engaged in the exploration for, and the acquisition, development and production of, oil and natural gas reserves in the provinces of Alberta and Saskatchewan.
9. As described in a news release of the Issuer dated April 20, 2007 (the "**News Release**"), the Offering closed on April 20, 2007 (the "**Closing Date**"), and was comprised of 2,750,000 Common Shares with aggregate gross proceeds of approximately CAD\$39,875,000.
10. As disclosed in the News Release, the proceeds of the Offering will be used by the Issuer to fund its ongoing capital program and for general corporate purposes. Initially the net proceeds will be used to reduce indebtedness.
11. As further disclosed in the Final Prospectus, the Toronto Stock Exchange (the "**TSX**") has conditionally approved the listing of the Common Shares under the Offering, subject to the Issuer meeting certain requirements. The Issuer's outstanding Common Shares are listed on the TSX under the symbol "NVA".
12. The Term Sheet does not disclose that the Issuer is a "related issuer" as defined in National Instrument 33-105 – *Underwriting Conflicts* ("**NI 33-105**").
13. According to the Final Prospectus, the Issuer may be a "connected issuer" of the Related Underwriter, as defined in NI 33-105, as the Related Underwriter is, directly or indirectly, a wholly-owned subsidiary of a Canadian chartered

- bank that is a lender to the Issuer and to which the Issuer is currently indebted.
14. Despite the affiliation between the Dealer Manager and the Related Underwriter, the Dealer Manager operates independently of the Related Underwriter. In particular, the investment banking and related dealer activities of the Related Underwriter and the investment portfolio management activities of the Dealer Manager are separated by "ethical" walls. Accordingly, no information flows from one to the other concerning their respective business operations or activities generally, except in the following or similar circumstances:
- (a) in respect of compliance matters (for example, the Dealer Manager and the Related Underwriter may communicate to enable the Dealer Manager to maintain up to date restricted-issuer lists 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.
15. The Dealer Managed Funds are not required or obligated to purchase any Common Shares during the Prohibition Period.
16. The Dealer Manager may cause the Dealer Managed Funds to invest in the Common Shares during the Prohibition Period. Any purchase of Common Shares by the Dealer Managed Funds will be consistent with the investment objectives of that Dealer Managed Fund 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.
17. To the extent that the same portfolio manager or team of portfolio managers of the Dealer Manager manages two or more Dealer Managed Funds and other client accounts that are managed on a discretionary basis (the "**Managed Accounts**"), the Common Shares purchased for them will be allocated:
- (a) in accordance with the allocation factors or criteria stated in the written policies or procedures put in place by the Dealer Manager for the Dealer Managed Funds and Managed Accounts, and
- (b) taking into account the amount of cash available to each Dealer Managed Fund for investment.
18. Except as described above, the Dealer Manager has not been involved in the work of the Related Underwriter and the Related Underwriter has not been and will not be involved in the decisions of the Dealer Manager as to whether the Dealer Managed Funds will purchase Common Shares during the Prohibition Period.
19. There will be an independent committee (the "**Independent Committee**") appointed in respect of each Dealer Managed Funds to review such Dealer Managed Funds' investments in the Common Shares during the Prohibition Period.
20. 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 the Managers, the 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 Managers or the Dealer Manager.
21. 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 their respective 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.
22. The Dealer Manager, in respect of the Dealer Managed Funds, will notify a member of staff in the Investment Funds Branch of the Ontario Securities Commission, in writing of any SEDAR Report (as defined below) filed on SEDAR, as soon as practicable after the filing of such a report, and the notice shall include the SEDAR project number of the SEDAR Report and the date on which it was filed.

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

- I. At the time of each purchase of Common Shares (a "**Purchase**") 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 the Related Underwriter.
- II. Prior to effecting any Purchase pursuant to this Decision, the Dealer Managed Fund has in place written policies or procedures to ensure that,
- (a) there is compliance with the conditions of this Decision; and
 - (b) in connection with any Purchase,
 - (i) there are stated factors or criteria for allocating the Common Shares purchased for two or more Dealer Managed Funds and other Managed Accounts, and
 - (ii) there is full documentation of the reasons for any allocation to a Dealer Managed Fund or Managed Account that departs from the stated allocation factors or criteria.
- III. The Dealer Manager does not accept solicitation by the Related Underwriter for the Purchase of Common Shares for the Dealer Managed Funds.
- 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. Each Dealer Managed Fund has an Independent Committee to review the Dealer Managed Fund's investments in the Common Shares during the Prohibition Period.
- VI. The Independent Committee has a written mandate describing its duties and standard of care which, at 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 Funds 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 Funds do 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 Funds do 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 Managers, the Dealer Manager, any portfolio manager of the Dealer Managed Funds, 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 VII above is not paid either directly or indirectly by the Dealer Managed Funds.
- XI. The Dealer Manager files a certified report on SEDAR (the "**SEDAR Report**") in respect of each Dealer Managed Fund, no later than 30 days after the end of the Prohibition Period, that contains a certification by the Dealer Manager that contains:
- (a) the following particulars of each Purchase:
 - (i) the number of Common Shares purchased by the Dealer Managed Funds;
 - (ii) the date of the Purchase and purchase price;
 - (iii) whether it is known whether any Underwriter or syndicate member has engaged in market stabilization activities in respect of the Common Shares;
 - (iv) if the Common Shares were purchased for two or more Dealer Managed Funds and other Managed Accounts of the Dealer Manager, the aggregate

- amount so purchased and the percentage of such aggregate amount that was allocated to each Dealer Managed Fund; and
 - (v) the dealer from whom the Dealer Managed Fund purchased the Common Shares and the fees or commissions, if any, paid by the Dealer Managed Fund in respect of such Purchase;
 - (b) a certification by the Dealer Manager that the Purchase:
 - (i) was made free from any influence by the Related Underwriter or any affiliate or associate thereof and without taking into account any consideration relevant to the Related Underwriter or any associate or affiliate thereof; and
 - (ii) represented the business judgment of the Dealer Manager uninfluenced by considerations other than the best interest of the Dealer Managed Funds, or
 - (iii) was, in fact, in the best interests of the Dealer Managed Funds;
 - (c) confirmation of the existence of the Independent Committee to review the Purchase of the Common Shares by the Dealer Managed Funds, the names of the members of the Independent Committee, the fact that they meet the independence requirements set forth in this Decision, and whether and how they were compensated for their review; and
 - (d) a certification by each member of the Independent Committee that after reasonable inquiry the member formed the opinion that the policies and procedures referred to in Condition II(a) above are adequate and effective to ensure compliance with this Decision and that the decision made on behalf of each Dealer Managed Fund by the Dealer Manager to purchase Common Shares for the Dealer Managed 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 Funds, or
 - (iv) was, in fact, in the best interests of the Dealer Managed Funds.
- 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 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 Managers or Dealer Manager of the Dealer Managed Funds, in response to the determinations referred to above.
- XIII. Each Purchase of Common Shares is made on the TSX.
- XIV. An Underwriter provides to the Dealer Manager written confirmation that the "dealer restricted period" in respect of the Offering, as defined in OSC 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

BMO Mutual Funds (consolidated)

BMO Special Equity Fund
BMO Resource Fund

BMO Harris Private Portfolios

BMO Harris Canadian Special Growth Portfolio

2.1.15 SL Split Corp. and Scotia Capital Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – subdivided offering – the prohibitions contained in the Legislation against trading in portfolio shares by persons or companies having information concerning the trading programs of mutual funds shall not apply to administrator with respect to certain principal trades with the issuer in securities comprising the Issuer's portfolio – Issuer's portfolio consisting of common shares of Sun Life.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 119, 121(2)(a)(ii).

October 31, 2007

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

AND

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

AND

**IN THE MATTER OF
SL SPLIT CORP.**

AND

**IN THE MATTER OF
SCOTIA CAPITAL INC.**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of the Jurisdictions has received an application from the Filers for decisions under the securities legislation (the "**Legislation**") of the Jurisdictions that prohibitions contained in the applicable Legislation prohibiting trading in portfolio shares by persons or companies having information concerning the trading programs of mutual funds (the "**Principal Trading Prohibitions**") shall not apply to Scotia Capital Inc. ("**Scotia Capital**") for Principal Sales and Principal Purchases (both as hereinafter defined) in connection with the initial public offerings (the "**Offerings**") of class A capital shares (the "**Capital Shares**") and class A preferred shares (the "**Preferred Shares**") of SL Split Corp. (the "**Filer**").

Decisions, Orders and Rulings

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

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

The Filer

1. The Filer was incorporated on September 20, 2007 under the *Business Corporations Act* (Ontario). The Filer's head office is located in Ontario.
2. The Filer has filed the Preliminary Prospectus dated September 21, 2007 with each of the Decision Makers in respect of the offerings (the "**Offerings**") of Capital Shares and Preferred Shares to the public.
3. The Filer is a passive investment company whose principal undertaking will be to invest the net proceeds of the Offerings in a portfolio (the "**Portfolio**") of common shares of Sun Life (the "**Sun Life Shares**") in order to generate fixed cumulative preferential distributions for the holders of the Preferred Shares and to enable the holders of Capital Shares to participate in any capital appreciation in the Sun Life Shares after payment of administrative and operating expenses of the Filer. It will be the policy of the Board of Directors of the Filer to pay dividends on the Capital Shares in an amount equal to the dividends received by the Filer on the Sun Life Shares minus the distributions payable on the Preferred Shares and all administrative and operating expenses of the Filer. Initially, holders of Capital Shares will not receive dividends in the ordinary course.
4. The Filer is considered to be a mutual fund, as defined in the Legislation. Since the Filer does not operate as a conventional mutual fund, it has filed a separate application for an exemption from certain requirements of National Instrument 81-102 Mutual Funds.
5. The Capital Shares and Preferred Shares may be surrendered for retraction at any time in the manner described in the Preliminary Prospectus.
6. It will be the policy of the Filer to hold the Sun Life Shares and to not engage in any trading of the Sun Life Shares, except:
 - (i) to fund retractions or redemptions of Capital Shares and Preferred Shares;
 - (ii) following receipt of stock dividends on the Sun Life Shares;
 - (iii) in the event of a take-over bid for any of the Sun Life Shares;
 - (iv) if necessary, to fund any shortfall in the distribution on Preferred Shares;
 - (v) to meet obligations of the Filer in respect of liabilities including extraordinary liabilities; or
 - (vi) certain other limited circumstances as described in the Preliminary Prospectus.
7. The Filer intends to become a reporting issuer under the Legislation by filing a final prospectus (the "**Final Prospectus**") relating to the Offerings. The authorized capital of the Filer will consist of an unlimited number of Capital Shares, an unlimited number of Preferred Shares, an unlimited number of Class B, Class C, Class D and Class E capital shares, issuable in series, an unlimited number of Class B, Class C, Class D and Class E preferred shares, issuable in series, an unlimited number of Class J Shares and an unlimited number of Class S Shares, each having the attributes set forth under the headings "Description of Share Capital" and "Details of the Offerings" commencing on page 17 of the Preliminary Prospectus.
8. The Class J Shares are currently the only voting shares in the capital of the Filer. At the time of filing the Final Prospectus, there will be 150 Class J Shares and 100 Class S non-voting shares issued and outstanding. Scotia Capital will not own any Class J Shares or Class S Shares. The Bank of Nova Scotia ("BNS") will own all of the Class S Shares. SL Split Holdings Corp. will own all of the Class J Shares.
9. The Filer has a Board of Directors which currently consists of three directors. All of the directors are employees of Scotia Capital. Also, the offices of President/Chief Executive Officer and Chief Financial Officer/Secretary of the Filer are held by employees of Scotia Capital. At least three additional, independent directors will be appointed to the Board of Directors of the Filer prior to the filing of the Final Prospectus. The Filer's investment in Sun Life Shares will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Filer.

10. The Sun Life Shares are listed and traded on the Toronto Stock Exchange (the "TSX").
11. The Filer is not, and will not upon the completion of the Offerings be, an insider of Sun Life within the meaning of the Legislation.

The Offerings

12. The net proceeds from the sale of the Capital Shares and Preferred Shares under the Final Prospectus, after payment of commissions to the Agents (as defined in Section 18), expenses of issue and carrying costs relating to the acquisition of the Sun Life Shares, will be used by the Filer to: (i) pay the acquisition cost (including any related costs or expenses) of the Sun Life Shares; and (ii) pay the initial fee payable to BNS for its services under the Administration Agreement (as defined in Section 19).
13. The Final Prospectus will disclose selected financial information and dividend and trading history of the Sun Life Shares.
14. Application will be made to list the Capital Shares and Preferred Shares on the TSX.
15. All Capital Shares and Preferred Shares outstanding on a date approximately five years from the closing of the Offerings (the "Redemption Date") will be redeemed by the Filer on such date.

Scotia Capital

16. Scotia Capital was incorporated under the laws of the Province of Ontario and is a direct, wholly-owned subsidiary of BNS. Scotia Capital is registered under the Legislation as a dealer in the categories of "broker" and "investment dealer" and is a member of the Investment Dealers Association of Canada and a participant in the TSX.
17. Scotia Capital is the promoter of the Filer and will be establishing a credit facility in favour of the Filer in order to facilitate the acquisition of the Sun Life Shares by the Filer.
18. Pursuant to an agreement (the "**Agency Agreement**") to be made between the Filer and Scotia Capital, CIBC World Markets Inc., RBC Dominion Securities Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., Canaccord Capital Corporation, Dundee Securities Corporation, HSBC Securities (Canada) Inc., Desjardins Securities Inc., Raymond James Ltd., GMP Securities L.P., Industrial Alliance Securities Inc. and Wellington West Capital Inc. (collectively, the "**Agents**" and individually, an "**Agent**"), the Filer will appoint the Agents, as its agents, to offer the Capital Shares and Preferred Shares of the Filer on a best efforts basis and the

Final Prospectus qualifying the Offering will contain a certificate signed by each of the Agents in accordance with the Legislation.

19. Pursuant to an administration agreement (the "**Administration Agreement**") to be entered into between BNS and the Filer, the Filer will retain BNS to administer the ongoing operations of the Filer and will pay BNS a quarterly fee of ¼ of 0.25% of the market value of the Sun Life Shares held by the Filer.
20. BNS' and Scotia Capital's economic interest in the Issuer and in the material transactions involving the Issuer are disclosed in the Preliminary Prospectus and will be disclosed in the Final Prospectus under the heading "Interest of Management and Others in Material Transactions" and include the following:
 - (a) agency fees with respect to the Offering;
 - (b) an administration fee under the Administration Agreement;
 - (c) commissions in respect of the acquisition of Sun Life Shares, the disposition of Sun Life Shares to fund a redemption, retraction or purchase for cancellation of the Capital Shares and Preferred Shares;
 - (d) interest and reimbursement of expenses, in connection with the acquisition of Sun Life Shares; and
 - (e) amounts in connection with Principal Sales and Principal Purchases (as described in Sections 21 and 26 below).

The Principal Trades

21. Pursuant to a securities purchase agreement (the "**Securities Purchase Agreement**") to be entered into between the Filer and Scotia Capital Inc. ("**Scotia Capital**"), Scotia Capital has agreed to purchase the Sun Life Shares, as agent for the benefit of the Filer. Scotia Capital will be responsible for the purchase of Sun Life Shares for the Filer. Through Scotia Capital, the Filer will purchase Sun Life Shares in the market on commercial terms or from non-related parties with whom Scotia Capital and the Filer deal at arm's length. Subject to regulatory approval, Scotia Capital may, as principal, sell Sun Life Shares to the Filer (the "**Principal Sales**"). The aggregate purchase price to be paid by the Filer for the Sun Life Shares (together with carrying costs and other expenses incurred in connection with the purchase of Sun Life Shares) will not exceed the net proceeds from the Offerings.
22. Under the Securities Purchase Agreement, Scotia Capital may receive commissions not exceeding

normal market rates in respect of its purchase of Sun Life Shares, as agent on behalf of the Filer, and the Filer will pay any carrying costs or other expenses incurred by Scotia Capital, on behalf of the Filer, in connection with its purchase of Sun Life Shares, as agent on behalf of the Filer. In respect of any Principal Sales made to the Filer by Scotia Capital as principal, Scotia Capital may realize a financial benefit to the extent that the proceeds received from the Filer exceed the aggregate cost to Scotia Capital of such Sun Life Shares. Similarly, the proceeds received from the Filer may be less than the aggregate cost to Scotia Capital of the Sun Life Shares and Scotia Capital may realize a financial loss, all of which is disclosed in the Preliminary Prospectus and will be disclosed in the Final Prospectus.

23. The Preliminary Prospectus discloses and the Final Prospectus will disclose that any Principal Sales will be made in accordance with the rules of the applicable stock exchange and the price paid to Scotia Capital (inclusive of all transaction costs, if any) will not be greater than the price which would have been paid (inclusive of all transaction costs, if any) if the sale had been made through the facilities of the principal stock exchange on which the Sun Life Shares are listed and posted for trading at the time of the sale.
24. Scotia Capital will not receive any commissions from the Filer in connection with the Principal Sales and all Principal Sales will be approved by the independent directors and the independent review committee of the Filer. In carrying out the Principal Sales, Scotia Capital will deal fairly, honestly and in good faith with the Filer. No Principal Sale will take place at a time when Scotia Capital has knowledge of a material fact or material change with respect to Sun Life that has not been generally disclosed.
25. For the reasons set forth in Sections 21 and 22 above, and the fact that no commissions are payable to Scotia Capital in connection with the Principal Sales, in the case of the Principal Sales, the interests of the Filer and the shareholders of the Filer may be enhanced by insulating the Filer from price increases in respect of the Sun Life Shares.
26. In connection with the services to be provided to the Filer pursuant to the Administration Agreement, BNS may sell Sun Life Shares to fund retractions of Capital Shares and Preferred Shares prior to the Redemption Date and upon liquidation of the Sun Life Shares in connection with the final redemption of Capital Shares and Preferred Shares on the Redemption Date. These sales will be made through Scotia Capital as agent on behalf of the Filer, but in certain circumstances, such as where a small number of Capital Shares and Preferred Shares have been

surrendered for retraction, Scotia Capital may purchase Sun Life Shares as principal (the "Principal Purchases") subject to receipt of all regulatory approvals.

27. In connection with any Principal Purchases, Scotia Capital will comply with the rules, procedures and policies of the applicable stock exchange of which they are members and in accordance with orders obtained from all applicable securities regulatory authorities. The Preliminary Prospectus discloses and the Final Prospectus will disclose that Scotia Capital may realize a gain or loss on the resale of such securities.
28. The Administration Agreement will provide that BNS must take reasonable steps, such as soliciting bids from other market participants or such other steps as it, in its discretion, considers appropriate after taking into account prevailing market conditions and other relevant factors, to enable the Filer to obtain the best price reasonably available for the Sun Life Shares so long as the price obtained (net of all transaction costs, if any) by the Filer from Scotia Capital is at least as advantageous to the Filer as the price which is available (net of all transaction costs, if any) through the facilities of the applicable stock exchange at the time of the trade.
29. Scotia Capital will not receive any commissions from the Filer in connection with Principal Purchases and all Principal Purchases will be approved by the independent directors and the independent review committee of the Filer. In carrying out the Principal Purchases, Scotia Capital shall deal fairly, honestly and in good faith with the Filer. No Principal Purchase will take place at a time when Scotia Capital has knowledge of a material fact or material change with respect to Sun Life that has not been generally disclosed.

Decision

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

The decision of the Decision Makers is that the Requested Relief is granted.

"Carol Perry"
Ontario Securities Commission

"Paul Bates"
Ontario Securities Commission

2.1.16 SL Split Corp. - MRRS Decision

Headnote

Mutual Reliance System for Exemptive Relief Applications – Exemptive relief granted to an exchange traded fund from certain mutual fund requirements and restrictions on: borrowing, investments, organizational costs, calculation and payment of redemptions, preparation of compliance reports, and date of record for payment of distributions – Since investors will generally buy and sell units through the TSX, there are adequate protections and it would not be prejudicial to investors.

Applicable Legislative Provisions

National Instrument 81-102 – Mutual Funds, ss. 2.1(1), 2.6(a), 3.3, 10.3, 10.4(1), 12.1(1), 14.1, 19.1.

October 31, 2007

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

AND

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

AND

**IN THE MATTER OF
SL SPLIT CORP.**

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 SL Split Corp. (the “Filer”) for a decision under National Instrument 81-102 Mutual Funds (“NI 81-102”) that the following sections of NI 81-102 (collectively, the “NI 81-102 Requirements”) will not apply to the Filer with respect to the Capital Shares and Preferred Shares proposed to be issued by the Filer as described in a preliminary prospectus dated September 21, 2007 (the “Preliminary Prospectus”):

- (a) subsection 2.1(1), which prohibits a mutual fund from purchasing a security of an issuer if, immediately after the transaction, more than 10 percent of the net assets of the mutual fund, taken at market value at the time of the transaction, would be invested in securities of the issuer;

- (b) subsection 2.6(a), which prohibits a mutual fund from borrowing cash or providing a security interest over any of its portfolio assets except in compliance with subsection 2.6(a);
- (c) section 3.3, which prohibits a mutual fund or its securityholders from bearing the costs of incorporation, formation or initial organization of a mutual fund, or of the preparation and filing of any prospectus;
- (d) section 10.3, which requires that the redemption price of a security of a mutual fund to which a redemption order pertains shall be the net asset value of a security of that class, or series of class, next determined after the receipt by the mutual fund of the order;
- (e) subsection 10.4(1), which requires that a mutual fund shall pay the redemption price for securities that are the subject of a redemption order within three business days after the date of calculation of the net asset value per security used in establishing the redemption price;
- (f) subsection 12.1(1), which requires a mutual fund that does not have a principal distributor to complete and file a compliance report, and accompanying letter of the auditor, in the form and within the time period mandated by subsection 12.1(1); and
- (g) section 14.1, which requires that the record date for determining the right of securityholders of a mutual fund to receive a dividend or distribution by the mutual fund shall be calculated in accordance with section 14.1.

Under the Mutual Reliance Review System for Exemptive Relief Applications

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

Interpretation

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

Representations

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

1. The Filer was incorporated under the Business Corporations Act (Ontario) on September 20, 2007. The Filer’s head office is located in Ontario.

2. The Filer will make offerings to the public (the "Offerings") on a best efforts basis, of class A capital shares (the "Capital Shares") and class A preferred shares (the "Preferred Shares") pursuant to a final prospectus (the "Final Prospectus") in respect of which the Preliminary Prospectus was filed on September 21, 2007.
3. The Capital Shares and the Preferred Shares will be listed for trading on the Toronto Stock Exchange (the "TSX"). An application requesting conditional listing approval has been made by the Filer to the TSX.
4. The Filer is a passive investment company whose principal investment objective is to invest in a portfolio of common shares of Sun Life Financial Inc. (the "Sun Life Shares") in order to generate fixed cumulative preferential distributions for holders of the Filer's Preferred Shares, and to allow the holders of the Filer's Capital Shares to participate in capital appreciation of the Sun Life Shares after payment of administrative and operating expenses of the Filer. It will be the policy of the Board of Directors of the Filer to pay dividends on the Capital Shares in an amount equal to the dividends received by the Filer on the Sun Life Shares minus the distributions payable on the Preferred Shares and all administrative and operating expenses of the Filer. Initially, holders of Capital Shares will not receive dividends in the ordinary course.
5. The expenses incurred in connection with the Offerings (the "Expenses of the Offerings"), being the costs of incorporation, formation and initial organization of the Filer, including the preparation and filing of the Preliminary Prospectus and the Final Prospectus, will be borne by the Filer.
6. The net proceeds of the Offerings (after deducting the agents' fees, Expenses of the Offerings and the Filer's interest and other expenses relating to the acquisition of the Sun Life Shares) will be used by the Filer to fund the purchase of Sun Life Shares.
7. The Filer has established a credit facility with Scotia Capital Inc. ("Scotia Capital") which may be used by the Filer to purchase the Sun Life Shares and which will be repaid in full on the closing of the Offerings. The maximum rate of interest payable on such credit facility will be set out in the Final Prospectus. The Filer also intends to establish a revolving credit facility after the closing of the Offerings, which may be used to fund the payment of a portion of the fixed distributions on the Preferred Shares on a temporary basis if necessary. To the extent that either credit facility is used, the Filer will pledge Sun Life Shares as collateral for amounts borrowed thereunder.
8. It will be the policy of the Filer to hold the Sun Life Shares and to not engage in any trading of the Sun Life Shares, except:
 - (i) to fund retractions or redemptions of Capital Shares and Preferred Shares;
 - (ii) following receipt of stock dividends on the Sun Life Shares;
 - (iii) in the event of a take-over bid for any of the Sun Life Shares;
 - (iv) if necessary, to fund any shortfall in the distribution on Preferred Shares;
 - (v) to meet obligations of the Filer in respect of liabilities including extraordinary liabilities; or
 - (vi) certain other limited circumstances as described in the Preliminary Prospectus.
9. Preferred Share distributions will be funded primarily from the dividends received on the Sun Life Shares and, if necessary, any shortfall will be funded with proceeds from the sale of Sun Life Shares.
10. The record date for the payment of Preferred Share distributions, Capital Share dividends or other distributions of the Filer will be set in accordance with the applicable requirements of the TSX.
11. The Capital Shares and Preferred Shares may be surrendered for retraction at any time. Retraction payments for Capital Shares and Preferred Shares will be made on the Retraction Payment Date (as defined in the Preliminary Prospectus) provided the Capital Shares and the Preferred Shares have been surrendered for retraction at least five business days prior to the Valuation Date (as defined in the Preliminary Prospectus). While the Filer's Unit Value (as defined in the Preliminary Prospectus) is calculated weekly, the retraction price for the Capital Shares and the Preferred Shares will be determined based on the Unit Value in effect as at the Valuation Date.
12. Any Capital Shares and Preferred Shares outstanding on a date approximately five years from the closing of the Offerings, which date will be specified in the Final Prospectus, will be redeemed by the Filer on such date.

Decision

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

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

“Vera Nunes”
Assistant Manager, Investment Funds
Ontario Securities Commission

- (a) subsection 2.1(1) – to enable the Filer to invest all of its net assets in the Sun Life Shares;
- (b) clause 2.6(a) –
 - (i) to enable the Filer to obtain a short-term loan from Scotia Capital to finance the initial acquisition of the Sun Life Shares and provide a security interest over its assets as stated in paragraph 7 above, provided that the loan is paid in full on the closing of the Offerings;
 - (ii) to enable the Filer to provide a security interest over its assets in connection with the revolving credit facility after the closing of the Offerings to permit the Filer to fund the payment of a portion of the fixed distribution of the Preferred Shares on a temporary basis if necessary, so long as the outstanding amount of any such borrowings of the Filer does not exceed 5% of the net assets of the Filer taken at market value at the time of the borrowing;
- (c) section 3.3 – to permit the Filer to bear the Expenses of the Offerings;
- (d) section 10.3 – to permit the Filer to calculate the retraction price for the Capital Shares and Preferred Shares in the manner described in the Preliminary Prospectus and on the applicable Valuation Date as defined in the Preliminary Prospectus;
- (e) subsection 10.4(1) – to permit the Filer to pay the retraction price for the Capital Shares and the Preferred Shares on the Retraction Payment Date, as defined in the Preliminary Prospectus;
- (f) subsection 12.1(1) – to relieve the Filer from the requirement to file the prescribed compliance reports; and
- (g) section 14.1 – to relieve the Filer from the requirement relating to the record date for the payment of dividends or other distributions, provided that it complies with the applicable requirements of the TSX.

2.1.17 Ernst & Young Management Services LP - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – exemptions from registration requirement and prospectus requirement for distribution of limited partnership units by limited partnership set up by professional services firm to family trusts of partners of professional services firm - Relief granted subject to certain conditions.

Applicable Ontario Statutory Provisions

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

November 9, 2007

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

AND

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

AND

**IN THE MATTER OF
ERNST & YOUNG MANAGEMENT SERVICES LP
(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 on behalf of the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the proposed distribution, from time to time, of limited partnership units (LP Units) of Ernst & Young Management Services LP (EY MSLP) to specified investors (as set out below) will not be subject to the Registration Requirement and the Prospectus Requirement (as defined in National Instrument 14-101 – *Definitions*) contained in 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

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

1. Ernst & Young LLP is a limited liability partnership established under the laws of Ontario with offices located in the provinces of British Columbia, Alberta, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia and Newfoundland and Labrador. Ernst & Young LLP may in the future have offices in the other provinces and territories of Canada in which this application is being made.
2. The partners of Ernst & Young LLP (EYLLP Partners) are approximately 274 chartered accountants or their professional corporations.
3. Ernst & Young L.P. is a limited partnership established under the laws of Manitoba.
4. The general partner of Ernst & Young L.P. is EYGP Inc., a wholly-owned subsidiary of Ernst & Young LLP. The limited partners of Ernst & Young L.P. (EYL.P. Partners) are approximately 42 professionals who do not require the chartered accountant designation to carry on their practices or their professional corporations or other holding corporations.
5. All:
 - (a) EYLLP Partners and EYL.P. Partners who are individuals, and
 - (b) in the case of the remainder of the EYLLP Partners and EYL.P. Partners that are corporations or professional corporations, their respective sole shareholders and sole directors,also comprise the partners (EY Services Partners) of Ernst & Young Services (EY Services), a general partnership established under the laws of the Province of Ontario.
6. A professional corporation is a corporation incorporated under the laws of one of the provinces of Canada, which holds, where required, a valid permit or license to practice its profession in such province and all of the shares of which are owned by and the only director of which is an EY Services Partner.

7. EY MSLP is a limited partnership established under the laws of Manitoba on October 30, 2007 which will carry on the business of providing support and ancillary services to Ernst & Young LLP and potentially other entities associated with Ernst & Young LLP. These services will be provided pursuant to one or more services agreements to be entered into by EY MSLP and, initially, Ernst & Young LLP.
8. EY MSLP is not, and has no present intention that it will become, a reporting issuer in any of the Jurisdictions.
9. The general partner of EY MSLP is Clarkson Gordon Services Ltd. (the General Partner), a corporation incorporated under the *Business Corporations Act* (Ontario), all of the issued and outstanding shares of which are beneficially owned by Ernst & Young LLP.
10. EY MSLP will issue LP Units from time to time only to Qualified Persons. A Qualified Person is a family trust that is resident in Ontario for tax purposes (a Family Trust), the beneficiaries of which are limited to any one or more of the following (such beneficiaries being Permitted Beneficiaries):
- (a) an EY Services Partner;
 - (b) the spouse of an individual named in (a);
 - (c) the issue of an individual named in (a) or (b);
 - (d) the spouse of an individual named in (c);
 - (e) the parents or grandparents of an individual named in (a) or (b);
 - (f) the siblings and half-siblings of an individual named in (a) or (b);
 - (g) the spouses of the siblings and half-siblings of an individual named in (a) or (b);
 - (h) the nieces and nephews of an individual named in (a) or (b);
 - (i) the aunts and uncles of an individual named in (a) or (b); and
 - (j) a trust or trusts, all of the beneficiaries of which are any one or more of the persons named in (a), (b), (c), (d), (e), (f), (g), (h) or (i).
11. Each Qualified Person will pay an aggregate subscription amount of \$100 to EY MSLP for the LP Units to be issued to it.
12. No Qualified Person that holds an LP Unit (a Limited Partner) may sell, transfer, assign, pledge, encumber or otherwise dispose of any LP Unit held by such Limited Partner, except:
- (a) for changes in legal (but not beneficial) ownership arising as a result of substitution of the trustee of a Limited Partner with a new trustee; or
 - (b) upon redemption of the LP Unit.
13. As the LP Units are not transferable, except as described above, no market has developed or will develop for the LP Units.
14. If (i) a Limited Partner ceases to be a Qualified Person (including because the EY Services Partner whose Family Trust is the Limited Partner ceases to be an EY Services Partner for any reason), (ii) the Limited Partner purports to sell, transfer, assign, gift, exchange, mortgage, pledge, charge or otherwise dispose of or encumber or deal with its LP Units (other than as permitted in the circumstances described in paragraph 12 above), or (iii) such Limited Partner becomes insolvent or bankrupt or makes a filing or gives a notice of intention to make a proposal or assignment, such Limited Partner will cease to be a Limited Partner and will be entitled to receive from EY MSLP, the amount of \$100 (or such other amount then in the Limited Partner's capital account) in respect of each LP Unit held and the amount of all allocations on such LP Unit that have not yet been distributed, at the point in time which the Limited Partner ceases to be a Limited Partner.
15. EY MSLP may also issue special partnership units (GP Special Units) to the General Partner in consideration for the transfer of certain property presently owned by the General Partner and which is necessary or desirable for the conduct of the business of EY MSLP. Such GP Special Units will be entitled to a non-cumulative return of a fixed percentage per annum and will be redeemable at the option of the General Partner for an amount equal to the fair market value of the property transferred to the Partnership in consideration for the issue of such GP Special Units. The GP Special Units are not transferable, except to a new general partner of EY MSLP.
16. After payment of the return on the GP Special Units, profits and losses of EY MSLP will be allocated as follows: 0.01% to the General Partner and 99.99% to the Limited Partners.
17. Within 120 days of the end of every financial year, the General Partner will prepare and submit, or cause to be prepared and submitted, to the Limited Partners unaudited financial statements comprised of a balance sheet as at the financial

year end and a statement of income and a statement of cash flow of EY MSLP for the year then ended.

Jurisdiction in which the trade takes place, unless such first trade is:

18. No beneficiary of a Family Trust, other than an EY Services Partner, will directly or indirectly contribute money or other assets to the Family Trust in order to finance the acquisition of LP Units, or will be liable for any loan or other financing obtained by the Family Trust for that purpose. No beneficiary of a Family Trust, other than an EY Services Partner and any other beneficiary who is also a trustee, will be involved in the making of any investment decision of the Family Trust.

- (i) a change in legal ownership arising as a result of a substitution of the trustee of a Limited Partner with a new trustee; or
- (ii) to EY MSLP upon redemption.

“Robert L. Shirriff”
Ontario Securities Commission

“Lawrence E. Ritchie”
Ontario Securities Commission

19. Although it is expected that each Family Trust will be resident in the Province of Ontario, the Permitted Beneficiaries may be resident in any province or territory of Canada and may receive beneficial interest in the LP Units. Accordingly, the distribution of the LP Units to the Qualified Persons may entail trades in each province and territory of Canada.

20. EY Services Partners have not been and will not be induced to purchase LP Units by expectation of status or continued status as a partner of EY Services, Ernst & Young LLP or Ernst & Young L.P.

21. Prior to the issuance of LP Units to a Qualified Person, EY MSLP will obtain a written statement (a Statement) from the Qualified Person acknowledging receipt of a copy of the decision (the Decision Document) and further acknowledging the subscriber's understanding that the right to receive continuous disclosure is not available to a Qualified Person in respect of the LP Units.

Decision

Each of the Decision Makers being satisfied that they have jurisdiction to make this decision and that the relevant test contained under the Legislation has been met, the Requested Relief is granted provided that:

- (a) prior to the issuance of LP Units to a Qualified Person, EY MSLP will obtain a Statement from the Qualified Person acknowledging receipt of a copy of the Decision Document and further acknowledging the subscriber's understanding that the right to receive continuous disclosure is not available to a Qualified Person in respect of the LP Units; and
- (b) the first trade in LP Units shall be a distribution or primary distribution to the public under the Legislation of the

2.1.18 Anderson Energy Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – s. 13.1 of National Instrument 51-102 Continuous Disclosure Obligations (NI 51-102) - exemption from the requirement under Part 8 of NI 51-102 to provide the financial statement disclosure in a business acquisition report (BAR) - Filer would have been able to use exemption in s. 8.10(3) to file alternative disclosure except that the transaction was structured for tax reasons as an acquisition of securities of a company incorporated for the specific purpose of acquiring the oil and gas properties and related assets from the vendor.

Citation: Anderson Energy Ltd., 2007 ABASC 833

November 9, 2007

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA AND ONTARIO
(the Jurisdictions)**

AND

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

AND

**IN THE MATTER OF
ANDERSON ENERGY LTD.
(the Filer)**

MRRS DECISION DOCUMENT

Background

1. The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting the Filer from the requirement to include in a business acquisition report (**BAR**) certain financial information in respect of a significant acquisition made by the Filer, on the condition that the Filer include in the BAR certain alternative financial information as more particularly described below (the **Requested Relief**).

Principal Regulator System

2. Under Multilateral Instrument 11-101 *Principal Regulator System (MI 11-101)* and the Mutual Reliance Review System for Exemptive Relief Applications:
 - (a) the Alberta Securities Commission is the principal regulator for the Filer;

- (b) the Filer is relying on the exemption in Part 3 of MI 11-101 in British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador; and
- (c) this MRRS decision document evidences the decision of each Decision Maker.

Interpretation

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

Representations

4. This decision is based on the following facts represented by the Filer:
 - (a) The Filer is a corporation incorporated under the Business Corporations Act (Alberta). Its head office is located in Calgary, Alberta.
 - (b) The Filer is an independent oil and gas company engaged in the business of exploring for, developing, and producing petroleum and natural gas reserves in Alberta and British Columbia.
 - (c) The Filer is a reporting issuer in each of the provinces of Canada and is not, to its knowledge, in default of its obligations as a reporting issuer under the securities legislation of such provinces.
 - (d) On July 25, 2007, the Filer entered into a share purchase and sale agreement (as amended, the Acquisition Agreement) with Pengrowth Corporation (the **Vendor**) providing for the indirect acquisition (the **Acquisition**) by the Filer of certain oil and gas properties and related assets (the **Assets**). The Acquisition was completed on September 1, 2007.
 - (e) Pursuant to the Acquisition Agreement, the Filer acquired 100% of the issued and outstanding shares (the **AcquisitionCo Shares**) of 3210770 Nova Scotia Company (**AcquisitionCo**), a corporation incorporated for the purpose of facilitating the Acquisition.
 - (f) Subsequent to the entering into of the Acquisition Agreement and prior to the closing of the Acquisition, the Vendor indirectly transferred the Assets to AcquisitionCo. AcquisitionCo initially held a partnership interest in the Assets and

- ultimately held the Assets directly. Accordingly, at the time the Acquisition was completed the Assets were held directly by AcquisitionCo.
- (g) The indirect transfer of the Assets from the Vendor to AcquisitionCo was made for the purpose of facilitating the Acquisition in a manner that achieved certain tax and commercial efficiencies for the Vendor.
- (h) The Acquisition constitutes a "significant acquisition" for the Filer within the meaning of Part 8 of National Instrument 51-102 *Continuous Disclosure Obligations (NI 51-102)*. Accordingly, the Filer is required under section 8.2 of NI 51-102 to file a BAR in respect of the Acquisition.
- (i) The required content of the BAR is prescribed in Form 51-102F4.
- (j) Pursuant to Item 3 of Form 51-102F4 and Part 8 of NI 51-102, the Filer would, absent the Requested Relief, be required to include in its BAR for the Acquisition, subject to the exemptions provided therein:
- (i) audited financial statements as at and for the financial year ended December 31, 2006 in respect of the Assets, together with notes thereto;
- (ii) unaudited financial statements as at and for the financial year ended December 31, 2005 in respect of the Assets, together with notes thereto;
- (iii) unaudited financial statements as at and for the six-month interim periods ended June 30, 2007 and 2006 in respect of the Assets;
- (iv) a pro forma balance sheet of the Filer as at June 30, 2007 giving effect to the Acquisition as if it had taken place as at such date; and
- (v) pro forma income statements of the Filer for the financial year ended December 31, 2006 and for the six-month interim period ended June 30, 2007, in each case giving effect to the Acquisition as if it had taken place at January 1, 2006,
- together with pro forma earnings per share.
- (k) Subsection 8.10(3) of NI 51-102 provides an exemption (the **O&G Property Exemption**) from the financial statement disclosure requirements that would otherwise apply under Part 8 of NI 51-102 if the significant acquisition is of a business that is an interest in an oil and gas property, provided that, among other things, the acquisition is not an acquisition of securities of another issuer and the issuer includes in the BAR certain alternative financial disclosure in respect of the interests acquired.
- (l) All of the conditions set forth in subsection 8.10(3) of NI 51-102 are satisfied in the circumstances of the Acquisition except that the Acquisition is an acquisition of securities of another issuer.
- (m) The Acquisition was, in substance, an acquisition by the Filer of an interest in oil and gas properties constituting a business. But for certain tax and commercial efficiencies achieved by structuring the Acquisition as a purchase by the Filer of the AcquisitionCo Shares with the Vendor transferring the Assets to AcquisitionCo prior to closing, the Filer would have acquired the Assets directly from the Vendor and availed itself of the O&G Property Exemption.
- (n) If the O&G Property Exemption was available to the Filer in the circumstances of the Acquisition, then the Filer would be permitted to include in the BAR financial disclosure as at and for the three-months ended March 31, 2007 instead of the six-months ended June 30, 2007 as the conditions set forth in subsection 8.4(4) of NI 51-102 would be satisfied on the basis that: (i) the Assets do not constitute a material departure from the business of the Filer immediately before completion of the Acquisition; (ii) the Filer will not account for the Acquisition as a continuity of interests; and (iii) the short form prospectus of the Filer dated August 7, 2007 (the **Prospectus**) was filed before the date of the Acquisition and included financial disclosure in respect of the Assets (as contemplated by the O&G Property Exemption) for the three-months ended March 31, 2007.
- (o) The Filer seeks a decision of the Decision Makers under section 13.1 of NI 51-102 exempting the Filer from the

requirement to include in the BAR to be filed in respect of the Acquisition the financial statements and other information required pursuant to Item 3 of Form 51-102F4, provided that the BAR includes the Alternative Financial Disclosure described below.

(p) The Filer proposes to include in the BAR to be filed in respect of the Acquisition:

(i) an unaudited schedule of revenues, royalties and operating expenses in respect of the Assets for the three months ended March 31, 2007 and 2006;

(ii) an audited schedule of revenues, royalties and operating expenses in respect of the Assets for the financial year ended December 31, 2006 and an unaudited schedule of revenues, royalties and operating expenses in respect of the Assets for the financial year ended December 31, 2005;

(iii) unaudited pro forma consolidated schedule of revenues, royalties and operating expenses of the Filer as at and for the three months ended March 31, 2007 and for the year ended December 31, 2006;

(iv) a description of the Assets and disclosure regarding the annual oil and gas production volumes from the Assets, as contemplated in clauses 8.10(3)(e)(iii) and (iv) of NI 51-102; and

(v) information regarding estimated reserves and related future net revenue attributable to the Assets and estimated oil and gas production volumes therefrom, as contemplated in paragraph 8.10(3)(g) of NI 51-102

(collectively, the **Alternative Financial Disclosure**).

(q) The Alternative Financial Disclosure is consistent with the financial disclosure in respect of the Assets and the Acquisition that was included in the Prospectus.

Decision

5. The Decision Makers being satisfied that they have jurisdiction to make this decision and that the relevant test under the Legislation has been met, the decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the Filer includes the Alternative Financial Disclosure in the BAR to be filed in respect of the Acquisition.

"Blaine Young"
Associate Director, Corporate Finance
Alberta Securities Commission

**2.1.19 Payment Services Interactive Gateway Corp. -
s. 1(10)**

"Erez Blumberger"
Manager, Corporate Finance
Ontario Securities Commission

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10).

November 12, 2007

Torys LLP

Suite 3000, 79 Wellington St. W.
Box 270, TD Centre
Toronto, ON M5K 1N2

Attention: Raymond Archer

Dear Sirs/Mesdames:

**Re: Payment Services Interactive Gateway Corp.
(the "Applicant") - application for an order not
to be a reporting issuer under the securities
legislation of Alberta and Ontario (the
"Jurisdictions")**

The Applicant has applied to the local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions for a decision under the securities legislation (the Legislation") of the Jurisdictions not 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 not 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 not a reporting issuer.

2.1.20 TD Asset Management Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to permit portfolio manager, on behalf of mortgage funds, to continue to purchase and sell mortgages from and to certain affiliates past November 1, 2007 – Section 7.2 of National Instrument 81-107 Independent Review Committee for Investment funds causes prior relief to expire on November 1, 2007 – New relief now issued on revised conditions which contemplate IRC approval.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.2, 19.1.
National Instrument 81-107 Independent Review Committee for Investment Funds, s. 7.2.

October 31, 2007

**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, NORTHWEST
TERRITORIES, YUKON AND NUNAVUT
(THE JURISDICTIONS)**

AND

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

AND

**IN THE MATTER OF
TD ASSET MANAGEMENT INC. (THE FILER)**

AND

**TD MORTGAGE FUND, TD SHORT TERM BOND FUND,
TD MONTHLY INCOME FUND,
TD PRIVATE CANADIAN BOND INCOME FUND,
TD PRIVATE CANADIAN CORPORATE BOND FUND
AND TD PRIVATE CANADIAN BOND RETURN FUND**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer, in its own capacity and on behalf of TD Mortgage Fund, (the **Mortgage Fund**), TD Short Term Bond Fund and TD Monthly Income Fund (collectively, the **Income Funds**), TD Private Canadian Bond Income Fund, TD Private Canadian Corporate Bond Fund and TD Private Canadian Bond Return Fund

(collectively, the **Private Funds** and together with the Mortgage Fund and Income Funds, the **Funds**, and individually, the **Fund**) for a decision under the securities legislation of the Jurisdictions (the Legislation) granting an exemption from the requirement in section 4.2 of National Instrument 81-102 *Mutual Funds (NI 81-102)* which prohibits the purchase and sale of mortgages between the Funds and affiliates of the Filer if such persons or companies are acting as principal (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.

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 established under and governed by the laws of Ontario and is the manager and trustee of each of the Funds. It is registered with all the provincial and territorial securities regulators as an investment counselor and portfolio manager or their equivalents, registered as a limited market dealer with the OSC and the Securities Commission of Newfoundland and Labrador, and registered as a commodity trading manager with the OSC. The Filer is a wholly-owned subsidiary of The Toronto-Dominion Bank (the **Bank**). The head office of the Filer is located in Toronto, Ontario.
2. Each of the Funds is an open-ended mutual fund trust established under the laws of Ontario. Units of the Funds are qualified for sale in each of the provinces and territories of Canada (the **Prospectus Jurisdictions**) under a number of simplified prospectuses and annual information forms filed in and accepted by each of the Prospectus Jurisdictions (collectively, such prospectuses and annual information forms are referred to herein as the **Prospectus**).
3. The investment objective of the Mortgage Fund, as disclosed in its current Prospectus, is to provide a steady stream of interest income by investing in a diversified portfolio consisting primarily of high-quality Canadian residential mortgages bought from and administered by the TD Bank Financial Group. It may invest in uninsured conventional mortgages, mortgages

- insured under the National Housing Act or by an insurance company and Canadian mortgage-backed securities.
4. The Income Funds and the Private Funds are not precluded from investing in "guaranteed mortgages" as defined in National Instrument 81-102 - Mutual Funds.
 5. The Funds were granted the requested relief in connection with the purchase and sale of mortgages between the Funds and the Bank and The Canada Trust Company (collectively, the **TDAM Affiliates** or a **TDAM Affiliate**) pursuant to an MRRS Decision Document dated October 19, 2001 (the **Prior MRRS Decision**) and a letter dated October 19, 2001, (the **Prior 81-102 Relief**) (the Prior MRRS Decision and Prior 81-102 Relief are collectively, the **Prior Relief**).
 6. Section 7.2 of National Instrument 81-107 *Independent Review Committee for Investment Funds (NI 81-107)* will cause the Prior Relief to expire on November 1, 2007. Section 7.2 of NI 81-107 provides that any exemption under a provision of securities legislation that was effective before NI 81-107 came into force and that deals with the matters that NI 81-107 regulates will expire on November 1, 2007. Accordingly, the Prior Relief will expire on November 1, 2007.
 7. NI 81-107 does not provide an exemption for principal trading of securities of the type contemplated by the Requested Relief.
 8. The Filer will not cause any Income Fund or Private Fund to purchase guaranteed mortgages, whether or not from the TDAM Affiliates if, immediately after the purchase, more than 10 percent of the net assets of the Income Fund or Private Fund, taken at market value at the time of the purchase, would consist of guaranteed mortgages.
 9. National Policy Statement No. 29 (**NP 29**) permits a mutual fund to acquire mortgages from a lending institution on a non-arm's length basis, subject to compliance with specified pricing or valuation and disclosure conditions.
 10. The Filer will cause a Fund to purchase/sell a mortgage (in the case of the Mortgage Fund) or a guaranteed mortgage (in the case of the Income Funds and the Private Funds) from/to a TDAM Affiliate only if
 - (a) the transaction is made in accordance with clause 2.4(c) of Section III of NP 29 such that:
 - (i) the purchase or sale is made at the principal amount which will produce a yield to the Fund of not more than a quarter of one percent less than the interest rate at which the TDAM Affiliate is making commitments, at the time of purchase, to loan on the security of comparable mortgages or guaranteed mortgages; and
 - (ii) in the case of a purchase of a mortgage or guaranteed mortgage, as the case may be,
 - (A) the TDAM Affiliate that sells it to the Fund enters into an agreement (the **Repurchase Agreement**) with the Fund whereby the TDAM Affiliate that sells the mortgage or guaranteed mortgage is obligated to repurchase it if the mortgage or guaranteed mortgage goes into default for more than 90 days and in circumstances benefiting the Fund,
 - (B) the Filer considers that the Repurchase Agreement is sufficient to justify the difference in yield referred to in subparagraph (a) above; and
 - (b) the Bank guarantees the performance of the other TDAM Affiliate under the Repurchase Agreement referred to in paragraph (a)(ii)(A) above.
 - (c) the Filer causes the Funds to comply with the disclosure provisions of Section IV of NP 29; and
 - (d) the Filer causes each Fund to include disclosure in its Prospectus that the Fund will engage in principal transactions in mortgages or guaranteed mortgages, as the case may be, with the TDAM Affiliates.
 11. An independent review committee (**IRC**) has been constituted for each of the Funds, and other mutual funds managed by the Filer in accordance with the requirements of NI 81-107.
 12. The IRC has, or prior to November 1, 2007 will have, reviewed and assessed the adequacy and effectiveness of the Filer's Mortgage Fund Policies and Procedures regarding the purchase and sale

of mortgages between the Funds and the TDAM Affiliates (**Mortgage Transactions**) and issued standing instructions to the Filer approving Mortgage Transactions carried out in accordance with the Filer's Mortgage Fund Policies and Procedures.

13. In the absence of this Decision, the purchase and sale of mortgages between the Funds and the TDAM Affiliates is prohibited.

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 Makers hereby grant the Requested Relief, provided that:

- (a) the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Fund;
- (b) the IRC of the Fund has approved the transaction in accordance with section 5.2(2) of NI 81-107;
- (c) the manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions; and
- (d) the Fund keeps the written records required by section 6.1(2)(g) of NI 81-107.

"Vera Nunes"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.21 Scotia Securities Inc. and Scotia Mortgage Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted to permit portfolio manager, on behalf of mortgage fund, to continue to purchase and sell mortgages from and to certain related persons/companies past November 1, 2007 – Section 7.2 of National Instrument 81-107 Independent Review Committee for Investment funds causes prior relief to expire on November 1, 2007 – New relief now issued on revised conditions which contemplate IRC approval.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.2, 19.1.
National Instrument 81-107 Independent Review Committee for Investment Funds, s. 7.2.

October 31, 2007

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

AND

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

AND

**IN THE MATTER OF
SCOTIA SECURITIES INC.
(the Filer)**

AND

**IN THE MATTER OF
SCOTIA MORTGAGE INCOME FUND
(the Fund)**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (**Decision Maker**) in each of the Jurisdictions received an application (the **Application**) from the Filer on behalf of the Fund under section 19.1 of National Instrument 81-102 Mutual Funds (**NI 81-102**) for relief from the prohibition in Section 4.2 of NI 81-102 which prevents a mutual fund from purchasing a security from or selling a security to any of the following persons or companies:

Decisions, Orders and Rulings

1. the manager, portfolio adviser or trustee of the mutual fund;
 2. a partner, director or officer of the mutual fund or of the manager, portfolio adviser or trustee of the mutual fund;
 3. an associate or affiliate of a person or company referred to in paragraph 1 or 2; or
 4. a person or company, having fewer than 100 securityholders of record, of which a partner, director or officer of the mutual fund or a partner, director or officer of the manager or portfolio adviser of the mutual fund is a partner, director, officer or securityholder,
2. The Fund is an open-end mutual fund established under the laws of the Province of Ontario.
 3. The Fund is a reporting issuer under the securities laws of each of the provinces and territories of Canada and is not in default of any requirements of applicable securities legislation.
 4. The Fund is qualified for distribution in each of the provinces and territories of Canada under a simplified prospectus and annual information form dated October 31, 2006, as amended.
 5. The Filer has appointed an independent review committee (**IRC**) under National Instrument 81-107 Independent Review Committee for Investment Funds (**NI 81-107**) for the Fund.

if such persons or companies are acting as principal (the **Requested Relief**).

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

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

Interpretation

Defined terms contained in National Instrument 14-101 Definitions (**NI 14-101**) and in NI 81-102 have the same meaning in this Decision unless they are otherwise defined in this Decision. The following additional terms shall have the following meanings:

“**BNS**” means The Bank of Nova Scotia;

“**Current Relief**” means the relief from certain self-dealing prohibitions in securities legislation granted to the predecessor of the Filer by the British Columbia Securities Commission on October 8, 1992, by the Alberta Securities Commission on September 17, 1992, by the Saskatchewan Securities Commission on September 30, 1992, by the Ontario Securities Commission on September 29, 1992, by the Commission des valeurs mobilières du Québec on August 18, 1992, by the Nova Scotia Securities Commission on July 29, 1992, and by the Newfoundland Department of Justice, Securities Division on July 21, 1992; and

“**Portfolio Manager**” means Scotia Cassels Investment Counsel Limited.

Representations

1. The Filer is a corporation amalgamated under the laws of Ontario. The Filer has its head office in Toronto, Ontario. The Filer is the trustee and manager of the Fund.
6. The Portfolio Manager is a corporation amalgamated under the laws of Canada and is registered in the categories of investment counsel and portfolio manager in each of the Jurisdictions.
 7. The Filer has appointed the Portfolio Manager to provide portfolio management and investment advisory services to the Fund.
 8. The investment objective of the Fund is to provide regular interest income. It invests primarily in high quality mortgages on residential properties in Canada.
 9. The Current Relief permits the Portfolio Manager, on behalf of the Fund, to purchase and sell mortgages to and from Scotia Mortgage Corporation, an affiliate of BNS, and to sell mortgages to BNS. BNS has agreed to repurchase from the Fund any mortgage purchased from Scotia Mortgage Corporation or BNS if the mortgage is in default or is not a valid first mortgage.
 10. In reliance on the Current Relief, the Fund currently purchases mortgages for its portfolio from Scotia Mortgage Corporation.
 11. The Current Relief granted an exemption from prohibitions in the securities legislation of various Jurisdictions applicable to purchases and sales of mortgages to and from Scotia Mortgage Corporation and sales of mortgages to BNS by the Portfolio Manager on behalf of the Fund. The Current Relief, however, did not include relief from section 4.2 of NI 81-102 for these transactions. Through inadvertence, when NI 81-102 came into force, the Fund did not apply for relief from section 4.2 of NI 81-102. Accordingly, for the Fund to continue with these transactions, the Requested Relief is required.
 12. Neither Scotia Mortgage Corporation or BNS, nor any director, officer or employee of either of them participates in the formulation of investment

- decisions made on behalf of, or advice given to, the Fund by the Portfolio Manager.
13. Section 4.2 of NI 81-102 prohibits a mutual fund from purchasing a security from or selling a security to an associate or affiliate of the manager, portfolio adviser or trustee of the mutual fund.
14. As the Fund, Scotia Mortgage Corporation and BNS are “affiliates” of the Filer and of the Portfolio Manager, the Fund is prohibited from purchasing mortgages from or selling mortgages to Scotia Mortgage Corporation, BNS or any other affiliate.
15. Paragraph 4.3(1) of NI 81-102 provides an exemption if, among other conditions, the price payable for the mortgages is not more than the ask price of the security as reported by any available public quotation in common use (in the case of a purchase by the Fund) or not less than the bid price of the security as reported by any available public quotation in common use (in the case of a sale by the Fund).
16. The Fund is not able to rely on paragraph 4.3(1) of NI 81-102 because purchases of mortgages will not be made on an exchange as required by paragraph 4.3(1) of NI 81-102.
17. The Fund seeks greater flexibility to purchase and sell mortgages in the event that Scotia Mortgage Corporation is unable for any reason to sell mortgages to the Fund. The Requested Relief, if granted, will permit the Fund greater flexibility to purchase and sell mortgages from or to Scotia Mortgage Corporation, BNS, or any other affiliate of the manager, portfolio adviser or trustee of the Fund. Accordingly, the Requested Relief will permit the Portfolio Manager, on behalf of the Fund, to continue to engage in principal trades of mortgages with Scotia Mortgage Corporation and BNS, in addition to allowing the Fund to engage in principal trades with any other affiliate of the Filer or the Portfolio Manager.
18. NI 81-107 does not provide an exemption for principal trading of the type contemplated by the Requested Relief.
19. The provisions of National Policy Statement No. 29 set out guidelines relating to the acquisition of mortgages by a mutual fund from lending institutions with whom such fund does not deal at arm’s length and provide certain protections to the investing public.
20. The IRC of the Fund will consider the policies and procedures of the Filer and will provide its approval on whether the proposed transactions in mortgages achieve a fair and reasonable result for the Fund in accordance with section 5.2(2) of NI-81-107.

21. To the extent that the Fund is purchasing mortgages from, or selling mortgages to, BNS, Scotia Mortgage Corporation or another affiliate of the Applicant or the Portfolio Manager, this fact is set out, and will continue to be set out, in the simplified prospectus and annual information form of the Fund.

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 is that the Requested Relief is granted on the conditions that:

- (a) the purchase or sale is consistent with, or is necessary to meet, the investment objective of the Fund;
- (b) the IRC of the Fund has approved the transaction in accordance with section 5.2(2) of NI 81-107;
- (c) SSI, as manager of the Fund, complies with section 5.1 of NI 81-107;
- (d) SSI, as manager of the Fund, and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions; and
- (e) the Fund keeps the written records required by section 6.1(2)(g) of NI 81-107.

“Vera Nunes”
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.22 Oil Sands Sector Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Filer seeking relief from the requirement in section 107 of the Act that it file insider reports in accordance within 10 days of each purchase of its own trust units for cancellation – Filer required by its declaration of trust to acquire up to 1.25% of its outstanding trust units in any calendar quarter when the closing market price is less than 95% of its latest net asset value – Filer unable to rely on the exemption to the insider reporting requirement in section 6.1 of NI 55-101 because it is not acquiring its trust units for cancellation under a normal course issuer bid (NCIB) – decision permits Filer to report its acquisitions for cancellation on the same monthly basis as if the trust units were acquired under an NCIB.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 107, 121(2)(a)(ii).
National Instrument 55-101 Insider Reporting Exemptions, Part 6.
National Instrument 55-102 System for Electronic Disclosure by Insiders, s. 2.2.

November 6, 2007

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

AND

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

AND

IN THE MATTER OF
OIL SANDS SECTOR FUND
(the Filer)

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the **Decision Maker**) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer be exempt from the requirement under the Legislation to file an insider report (the **Insider Report**) in the prescribed format within 10 days of a purchase of its own units (the **Units**) in connection with the Filer's obligation to purchase for cancellation its Units in

accordance with the terms of its declaration of trust (the **Requested Relief**).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

Interpretation

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

Representations

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

1. The Filer is a closed-end investment trust established under the laws of Ontario pursuant to a declaration of trust dated as of February 24, 2006 (the **Declaration of Trust**).
2. Markland Street Asset Management Inc. (the **Manager**), a corporation incorporated pursuant to the Canada Business Corporations Act, is the manager and trustee of the Filer.
3. The head and principal office of the Filer and the Manager is located in Toronto, Ontario.
4. The Filer is a reporting issuer in each of the Jurisdictions.
5. To its knowledge, the Filer is not in default of any requirements under the Legislation.
6. The Units are listed and posted for trading on the Toronto Stock Exchange (the **TSX**) under the trading symbol "OSF.UN". As of December 31, 2006, 42,640,100 Units were issued and outstanding.
7. Each Unit represents an equal, undivided beneficial interest in the net assets of the Filer.
8. The Filer's objective is to invest in securities of issuers that are active in the oil-sands sector and the broader energy sector.
9. Pursuant to the Filer's Declaration of Trust and subject to compliance with any applicable regulatory requirements, the Filer is obligated to purchase Units for cancellation (the **Mandatory Market Purchase Program** or **MMPP**) on and subject to the following terms:

- (a) if, on any business day the closing price of the Units on the TSX (or such other exchange or market on which the Units are then listed if the Units are no longer listed on the TSX) is less than 95% of the net asset value of the Filer (the **NAV**) per Unit on such business day, on the following business day the Filer will offer to purchase for cancellation certain of the Units listed on the TSX (or such other exchange or market on which the Unit are then listed if the Units are no longer listed on the TSX) at prices that are less than 95% of the latest NAV per Unit in one or more trades;
- (b) commencing with the first full calendar year, the maximum number of Units that the Filer shall purchase pursuant to the Mandatory Market Purchase Program in any three-month calendar quarter will be 1.25% of the number of Units outstanding at the beginning of such period; and
- (c) the Filer shall not be required to purchase Units pursuant to the Mandatory Market Purchase Program if:
- (i) in the opinion of the Manager, the Filer lacks the cash, debt capacity or other resources to make such purchases;
- (ii) in the opinion of the Manager, such market purchases would adversely affect the ongoing activities of the Filer or the remaining Unitholders; or
- (iii) the Manager reasonably believes that the Filer would be required to make an additional distribution in respect of the year to Unitholders of record on the last business day of December of such year in order that the Filer will generally not be liable to pay income tax after the making of such purchase.
10. The Filer's intention to purchase for cancellation its own Units under the MMPP has been publicly disclosed on numerous occasions, including in the Filer's preliminary long form prospectus dated January 27, 2006, in the final long form prospectus dated February 24, 2006, in the marketing of the Filer's initial public offering to investors and in the Declaration of Trust filed on SEDAR pursuant to National Instrument 13-101 *System for Electronic Document Analysis and Retrieval* (**NI 13-101**).
11. The Filer, as an insider under the Legislation, must file an Insider Report in each of the Jurisdictions, except Nova Scotia, within 10 days of each purchase of its own Units.
12. National Instrument 55-101 – *Insider Reporting Exemptions* (**NI 55-101**), provides for exceptions to the requirement to file an Insider Report to reflect a change in direct or indirect beneficial ownership of or control over securities of a reporting issuer within 10 days of the date such change takes place which permits monthly filing of insider trading reports for acquisitions by an issuer of its own securities under a normal course issuer bid (the **NCIB**).
13. The obligation of the Filer to purchase for cancellation its own trust Units is comparable to an NCIB as the Filer is acquiring securities of its own issue to a maximum in any calendar quarter of 1.25% of the number of Units outstanding at the beginning of that calendar quarter.
14. The Filer wishes to be permitted to file an Insider Report within 10 days after the end of the month in which the purchase and cancellation of Units by the Filer occurred, rather than being required file an Insider Report within 10 days after each such purchase and cancellation.

Decision

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

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

- (a) the relief shall only relieve the Filer, as an insider of the Filer, from its obligation under the Legislation to report its purchase and cancellation of its own Units pursuant to its Declaration of Trust within 10 days of the date the purchase and cancellation takes place, and will not apply to any other insider transaction of the Filer;
- (b) the purchase and cancellation of Units by the Filer will be carried out in accordance with the terms and conditions of the Declaration of Trust;
- (c) the Filer remains the direct and beneficial owner of the Units between the date of purchase from unitholders and the date the Units are cancelled;
- (d) the Filer files an Insider Report, disclosing each acquisition of Units by it under the Declaration of Trust, within 10

days of the end of the month in which each acquisition of Units under the MMPP occurs;

- (e) the Filer remains a reporting issuer in each of the Jurisdictions and remains an electronic filer under NI 13-101; and
- (f) the Filer continues to comply with all other continuous disclosure and insider reporting requirements under the Legislation and files all other documents required to be filed by the Legislation.

“Wendell S. Wigle”
Commissioner

“Margot C. Howard”
Commissioner

2.1.23 MEIF II Energie Beteiligungen GmbH & Co. KG - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Mutual Reliance Review System for Exemptive Relief Applications – take-over bid 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).

Recognition Orders Cited

In the Matter of the Recognition of Certain Jurisdictions (Clauses 93(1)(e) and 93(3)(h) of Act) (1997) 20 OSCB 1035.

November 9, 2007

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 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 (the **Target**) not already held by the Filer (the **Requested Relief**).

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

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

Interpretation

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

Representations

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

1. The Filer is a limited partnership 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 issued share capital registered in the commercial register amounts to €24,711,924 and is divided into 24,711,924 bearer shares without nominal par value, each representing a proportionate amount of the share capital of €1. The Target Shares are admitted to trading on the official market (Prime Standard) of the Frankfurt Stock Exchange, under ISIN DE0005471601 (WKN 547 160). The Target Shares are also traded on XETRA and on the unofficial regulated markets of the stock exchanges in Hamburg,

Stuttgart, Düsseldorf, Berlin and Munich. The shares have been included in the MDAX index.

5. 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.
6. In 2006, the Filer made an unsuccessful offer to acquire all of the issued and outstanding shares of the Target.
7. On October 22, 2007, 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 €60.00 per Target Share in cash. The Offer will be unconditional except for the merger clearance condition as set forth in the Offer Document. As of October 22, 2007, the Filer owned 5,112,931 Target Shares (approximately 20.69%).
8. The Filer entered into an agreement dated November 10, 2006 with Macquarie Luxembourg Investment S.à r.l. (**MLIS**), a limited liability company incorporated under the laws of the Grand Duchy of Luxembourg, with registered office in Luxembourg, who currently owns 1,095,822 Target Shares (approximately 4.43%), which provides that MLIS will exercise the voting rights in its Target Shares according to the direction of the Filer and the Filer's sole limited partner. Pursuant to this agreement, MLIS also agreed to grant to the Filer and the Filer's sole limited partner the right to acquire the Target Shares held by MLIS by exercising a preemptive right, subject to certain conditions.
9. Since October 21, 2007, the Filer has entered into various agreements with 14 different counterparties (none of which are resident in the Jurisdictions) pursuant to which the Filer has acquired or agreed to acquire a further 10,885,676 Target Shares, representing approximately 44% of the outstanding Target Shares. On October 26, 2007, the Filer also acquired Target Shares on the Frankfurt Stock Exchange. The Filer paid an average of €57.9999 for 143,861 Target Shares with the lowest consideration paid being €57.99 and the highest being €58.00 per Target Share. These newly acquired Target Shares, together with the 20.69% of the Target Shares previously held by the Filer and the 4.43% of the Target Shares held by MLIS, result in the Filer holding or having agreements to acquire approximately 69.17% of the Target Shares. In addition, as permitted under German law, the Filer may continue purchasing additional Target Shares over the markets on which the Target Shares are traded.

10. The Offer is being made and the Offer Document reflecting the terms of the Offer is being prepared exclusively in accordance with the laws of the Federal Republic of Germany (in particular, in compliance with the German *Securities Acquisition and Takeover Act* and related statutory regulations), and in accordance with the provisions of Regulation 14E of the U.S. *Securities Exchange Act of 1934* applicable to this Offer and applicable exemptions.
11. 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 54% of the total outstanding shares in the capital of the Target. Based on such enquiry, the Filer believes that as of October 21, 2007, there were two (2) holders of shares in the capital of the Target resident in Canada, holding in total 2,300 Target Shares representing approximately 0.01% of the entire issued share capital of the Target. The Filer believes that both 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.
12. 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 November 5, 2007. In accordance with German law, the Offer Document (and an English convenience translation) will be available on the Internet at <http://www.macquarie.com/meif2energie> and a notification regarding the publication of the Offer Document will be published in the Electronic Federal Gazette also specifying where and how the shareholders may obtain a copy of the Offer Document free of charge.
13. Copies of the Offer Document and its English translation will be available free of charge at the financial printer, RR Donnelley Frankfurt and 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* in the United States of America, and will indicate the relevant contact information for requesting the Offer Document.
14. 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.
15. 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.
16. In accordance with German law (the home jurisdiction of both the Filer and the Target), the Offer treats all shareholders (including Canadian holders) equally.
17. The *de minimis* take-over bid exemption, as provided for in the Legislation, is not available to the Filer because the Offer is not being made in compliance with the laws of a jurisdiction that is recognized by the Decision Maker in each of the Jurisdictions for this purpose. Also, because the Target does not maintain a share register, the Filer is unable to determine conclusively the number of holders of the Target Shares resident in each of the Jurisdictions, or the number of Target Shares held by any such persons.

Decision

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

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

- (a) the 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 any of 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.

“Robert L. Shirriff”
Commissioner
Ontario Securities Commission

“James E. A. Turner”
Commissioner
Ontario Securities Commission

2.1.24 E.D. Smith Income Fund - s. 1(10)(b)

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(b).

November 13, 2007

Cassels Brock & Blackwell LLP

2100 Scotia Plaza
40 King Street West
Toronto, Ontario
M5H 3C2

Dear Mr. Roy:

Re: E.D. Smith Income Fund (the "Applicant") - application for an order not to be a reporting issuer under the securities legislation of Ontario, Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Quebec and Saskatchewan (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 not 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 not 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 not a reporting issuer.

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

2.2 Orders

2.2.1 Bank of New York and Rogers Communications Inc. - s. 46(4) of the OBCA

Headnote

Order pursuant to subsection 46(4) of the Business Corporations Act (Ontario) (the OBCA) – trust indentures governed by the United States Trust Indenture Act of 1939, as amended, exempted from the requirements of Part V of the OBCA with respect to cross-border offerings of debt securities.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., ss. 46(2), 46(3), 46(4), Part V.
Securities Act, R.S.O. 1990, c. S.5, as am.

November 9, 2007

**IN THE MATTER OF
THE BUSINESS CORPORATIONS ACT,
R.S.O. 1990, CHAPTER B.16, AS AMENDED
(THE “OBCA”)**

AND

**IN THE MATTER OF
THE BANK OF NEW YORK
AND
ROGERS COMMUNICATIONS INC.**

**ORDER
(Subsection 46(4) of the OBCA)**

UPON the application of The Bank of New York (the “Applicant”) to the Ontario Securities Commission (the “Commission”) for an order pursuant to subsection 46(4) of the OBCA exempting a trust indenture to be entered into between Rogers Communications Inc. (“RCI”) and the Applicant from the requirements of Part V of the OBCA;

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

AND UPON it being represented by RCI and the Applicant to the Commission that:

1. The Applicant is a banking corporation organized under the laws of New York and is neither resident nor authorized to do business in Ontario and is to be the trustee under an indenture (the “Indenture”) to be entered into between RCI and the Applicant.
2. RCI is a corporation amalgamated under the *Business Corporations Act* (British Columbia) and is a reporting issuer not in default under the *Securities Act*, R.S.O. 1990, c.S. 5, as amended (the “Act”) or the rules and regulations promulgated thereunder. RCI’s head office is

- located at 333 Bloor Street East, 10th Floor, Toronto, Ontario, M4W 1G9.
3. RCI proposes to sell debt securities (the "Debt Securities") under the Indenture. The Indenture is to be governed by the laws of the State of New York.
 4. A short form base shelf prospectus has been filed by RCI with the Commission pursuant to the applicable requirements of National Instrument 44-101 – *Short Form Prospectus Distributions* and National Instrument 44-102 – *Shelf Distributions* to qualify the distribution of the Debt Securities in Ontario but not in any other province of Canada. Accordingly, the Debt Securities may not be offered or sold in Canada (except in the Province of Ontario) or to any resident of Canada (other than residents of Ontario) except pursuant to an exemption from the prospectus requirements of the applicable province or territory of Canada and otherwise in accordance with applicable securities laws.
 5. Public offers and sales of the Debt Securities will be made, from time to time, in the United States pursuant to a shelf registration statement on Form F-9 (the "Registration Statement") which has been filed by RCI with the United States Securities and Exchange Commission (the "SEC"). The short form base shelf prospectus referred to in paragraph 4 above will form a part of the Registration Statement.
 6. It is not anticipated currently that any of the Debt Securities will be listed on any securities exchange, but listing may occur in the future.
 7. Pursuant to subsection 46(2) of the OBCA, part V of the OBCA is applicable to a trust indenture if, in respect of any debt obligations outstanding or to be issued thereunder, a prospectus has been filed under the Act.
 8. Because a form of Ontario prospectus will be filed under the Act, Part V of the OBCA will apply to the Indenture by virtue of subsection 46(2) of the OBCA.
 9. As a result of the filing of the Registration Statement with the SEC, the Indenture will be subject to and governed by the provisions of the United States *Trust Indenture Act of 1939* (the "TIA"). Upon the receipt of requested exemptions under the OBCA pursuant to this Order, the Indenture will continue to be subject to the TIA. The Indenture will further provide that there shall always be a trustee thereunder that satisfies the requirements of sections 310(a)(1), 310(a)(2) and 310(b) of the TIA and that the terms of such Indenture will be consistent with the requirements of the TIA.
 10. Because the TIA regulates trustees and trust indentures of publicly offered debt securities in the United States in a manner that is consistent with Part V of the OBCA, holders of Debt Securities in Ontario will not, subject to paragraph 11, derive any additional material benefit from having the Indenture be subject to Part V of the OBCA.
 11. The Applicant has filed with the Commission a submission to the non-exclusive jurisdiction of the courts and administrative tribunals of Ontario and an appointment of an agent for service of process in Ontario (a "Submission to Jurisdiction and Appointment of Agent for Service of Process").
 12. RCI has advised the Applicant that any prospectus supplement under which Debt Securities will be offered or sold in Ontario will disclose the existence of the Order and state that the Applicant, its officers and directors, and the assets of the Applicant are located outside of Ontario and, as a result, it may be difficult for a holder of Debt Securities to enforce rights against the Applicant, its officers or directors, or the Applicant's assets and that the holder may have to enforce rights against the Applicant in the United States.

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

IT IS ORDERED, pursuant to subsection 46(4) of the OBCA, that the Indenture is exempt from Part V of the OBCA, provided that:

- (a) the Indenture is governed by and subject to the TIA; and
- (b) the Applicant, or any trustee that replaces the Applicant under the terms of the Indenture, has filed with the Commission a "Submission to Jurisdiction and Appointment of Agent for Service of Process".

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

2.2.2 **Boxxer Gold Corp. - s. 1(11)(b)**

Headnote

Section 1(11) – order that issuer is a reporting issuer for purposes of Ontario securities law – issuer already a reporting issuer in British Columbia and Alberta – issuer's securities listed for trading on the TSX Venture Exchange – continuous disclosure requirements in British Columbia and Alberta are substantially the same as those in Ontario.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am., s. 1(11).

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

AND

**IN THE MATTER OF
BOXXER GOLD CORP.**

**ORDER
(Clause 1(11)(b))**

UPON the application (the **Application**) of Boxxer Gold Corp. (the **Applicant**) for an order pursuant to clause 1(11)(b) of the Act that, for the purposes of Ontario securities law, the Applicant is a reporting issuer in Ontario;

AND UPON considering the Application and the recommendations of the staff of the Ontario Securities Commission (the **Commission**);

AND UPON the Applicant representing to the Commission as follows:

1. The Applicant was incorporated on May 9, 1996 pursuant to the *Business Corporations Act* (Alberta).
2. The Applicant's head office is located at Suite 920, 1122 - 4th St. S.W., Calgary, Alberta, T2R 1M1. The Applicant's registered office is located at 1000 Canterra Tower, 400 Third Avenue S.W., Calgary, Alberta, T2P 4H2.
3. The Applicant has been a reporting issuer in Alberta under the *Securities Act* (Alberta) (the **Alberta Act**) and in British Columbia under the *Securities Act* (British Columbia) (the **BC Act**) since August 29, 2003.
4. The Applicant is not a reporting issuer or the equivalent in any jurisdiction in Canada other than Alberta and British Columbia.
5. As of the date hereof, the Applicant is not on the list of defaulting reporting issuers maintained pursuant to the Alberta Act or the BC Act and to

the best of its knowledge is not in default of any of its obligations under the Alberta Act or the BC Act.

6. As of the date hereof, the Applicant's authorized capitalization consists of an unlimited number of common shares (**Common Shares**), of which 51,007,180 Common Shares were issued and outstanding and an unlimited number of preferred shares, of which nil are outstanding. The Applicant has outstanding obligations to issue: (i) 11,522,250 Common Shares upon the exercise of 11,522,250 common share purchase warrants; (ii) 2,781,700 Common Shares upon the exercise of 2,781,700 outstanding agent's warrants, and (iii) 3,055,000 Common Shares upon exercise of 3,055,000 stock options.
7. The continuous disclosure document requirements of the Alberta Act and the BC Act are substantially the same as the requirements under the Act.
8. The continuous disclosure materials filed by the Applicant under the Alberta Act and the BC Act since July 25, 2003 are available on the System for Electronic Document Analysis and Retrieval.
9. The Common Shares are publicly traded on the TSX Venture Exchange (**TSXV**) under the trading symbol "BXX". The Applicant's Common Shares are not traded on any other stock exchange or trading or quotation system.
10. The Applicant is not in default of any of the rules, regulations or policies of the TSXV.
11. Pursuant to the policies of the TSXV, the Applicant is required to make an application to become a reporting issuer in Ontario upon determining that the Applicant has a significant connection to Ontario.
12. The Applicant has a significant connection to Ontario in that as of May 17, 2007, 28.3% of the Applicant's issued and outstanding Common Shares were held directly or indirectly by residents of Ontario.
13. The Applicant is not designated as a capital pool company by the TSXV.
14. Neither the Applicant nor any of its directors, officers or controlling shareholders have:
 - (a) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;
 - (b) entered into a settlement agreement with a Canadian securities regulatory authority; or

- (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
15. Other than as disclosed below, neither the Applicant nor any of its directors, officers or controlling shareholders have been subject to:
- (a) any known ongoing or concluded investigations by:
 - (i) a Canadian securities regulatory authority; or
 - (ii) a court or regulatory body, other than a Canadian securities regulatory authority that would be likely to be considered important to a reasonable investor making an investment decision; or
 - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the past 10 years.
16. On October 21, 2002, the British Columbia Securities Commission (**BCSC**) issued a temporary cease trade order against Alhambra Resources Ltd. (**Alhambra**) and a notice of hearing against Alhambra, Elmer Stewart (**Stewart**), a director of the Applicant, and another officer and director of Alhambra as a result of disclosure made by Alhambra in relation to certain mineral properties to be acquired by Alhambra. The temporary cease trade order was revoked on October 25, 2002 and the hearing was adjourned until November 17, 2003. As a result of the above, the TSXV suspended trading in the shares of Alhambra on October 22, 2002. An application was made to the TSXV to have trading in the shares of Alhambra reinstated, which occurred on

October 31, 2002. On November 10, 2003, Alhambra entered into a settlement agreement with the BCSC resulting in the settlement of all issues between Alhambra and the BCSC under the aforesaid notice of hearing. In addition, the BCSC issued a Notice of Discontinuance, discontinuing similar proceedings against Stewart.

17. None of the directors, officers or controlling shareholders of the Applicant is or has been subject, at the time of such event, an officer or director of any other issuer which is or has been subject to:
- (a) any cease trade or similar orders, or orders that denied access to any exemptions under applicable Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or
 - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years;
18. The Applicant will remit all participation fees due and payable by it pursuant to Commission Rule 13-502 Fees by no later than two business days from the date hereof.

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

IT IS ORDERED pursuant to clause 1(11)(b) of the Act that the Applicant is a reporting issuer for the purposes of Ontario securities law.

DATED at Toronto, November 9th, 2007

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

2.2.3 Claymore Canadian Financial Monthly Income ETF et al. - s. 1.1

Headnote

Certain mutual funds designated as exchange-traded funds for the purposes of OSC Rule 48-501.

Rules Cited

Ontario Securities Commission Rule 48-501 – Trading During Distributions, Formal Bids and Share Exchange Transactions, s. 1.1.

**IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 48-501 – TRADING DURING DISTRIBUTIONS,
FORMAL BIDS AND SHARE EXCHANGE TRANSACTIONS (Rule)**

AND

**IN THE MATTER OF
CLAYMORE CANADIAN FINANCIAL MONTHLY INCOME ETF
CLAYMORE GLOBAL BALANCED GROWTH ETF
CLAYMORE GLOBAL BALANCED INCOME ETF
CLAYMORE S&P GLOBAL WATER ETF
CLAYMORE S&P/TSX CDN PREFERRED SHARE ETF
CLAYMORE S&P/TSX GLOBAL MINING ETF
HORIZONS BETAPRO S&P/TSX CAPPED ENERGY BEAR PLUS ETF
HORIZONS BETAPRO S&P/TSX CAPPED ENERGY BULL PLUS ETF
HORIZONS BETAPRO S&P/TSX CAPPED FINANCIALS BEAR PLUS ETF
HORIZONS BETAPRO S&P/TSX CAPPED FINANCIALS BULL PLUS ETF
HORIZONS BETAPRO S&P/TSX GLOBAL GOLD BEAR PLUS ETF
HORIZONS BETAPRO S&P/TSX GLOBAL GOLD BULL PLUS ETF
iSHARES CDN JANTZI SOCIAL INDEX FUND
iSHARES CDN RUSSELL 2000 INDEX – CANADIAN DOLLAR HEDGED INDEX FUND
iSHARES CDN S&P/TSX SMALL CAP INDEX FUND
(collectively, the Funds)**

**DESIGNATION ORDER
Section 1.1**

WHEREAS each of the Funds is listed on the Toronto Stock Exchange;

AND WHEREAS Market Regulation Services Inc. has designated, or intends to designate, each of the Funds as an Exchange-traded Fund for the purposes of the Universal Market Integrity Rules (UMIR);

AND WHEREAS the definition of “exchange-traded fund” in the Rule is substantially similar to the definition of Exchange-traded Fund in UMIR;

THE DIRECTOR HEREBY DESIGNATES each of the Funds as an exchange-traded fund for the purposes of the Rule.

Dated November 7, 2007

“Susan Greenglass”
Assistant Manager, Market Regulation
Ontario Securities Commission

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

* NOTHING TO REPORT THIS WEEK

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Outlook Resources Inc.	01 Nov 07	14 Nov 07	14 Nov 07		

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
AldeaVision Solutions Inc.	03 May 07	16 May 07	16 May 07		
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
CoolBrands International Inc.	30 Nov 06	13 Dec 06	13 Dec 06		
Fareport Capital Inc.	13 Jul 07	26 Jul 07	26 Jul 07		
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
IMAX Corporation	03 Apr 07	16 Apr 07	16 Apr 07		
iPerceptions inc.	06 Sept 07	19 Sept 07	19 Sept 07		
Outlook Resources Inc.	01 Nov 07	14 Nov 07	14 Nov 07		
VVC Exploration Corporation	04 Jun 07	15 Jun 07	15 Jun 07		
Tudor Corporation Ltd.	03 Oct 07	15 Oct 07	16 Oct 07		

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Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see www.carswell.com).

This chapter contains a weekly summary of insider transactions of Ontario reporting issuers in the System for Electronic Disclosure by Insiders (SEDI). The weekly summary contains insider transactions reported during the seven days ending Sunday at 11:59 pm.

To obtain Insider Reporting information, please visit the SEDI website (www.sedi.ca).

Chapter 8

Notice of Exempt Financings

REPORTS OF TRADES SUBMITTED ON FORMS 45-106F1 AND 45-501F1

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
11/08/2007	12	1322256 Alberta Ltd. - Common Shares	2,047,500.01	37,227,273.00
10/16/2007	15	2077406 Ontario Inc. - Common Shares	5,847,810.00	99,413.00
10/31/2007	1	ABC American -Value Fund - Units	150,000.00	22,037.43
10/31/2007	1	ABC Fundamental - Value Fund - Units	150,000.00	6,909.26
10/25/2007	21	Abitex Resources Inc. - Units	375,000.00	1,500,000.00
10/15/2007	1	African Gold Group, Inc. - Units	525,000.00	500,000.00
10/12/2007	11	Airesurf Networks Holdings Inc. - Units	100,000.00	2,000,000.00
09/25/2007	1	Alexandria Real Estate Equities, Inc. - Common Shares	3,103,900.80	32,300.00
10/31/2007	20	Amseco Exploration Ltd. - Units	454,331.25	80.77
10/12/2007	2	Apollo Credit Liquidity Fund L.P. - Limited Partnership Interest	499,123,750.00	N/A
10/30/2007	7	Apollo Gold Corporation - Flow-Through Shares	4,099,999.75	7,454,545.00
10/31/2007	7	Apollo Gold Corporation - Flow-Through Shares	4,099,999.75	7,454,545.00
10/24/2007	18	Atreus Systems, Inc. - Notes	11,499,650.95	N/A
10/17/2007	28	BHR Buffalo Head Resources Ltd. - Common Shares	675,000.00	7,500,000.00
10/30/2007	8	Bison Gold Exploration Inc. - Flow-Through Shares	810,500.00	1,868,333.00
10/25/2007	34	Bitterroot Resources Ltd. - Common Shares	721,249.90	2,060,714.00
10/30/2007	3	Bovespa Holding S.A. - Common Shares	25,438,800.00	1,160,000.00
10/25/2007	15	Canadian Horizons First Mortgage Investment Corporation - Preferred Shares	1,106,613.00	1,106,613.00
10/29/2007 to 11/05/2007	29	Canadian Oil Recovery & Remediation Enterprises Inc. - Debentures	1,796,000.00	1,726.00
10/22/2007	2	Canadian Rockport Homes International, Inc - Units	11,640.00	2,400.00
10/26/2007	17	Canalaska Uranium Ltd. - Flow-Through Units	3,600,612.19	7,660,877.00
10/26/2007	19	Canalaska Uranium Ltd. - Non-Flow Through Units	2,824,388.00	7,432,600.00
10/11/2007	17	CareVest Blended Mortgage Investment Corporation - Preferred Shares	977,512.00	977,512.00
10/25/2007	19	CareVest Blended Mortgage Investment Corporation - Preferred Shares	540,755.00	540,755.00

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
10/11/2007	15	CareVest First Mortgage Investment Corporation - Preferred Shares	1,180,396.00	1,180,396.00
10/25/2007	34	CareVest First Mortgage Investment Corporation - Preferred Shares	2,851,484.00	2,851,484.00
10/25/2007	11	CareVest Second Mortgage Investment Corporation - Preferred Shares	401,958.00	401,598.00
10/26/2007	1	Carlyle MC Partners, L.P. - Limited Partnership Interest	480,950.00	N/A
10/25/2007	33	Cassidy Gold Corp. - Units	4,000,000.00	8,000,000.00
11/07/2007	9	Chrysalis Capital V Corporation - Common Shares	250,000.00	1,250,000.00
10/22/2007	1	Cooperatieve Centrale Raiffeisen-Boerenleenbank B.A. - Notes	4,900,000.00	1.00
10/31/2007	21	Copper Canyon Resources Ltd. - Common Shares	1,515,749.75	N/A
10/19/2007	1	Credit Agricole S.A. - Notes	7,968,000.00	1.00
10/10/2007	2	Credit Suisse International - Notes	500,000.00	500,000.00
10/10/2007	5	Credit Suisse International - Notes	368,000.00	368,000.00
10/26/2007 to 10/30/2007	66	Crossfire Energy Services Inc. - Common Shares	2,660,970.00	5,321,940.00
10/11/2007	35	Devine Entertainment Corporation - Units	647,500.00	6,475,000.00
10/24/2007	2	DuPont Fabros Technology Inc. - Common Shares	4,157,702.60	35,075,000.00
10/31/2007	3	DynaMotive Energy Systems Corporation - Common Shares	627,810.00	529,814.00
10/11/2007	7	Dynasty Metals & Mining Inc. - Common Shares	9,900,000.00	1,200,000.00
09/18/2007	5	Empire Communities (Mount Pleasant), L.P. - Limited Partnership Units	5,700,000.00	1,140.00
09/24/2007	30	Empire Fovere Fund VI L.P. - Limited Partnership Units	1,522,000.00	100.00
10/19/2007	8	Enwise Holdings Inc. - Units	5,780,000.00	11,560,000.00
10/12/2007	3	Excalibur Small-Cap Opportunities LP - Limited Partnership Units	28,675,495.85	388.82
10/24/2007 to 11/02/2007	81	EXMIN Resources Inc. - Units	1,500,000.00	3,750,000.00
10/29/2007	8	FGX International Holdings Limited - Common Shares	1,298,800.00	8,333,334.00
09/30/2007	178	FIC Real Estate Fund Ltd. - Common Shares	4,572,970.24	3,572,633.00
10/26/2007	1	First Leaside Expansion Limited Partnership - Limited Partnership Interest	25,000.00	25,000.00
10/27/2007	1	First Leaside Properties Limited Partnership - Notes	995.14	1,014.00
10/11/2007 to 10/15/2007	2	First Leaside Select Limited Partnership - Limited Partnership Interest	314,817.88	322,856.00

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
10/30/2007	1	First Leaside Visions Limited Partnership - Limited Partnership Interest	25,000.00	25,000.00
10/17/2006	2	Focused Life Settlements Limited Partnership No. 1 - Limited Partnership Units	125,000.00	125.00
10/23/2007	3	Foran Mining Corporation - Units	1,500,000.00	8,751,427.00
09/28/2007	19	Forest Gate Resources Inc. - Units	609,960.00	4,692,000.00
10/18/2007	70	Forest Gate Resources Inc. - Units	2,390,103.83	18,385,414.00
10/26/2007	2	Foundation Merger Sub. Inc./Ceridian Corporation - Notes	5,771,400.00	0.00
10/30/2007	3	FreeSeas Inc. - Common Shares	1,371,284.54	174,242.00
10/23/2007	6	Freewest Resources Canada Inc. - Common Shares	500,000.00	1,923,074.00
10/29/2007	3	Freewest Resources Canada Inc. - Common Shares	300,000.00	1,071,426.00
10/15/2007	1	Fuel Transfer Technologies Inc. - Preferred Shares	10,000.25	3,077.00
10/26/2007	2	Fuqi International Inc. - Common Shares	1,440,000.00	160,000.00
10/29/2007 to 11/07/2007	19	General Motors Acceptance Corporation of Canada, Limited - Notes	12,526,115.27	12,526,115.27
10/16/2007 to 10/25/2007	7	Global Trader Europe Limited - Special Trust Securities	42,682.00	22,433.00
10/26/2007 to 11/04/2007	7	Global Trader Europe Limited - Special Trust Securities	35,508.50	20,797.00
10/22/2007	1	GMO Developed World Equity Investment Fund PLC - Units	98,239.49	3,048.48
11/01/2007	1	GMO International Core Equity Fund-III - Units	408,579.24	9,695.16
10/31/2007	1	GMO International Opportunities Equity Alloc Fund-III - Units	61,609.83	2,532.67
10/10/2007	34	Govi High Power Exploration Inc. - Special Warrants	53,274,339.00	26,140,500.00
10/24/2007	1	Grupo Clarin S.A. - Common Shares	3,880,000.00	N/A
10/30/2007	26	Hansa Resources Limited - Units	725,000.00	2,900,000.00
10/25/2007	155	Hillcrest Resources Ltd. - Common Shares	1,285,500.00	6,427,500.00
10/12/2007	6	HTC Hydrogen Technologies Corp. - Units	6,000,000.60	2,727,273.00
10/28/2007 to 10/31/2007	9	IGW Capital Ltd. - Bonds	233,700.00	2,337.00
10/28/2007 to 10/31/2007	8	IGW Investments 2 Ltd. - Common Shares	2,337.00	2,337.00
11/01/2007	1	III Relative Value Credit Strategies Fund Ltd. - Common Shares	15,000,000.00	11,682,242.99
10/18/2007	1	Indianapolis Downs, LLC/Indiana Downs Capital Corp. - Notes	770,495.17	0.00

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
10/24/2007	1	InScotia Developments Limited Partnership - Limited Partnership Units	15,000,000.00	15,000,000.00
10/18/2007	319	Joint Stock Company Uralkali - Common Shares	1,040,402,744.00	305,381,063.00
02/27/2007 to 03/16/2007	3	Julius Baer International Equity Fund - Units	352,278.70	7,119.00
10/31/2007	1	Katanga Mining Limited - Units	157,320,000.00	N/A
10/31/2007	1	Kaupthing Bank hf - Notes	4,749,500.00	0.00
10/31/2007	1	Kingwest Avenue Portfolio - Units	160,000.00	4,661.87
10/31/2007	1	Kingwest Canadian Equity Portfolio - Units	300,000.00	22,246.61
10/31/2007	1	Kingwest U.S. Equity Portfolio - Units	94,980.00	6,548.36
10/30/2007 to 11/01/2007	3	Kodiak Energy Inc. - Common Shares	3,485,020.00	N/A
10/02/2007	44	Kootenay Gold Inc. - Units	1,999,800.00	2,222,000.00
10/19/2007	1	Landsbanki Islands hf - Notes	100.00	5,000,000.00
10/29/2007	2	Langtop Financial Technologies Limited - American Depository Shares	1,854,545.00	110,000.00
10/26/2007	4	LaSalle Mexico Fund I, L.P. - Limited Partnership Interest	69,000,000.00	N/A
10/18/2007	37	Laurentian Goldfields Ltd. - Common Shares	676,343.80	1,701,518.00
10/17/2007	2	Laurion Mineral Exploration Inc. - Units	500,000.00	4,347,825.00
10/09/2007	10	LP RRSP Limited Partnership #1 - Limited Partnership Units	644,742.00	657,900.00
10/29/2007	13	MacDonald Mines Exploration Ltd. - Flow-Through Shares	10,000,000.00	9,375,000.00
11/06/2007	1	Manicouagan Minerals Inc. - Warrants	0.00	250,000.00
10/30/2007	2	Mantis Mineral Corp. - Common Shares	2,970,000.00	5,500,000.00
09/27/2007 to 10/16/2007	52	Mavrix Explore 2007 - II FT Limited Partnership - Limited Partnership Units	1,199,000.00	147,850.00
10/26/2007	3	Meridex Software Corporation - Common Shares	97,749.95	689,833.00
11/05/2007	2	Mines Management Inc. - Common Shares	20,000,000.00	N/A
10/18/2007	15	Mitec Telecom Inc. - Units	2,500,000.00	N/A
10/30/2007	35	Monterey Exploration Ltd. - Flow-Through Shares	5,652,500.00	1,615,000.00
10/05/2007	3	New Leaf Ventures II, L.P. - Limited Partnership Interest	9,050,400.00	0.00
10/25/2007 to 11/02/2007	99	Newport Canadian Equity Fund - Units	1,111,439.23	6,721.23
10/26/2007 to 11/02/2007	10	Newport Global Equity Fund - Units	456,250.01	5,731.93

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
10/31/2007	23	Newport Strategic Yield Fund Limited Partnership - Units	1,640,980.29	157,735.00
10/25/2007 to 11/02/2007	53	Newport Yield Fund - Units	1,206,427.88	9,586.63
10/03/2007	108	NiCo Mining Corp. - Units	12,998,000.00	12,998,000.00
10/18/2007	1	Noah Holdings Education Ltd. - American Depository Shares	1,400,000.00	100,000.00
10/25/2007	40	NPN Investment Group Inc. - Common Shares	932,650.00	2,664,715.00
10/23/2007	63	NuLoch Resources Inc. - Common Shares	4,400,005.00	3,625,000.00
10/17/2007	53	Pearl Exploration and Production Ltd. - Common Shares	110,250,000.00	29,400,000.00
10/22/2007	1	Pemex Project Funding Master Trust - Notes	3,920,000.00	1.00
10/01/2006 to 09/30/2007	8	Pyramis Canada International Growth Fund - Units	30,750,402.48	1,585,483.72
10/01/2006 to 09/30/2007	12	Pyramis Canadian Bond Trust - Units	159,232,969.79	11,320,507.15
10/01/2006 to 09/30/2007	16	Pyramis Canadian Core Equity Trust - Units	308,023,114.01	3,796,895.64
10/01/2006 to 09/30/2007	1	Pyramis Global Bond Trust - Units	103,617.78	10,425.26
10/01/2006 to 09/30/2007	1	Pyramis Select Global Equity Trust - Units	689,519.60	56,496.60
01/06/2007 to 09/30/2007	5	Pyramis Select International Equity Trust - Units	19,317,991.41	972,278.08
10/01/2006 to 09/30/2007	1	Pyramis U.S. Total Market Equity Trust - non registered - Units	5,987,189.13	531,589.18
10/01/2006 to 09/30/2007	9	Pyramis U.S. Total Market Equity Trust - Units	18,407,035.80	1,310,110.41
10/05/2007	10	Quebecor Media Inc. - Notes	721,483,631.00	0.00
10/25/2007	157	Rochester Resources Ltd. - Units	4,000,000.00	2,000,000.00
10/26/2007	27	Rocmec Mining Inc. - Flow-Through Units	1,549,450.08	8,608,056.00
10/26/2007	4	Royal Nickel Corporation - Common Shares	1,350,000.00	540,000.00
10/26/2007	21	SelectCore Ltd. - Units	3,162,500.00	15,812,500.00
10/10/2007	1	Sempa Power Systems Ltd. - Preferred Shares	1,000,000.00	4,545,455.00
10/15/2007	2	Serrano Energy Ltd. - Flow-Through Shares	3,519,996.00	586,666.00
10/25/2007	28	Skyline Gold Corporation - Flow-Through Shares	1,043,600.16	3,302,500.00
10/23/2007 to 10/24/2007	6	Slam Exploration Ltd. - Flow-Through Shares	1,500,000.00	6,000,000.00
10/11/2007	1	Sony Financial Holdings Inc. - Common Shares	3,428,030.00	1,000.00

Notice of Exempt Financings

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
10/11/2007	30	Spider Resources Inc. - Flow-Through Units	1,800,000.00	20,000,000.00
10/11/2007	4	Spider Resources Inc. - Units	960,000.00	10,666,666.00
11/01/2007	2	Stacey RSP Fund - Trust Units	30,418.52	2,557.43
10/31/2007	1	Texas Competitive Electric Holdings Company LLC - Notes	867,060.00	N/A
10/18/2007	1	The Canada Trust Company - Notes	32,825,404.44	0.00
10/24/2007	31	Therma Blade Inc. - Common Shares	1,100,000.00	55,000.00
10/26/2007	2	Thomas H. Lee Parallel (DT) Fund VI, L.P. - Limited Partnership Interest	0.00	N/A
08/02/2007	1	Trez Capital Corporation - Mortgage	1,162,500.00	1.00
10/30/2007	1	True North Corporation - Debentures	300,000.00	1.00
10/12/2007	1	True North Corporation - Debentures	100,000.00	1.00
10/30/2007	3	Ulta Salon, Cosmetics & Fragrance, Inc. - Common Shares	1,544,670.00	90,000.00
10/24/2007	4	Universal Uranium Ltd. - Flow-Through Units	1,999,999.50	2,666,666.00
10/30/2007	5	Vital Resources Corp. - Common Shares	251,986.00	2,519,860.00
11/20/2006 to 12/06/2006	1	VVC Exploration Corp. - Common Shares	214,500.00	225,000.00
10/26/2007	79	Walton AZ Picacho View 2 Investment Corporation - Common Shares	2,028,080.00	202,808.00
10/26/2007	58	Walton AZ Picacho View Limited Partnership 2 - Limited Partnership Units	3,863,351.57	398,777.00
09/20/2007 to 10/18/2007	13	Wedge Energy International Inc. - Common Shares	2,180,000.00	4,360,000.00
10/12/2007	36	Womble Carlyle Sandridge & Rice - Preferred Shares	124,188,902.58	131,542,293.00
10/26/2007	1	Zacoro Metals Corp. - Warrants	75,000.00	100,000.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

99 Capital Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 12, 2007

Offering Price and Description:

\$300,000.00 to \$500,000.00 - 1,500,000 to 2,500,000
Common Shares Price: \$0.20 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

-

Project #1179943

Issuer Name:

ADF Group Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated November 7, 2007
Mutual Reliance Review System Receipt dated November 7, 2007

Offering Price and Description:

\$13,000,000.00 - 2,000,000 Subordinate Voting Shares
Price: \$6.50 per Subordinate Voting Share

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Blackmont Capital Inc.
Northern Securities Inc.
Laurentian Bank Securities Inc.

Promoter(s):

-

Project #1177751

Issuer Name:

Athabasca Potash Inc.
Principal Regulator - Saskatchewan

Type and Date:

Preliminary Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 13, 2007

Offering Price and Description:

\$ * - * Common shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

Genuity Capital Markets

Promoter(s):

Dawn Zhou

Project #1180148

Issuer Name:

AZURE MINERALS LIMITED
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 13, 2007

Offering Price and Description:

\$ * - * Shares Price: \$ * per Share

Underwriter(s) or Distributor(s):

Versant Partners Inc.

Promoter(s):

-

Project #1180227

Issuer Name:

Brigata Canadian Balanced Fund
Brigata Canadian Equity Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectuses dated November 7, 2007
Mutual Reliance Review System Receipt dated November 7, 2007

Offering Price and Description:

Series A and F Units

Underwriter(s) or Distributor(s):

Independent Planning Group Inc.

Promoter(s):

Brigata Capital Management Inc.

Project #1177785

Issuer Name:

Cache Exploration Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary CPC Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

\$200,000.00 - 2,000,000 Common Shares Price: \$0.10 per Common Share

Underwriter(s) or Distributor(s):

Research Capital Corporation

Promoter(s):

Thomas Kennedy

Project #1179200

Issuer Name:

Ceres Global Ag Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated November 12, 2007
Mutual Reliance Review System Receipt dated November 13, 2007

Offering Price and Description:

\$ * - * Units Price: \$12.00 per Unit Minimum Purchase: \$ * - * Units

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
Credit Suisse Securities (Canada) Inc.
Wellington West Capital Markets Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
National Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
Richardson Partners Financial Limited
Tuscarora Capital Inc.

Promoter(s):

First Street Capital 2004

Project #1180628

Issuer Name:

Chalk Media Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated November 7, 2007
Mutual Reliance Review System Receipt dated November 7, 2007

Offering Price and Description:

\$ * - * Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

TD Securities Inc.
Blackmont Capital Inc.

Promoter(s):

-

Project #1177944

Issuer Name:

Chalk Media Corp.
Principal Regulator - British Columbia

Type and Date:

Amended and Restated Preliminary Short Form Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

\$7,500,000.00 - 30,000,000 Common Shares Price: \$0.25 per Common Share

Underwriter(s) or Distributor(s):

TD Securities Inc.
Blackmont Capital Inc.

Promoter(s):

-

Project #1177944

Issuer Name:

CHIP Mortgage Trust
Home Equity Income Trust

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Shelf Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 12, 2007

Offering Price and Description:

\$750,000,000.00 - Medium Term Notes (secured) Fully and Unconditionally guaranteed as to payment of principal, premium (if any) and interest by HOME EQUITY INCOME TRUST

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Scotia Capital Inc.

Promoter(s):

Home Equity Income Trust

Project #1180130/1180136

Issuer Name:

Corbal Capital Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$800,000.00 to \$1,200,000.00 - 4,000,000 to 6,000,000 Common Shares Price: \$0.20 per Common Share

Underwriter(s) or Distributor(s):

Research Capital Corporation

Promoter(s):

John Sickinger

Project #1178918

Issuer Name:

Diamond Holdings Trust
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated November 13, 2007
Mutual Reliance Review System Receipt dated November 13, 2007

Offering Price and Description:

Maximum \$ * (* Units) (Each Unit consisting of a Trust Unit and one-half of a Warrant)

Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
Canaccord Capital Corporation
Cormark Securities Inc.
Dundee Securities Inc.

Promoter(s):

Diamond Management Limited

Project #1181470

Issuer Name:

EarthFirst Canada Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated November 6, 2007
Mutual Reliance Review System Receipt dated November 7, 2007

Offering Price and Description:

\$ * - * Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Scotia Capital Inc.
National Bank Financial Inc.
TD Securities Inc.
Canaccord Capital Corporation
HSBC Securities (Canada) Inc.
Orion Securities Inc.
Fraser Mackenzie Limited

Promoter(s):

Creststreet Capital Corporation
Earth First Energy Inc.

Project #1177518

Issuer Name:

Entree Gold Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated November 9, 2007

Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$43,285,920.00 - 14,428,640 Common Shares Price: \$3.00 per Common Share

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #1179894

Issuer Name:

Golden Share Mining Corporation
Principal Regulator - Quebec

Type and Date:

Preliminary Prospectus dated November 12, 2007
Mutual Reliance Review System Receipt dated November 13, 2007

Offering Price and Description:

Maximum Offering: \$3,722,250.00 (2,190 Units A and 1,470 Units B); Minimum Offering: \$1,849,750.00 (1,330 Units A and 490 Units B) Units A comprising of 2,300 "flow-through" common shares and 700 common shares at a price of \$1,015 per Unit A and Units B comprising of 3,400 common shares and 3,400 common share purchase warrants at a price of \$1,020 per Unit B

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

Searchgold Resources Inc.

Project #1180824

Issuer Name:

Homeland Uranium Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 12, 2007

Offering Price and Description:

28,434,100 Private Placement Units issuable on the exercise of 28,434,100 Subscription Receipts, each Private Placement Unit being comprised of one Private Placement Unit Share and one-half of one Private Placement Warrant The issuance of a further \$.. (. New Units)

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

Homeland Energy Corp.

Project #1180166

Issuer Name:

HSBC Canadian Money Market Fund
HSBC Indian Equity Fund
HSBC U.S. Dollar Money Market Fund
Principal Regulator - British Columbia

Type and Date:

Preliminary Simplified Prospectuses dated November 8, 2007
Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

Investors Advisor, Premium, Manager and Institutional Series Units

Underwriter(s) or Distributor(s):

HSBC Investment (Canada) Inc.
HSBC Investment Funds (Canada) Inc.

Promoter(s):

HSBC Investment (Canada) Inc.

Project #1179092

Issuer Name:

International Datacasting Corporation
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Short Form Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

\$ * - * Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

Wellington West Capital Markets Inc.
Canaccord Capital Corporation
MGI Securities Inc.

Promoter(s):

-

Project #1170879

Issuer Name:

Ithaca Energy Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$100,010,000.00 - 27,400,000 Common Shares Price:
\$3.65 per Common Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
CIBC World Markets Inc.
Research Capital Corporation
Tristone Capital Inc.
Fraser Mackenzie Limited

Promoter(s):

-

Project #1179891

Issuer Name:

Marengo Mining Limited
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$ * - * Shares Price; \$ * per Share

Underwriter(s) or Distributor(s):

Paradigm Capital Inc.
Fraser Mackenzie Limited
Jennings Capital Inc.

Promoter(s):

-

Project #1180022

Issuer Name:

Oilsands Quest Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary MJDS Prospectus dated November 7, 2007
Mutual Reliance Review System Receipt dated November 7, 2007

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1178027

Issuer Name:

Platmin Limited
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$ * - * Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
GMP Securities L.P.
Haywood Securities Inc.

Promoter(s):

-

Project #1179666

Issuer Name:

Quebecor World Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form PREP Prospectus dated November 13, 2007

Mutual Reliance Review System Receipt dated November 13, 2007

Offering Price and Description:

\$ * - * Subordinate Voting Shares Price: \$ * per Subordinate Voting Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
TD Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
BNP Paribas (Canada) Securities Inc.
J.P. Morgan Securities Canada Inc.

Promoter(s):

-

Project #1180900

Issuer Name:

Southern Pacific Resource Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated November 5, 2007

Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

\$65,050,000.00 - 25,600,000 Common Shares and 3,850,000 Flow-Through Shares Price: \$2.15 per Common Share \$2.60 per Flow-Through Share

Underwriter(s) or Distributor(s):

Canaccord Capital Corporation
Orion Securities Inc.
Genuity Capital Markets

Promoter(s):

David M. Antony

Project #1176830

Issuer Name:

Uranium Focused Energy Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated November 8, 2007

Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$ * - * Combined Units Price: \$ * per Combined Unit (Each Combined Unit consists of one Unit and one Warrant

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
TD Securities Inc.
Cancord Capital Corporation
Raymond James Ltd.
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Berkshire Securities Inc.
Blackmont Capital Inc.
Desjardins Securities Inc.
Middlefield Capital Corporation
Research Capital Corporation
Richardson Partners Financial Ltd.
Wellington West Capital Inc.

Promoter(s):

Middlefield Fund Management Limited

Project #1179313

Issuer Name:

Virginia Uranium Ltd.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated November 8, 2007

Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$ * - * Common Shares Price: \$ * per Common Share

Underwriter(s) or Distributor(s):

Cormark Securities Inc.
CIBC World Markets Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Wellington West Capital Markets Inc.
Westwind Partners Inc.

Promoter(s):

Virginia Uranium Inc.

Project #1179717

Issuer Name:

AGF Aggressive Global Stock Fund
AGF Aggressive Growth Fund
Principal Regulator - Ontario

Type and Date:

Amendment #5 dated October 29, 2007 to the Annual Information Forms dated April 20, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

AGF Funds Inc.

Promoter(s):

-

Project #1066188

Issuer Name:

Amazon Mining Holding Plc
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 7, 2007
Mutual Reliance Review System Receipt dated November 12, 2007

Offering Price and Description:

\$16,000,000.00 - 13,333,333 Units \$1.20 per Unit

Underwriter(s) or Distributor(s):

Cormark Securities Inc.
Dundee Securities Corporation
GMP Securities L.P.

Promoter(s):

Cristiano Veloso
Simon Lawrence
Kevin van Niekerk
Howard Shapland
Alan Frame
Michael Preston
Philip Aaronberg
Lee Cory

Project #1165171

Issuer Name:

Antrim Energy Inc.
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

8,300,000 Common Shares at \$6.05 per Common Share (\$50,215,000.00)

Underwriter(s) or Distributor(s):

Wellington West Capital Markets Inc.
Tristone Capital Inc.
Cormark Securities Inc.

Promoter(s):

Antrim Energy Inc.

Project #1175597

Issuer Name:

Brookfield Asset Management Inc.
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated November 1, 2007 to Short Form Base Shelf Prospectus dated November 6, 2006
Mutual Reliance Review System Receipt dated November 13, 2007

Offering Price and Description:

Debt Securities - Class A Preference Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1001261

Issuer Name:

Connacher Oil and Gas Limited
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

\$45,000,000.00 - 9,000,000 Flow-Through Shares, \$5.00 Per Flow-Through Share

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
GMP Securities L.P.
Orion Securities Inc.
Raymond James Ltd.
TD Securities Inc.
D & D Securities Company
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.

Promoter(s):

-

Project #1175007

Issuer Name:

DHX Media Ltd.
Principal Regulator - Nova Scotia

Type and Date:

Final Short Form Prospectus dated November 7, 2007
Mutual Reliance Review System Receipt dated November 7, 2007

Offering Price and Description:

\$17,460,000.00 - 9,700,000 Units, \$1.80 per Unit

Underwriter(s) or Distributor(s):

GMP Securities L.P.
Canaccord Capital Corporation
TD Securities Inc.
Paradigm Capital Inc.

Promoter(s):

Michael Donovan
Charles Bishop

Project #1174807

Issuer Name:

Gerdau Ameristeel Corporation
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus (NI 44-101) dated November 1, 2007

Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

US\$1,347,500,000.00 - 110,000,000 Common Shares

Price: US\$12.25 per Common Share

Underwriter(s) or Distributor(s):

J.P. Morgan Securities Canada Inc.
CIBC World Markets Inc.
HSBC Securities (Canada) Inc.
Banc of America Securities Canada Co.
BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #1167707

Issuer Name:

GrowthWorks Canadian Fund Ltd.
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 7, 2007

Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

Class A Shares

Underwriter(s) or Distributor(s):

GrowthWorks Capital Ltd.

Promoter(s):

-

Project #1162879

Issuer Name:

Heritage Oil Corporation
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 8, 2007

Mutual Reliance Review System Receipt dated November 8, 2007

Offering Price and Description:

\$90,750,000.00 (Minimum Offering); \$363,000,000.00 (Maximum Offering) - Minimum of 1,500,000 Common Shares and Maximum of 6,000,000 Common Shares Price: \$60.50 per Share

Underwriter(s) or Distributor(s):

JPMorgan Cazenove Limited
Canaccord Capital Corporation

Promoter(s):

-

Project #1171916

Issuer Name:

Heritage Plans (formerly Heritage Scholarship Trust Plans)
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 9, 2007

Mutual Reliance Review System Receipt dated November 12, 2007

Offering Price and Description:

Units at net asset value

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1118426

Issuer Name:

Impression Plan
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 9, 2007

Mutual Reliance Review System Receipt dated November 12, 2007

Offering Price and Description:

Units at net asset value

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1118381

Issuer Name:

Meritage International Equity Portfolio
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated October 31, 2007 to the Simplified Prospectus and Annual Information Form dated September 25, 2007

Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

Offering Units of the Advisor Series and F Series

Underwriter(s) or Distributor(s):

-

Promoter(s):

Altamira Investment Services Inc.

Project #1144976

Issuer Name:

Newalta Income Fund
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 9, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

\$100,000,000.00 - 7.0% Convertible Unsecured Subordinated Debentures Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
National Bank Financial Inc.
Orion Securities Inc.

Promoter(s):

-

Project #1172585

Issuer Name:

Northern Gold Mining Inc.
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 8, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

Minimum Offering: \$3,000,000.00 of Flow-Through Units and/or Regular Units; Maximum Offering: \$5,000,000.00 of Flow-Through Units and/or Regular Units \$0.50 per Regular Unit; \$0.60 per Flow-Through Unit

Underwriter(s) or Distributor(s):

Evergreen Capital Partners Inc.

Promoter(s):

Martin R. Shefsky
Project #1130013

Issuer Name:

Class A units, Class B units and Class F units of :
Pro FTSE RAFI Canadian Index Fund
Pro FTSE RAFI US Index Fund
Pro FTSE RAFI Global Index Fund
Pro FTSE RAFI Hong Kong China Index Fund
and

Class A units and Class F units of :

Pro Money Market Fund
Principal Regulator - Ontario

Type and Date:

Amended and Restated Simplified Prospectuses and Annual Information Forms dated November 6th, 2007, amending and restating the Amended and Restated Simplified Prospectuses and Annual Information Forms dated February 19th, 2007, amending and restating the Simplified Prospectuses and Annual Information Forms dated January 3rd, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

Pro-Financial Asset Management Inc.
Project #1004482

Issuer Name:

Pro FTSE RAFI Emerging Markets Index Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus dated November 6, 2007
Mutual Reliance Review System Receipt dated November 9, 2007

Offering Price and Description:

Class A units and Class F units of the Pro Money Market Fund and Class A units, Class B units and Class F units of each of the Pro-Index Funds

Underwriter(s) or Distributor(s):

-

Promoter(s):

Pro-Financial Asset Management Inc.
Project #1167928

Issuer Name:

Rogers Communications Inc.

Type and Date:

Final Short Form Base Shelf Prospectus dated November 8, 2007

Received on November 9, 2007

Offering Price and Description:

US\$2,000,000,000.00 - Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1175381

Issuer Name:

Rogers Communications Inc.
Principal Regulator - Ontario

Type and Date:

Final Short Form Base Shelf Prospectus (NI 44-102) dated
November 8, 2007

Mutual Reliance Review System Receipt dated November
9, 2007

Offering Price and Description:

\$2,000,000,000.00 - Debt Securities

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1175375

Issuer Name:

SonnenEnergy Corp.
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated November 9, 2007

Mutual Reliance Review System Receipt dated November
13, 2007

Offering Price and Description:

\$6,000,000.00 or 12,000,000 Units, each Unit consisting of
one common share and one warrant

Underwriter(s) or Distributor(s):

M Partners Inc.

Promoter(s):

Hans Hager
Christian Reinert

Project #1126195

Issuer Name:

TransAlta Corporation
Principal Regulator - Alberta

Type and Date:

Final Short Form Base Shelf Prospectus dated November
8, 2007

Mutual Reliance Review System Receipt dated November
8, 2007

Offering Price and Description:

\$1,000,000,000.00 - Medium Term Note Debentures
(Unsecured)

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #1175811

Issuer Name:

Urbana Corporation
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated November 12, 2007
Mutual Reliance Review System Receipt dated November
13, 2007

Offering Price and Description:

35,000,000 Non-Voting Class A Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1174693

Issuer Name:

UTS Energy Corporation
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated November 13, 2007
Mutual Reliance Review System Receipt dated November
13, 2007

Offering Price and Description:

\$275,120,000.00 - 41,800,000 Common Shares 2,650,000
Flow-through Common Shares

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
FirstEnergy Capital Corp.
TD Securities Inc.
UBS Securities Canada Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Lehman Brothers Canada Inc.
Merrill Lynch Canada Inc.
Morgan Stanley Canada Limited
Scotia Capital Inc.
Canaccord Capital Corporation
Cormark Securities Inc.
Genuity Capital Markets
Orion Securities Inc.
Peters & Co. Limited
Raymond James Ltd.
Tristone Capital Inc.

Promoter(s):

-

Project #1176407

Issuer Name:

Xcite Energy Limited
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated November 7, 2007
Mutual Reliance Review System Receipt dated November 7, 2007

Offering Price and Description:

C\$30,000,000.00 (Maximum Offering); C\$25,000,000.00 (Minimum Offering) - A Minimum of 15,625,000 Ordinary Shares and a Maximum of 18,750,000 Ordinary Shares

Underwriter(s) or Distributor(s):

Westwind Partners Inc.
Wellington West Capital Markets Inc.
MGI Securities Inc.

Promoter(s):

Richard E. Smith
Stephen A. Kew
Rupert E. Cole

Project #1162156

Issuer Name:

First Asset Opportunity Fund
Principal Jurisdiction - Ontario

Type and Date:

Preliminary Short Form Prospectus dated October 11th, 2007
Withdrawn on November 8th, 2007

Offering Price and Description:

\$10,000,000 MAXIMUM - (4,000,000 Units)
Price: \$2.50 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
National Bank Financial Inc.
Cancord Capital Corporation
Dundee Securities Corporation
Raymond James Ltd.
Richardson Partners Financial Limited
Rothenberg Capital Management Inc.

Promoter(s):

First Asset Investment Management Inc.

Project #1167879

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Parkyn, Wermenlinger, Layton Capital Inc. To: PWL Capital Inc.	Investment Dealer	September 14, 2007
Name Change	From: Mellon Asset Management Limited To: BNY Mellon Asset Management Canada Ltd.	Limited Market Dealer and Investment Counsel & Portfolio Manager	November 1, 2007
Name Change	From: Monarch Wealth and Investment Group Inc. To: Monarch Wealth Corporation	Mutual Fund Dealer and Limited Market Dealer	November 2, 2007
Change of Category	Insight Investment Management (Global) Limited	From: International Adviser (Investment Counsel & Portfolio Manager) & Commodity Trading Manager (Non-Resident) To: International Adviser (Investment Counsel & Portfolio Manager) & Commodity Trading Manager (Non-Resident) and Limited Market Dealer.	November 8, 2007
Change of Category	ChapelGate Asset Management Company Ltd.	From: Investment Counsel and Portfolio Manager To: Limited Market Dealer and Investment Counsel and Portfolio Manager.	November 8, 2007
New Registration	Applecreek Consultants Ltd	Limited Market Dealer	November 14, 2007

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Central Regional Council Hearing Panel Makes Findings Against Michael MacDonald

NEWS RELEASE
For immediate release

MFDA CENTRAL REGIONAL COUNCIL HEARING PANEL MAKES FINDINGS AGAINST MICHAEL MACDONALD

November 7, 2007 (Toronto, Ontario) – A disciplinary hearing in the Matter of Michael MacDonald was held today before a Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”). The Hearing Panel found that the allegations set out by MFDA staff in the Notice of Hearing dated June 22, 2007 had been established.

The Hearing Panel made the following Orders at the conclusion of the hearing and advised that it would issue written reasons for its decision in due course:

- (a) A permanent prohibition on Mr. MacDonald from conducting securities-related business in any capacity while in the employ of, or associated with, any MFDA Member;
- (b) A fine in the amount of \$50,000 for failing to cooperate with an MFDA investigation, and
- (c) Costs in the amount of \$7,500

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

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 162 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Shaun Devlin
Vice-President, Enforcement
(416) 943-4672 or sdevlin@mfda.ca

13.1.2 MFDA Issues Notice of Hearing Regarding Paul Edward Lloyd

NEWS RELEASE
For immediate release

**MFDA ISSUES NOTICE OF HEARING
REGARDING PAUL EDWARD LLOYD**

November 7, 2007 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada (“MFDA”) today announced that it has commenced disciplinary proceedings against Paul Edward Lloyd.

MFDA staff alleges in its Notice of Hearing that Mr. Lloyd engaged in the following conduct contrary to the By-laws, Rules or Policies of the MFDA:

Allegation #1: Between November 2004 and August 2005, the Respondent, as a designated branch manager of the Member, failed to ensure that all business conducted on behalf of the Member by an Approved Person at the branch was in compliance with applicable securities legislation and the By-laws and Rules of the MFDA, contrary to MFDA Rule 2.5.3(b) and MFDA Policy 2.

Allegation #2: Between November 2004 and August 2005, the Respondent, as a designated branch manager of the Member, failed to disclose to the Member the referral arrangement and unauthorized business activity of an Approved Person under his supervision and concealed such arrangement and activity by instructing an alternate branch manager to submit false or misleading information to the Member, contrary to MFDA Rules 2.5.3(b), 2.1.1(b) and (c).

Allegation #3: Commencing January 2007, the Respondent failed to produce bank records relevant to matters being investigated by the MFDA and failed to attend an interview and give information respecting those matters, contrary to section 22.1 of MFDA By-law No. 1.

The first appearance in this matter will take place by teleconference before a Hearing Panel of the MFDA Central Regional Council in the Hearing Room located at the offices of the MFDA, 121 King Street West, Suite 1000, Toronto, Ontario on Thursday, December 6, 2007 at 10:00 a.m. (Eastern) or as soon thereafter as can be held.

The purpose of the first appearance is to schedule the date for the commencement of the hearing on its merits and to address any other procedural matters.

The first appearance is open to the public, except as may be required for the protection of confidential matters. Members of the public attending the first appearance will be able to listen to the proceeding by teleconference.

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

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 162 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Shaun Devlin
Vice-President, Enforcement
(416) 943-4672 or sdevlin@mfda.ca

13.1.3 MFDA Hearing Panel Issues Decision and Reasons Respecting Ravi Puri Disciplinary Hearing

NEWS RELEASE
For immediate release

**MFDA HEARING PANEL ISSUES DECISION AND REASONS
RESPECTING RAVI PURI DISCIPLINARY HEARING**

November 7, 2007 (Vancouver, British Columbia) – A Hearing Panel of the Pacific Regional Council of the Mutual Fund Dealers Association of Canada (“MFDA”) has issued its Decision and Reasons in connection with the disciplinary hearing held in Vancouver, British Columbia on October 22, 2007 in respect of Ravi Puri.

A copy of the Decision and Reasons is available on the MFDA website at www.mfda.ca.

The Mutual Fund Dealers Association of Canada is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 162 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:

Shaun Devlin

Vice-President, Enforcement

(416) 943-4672 or sdevlin@mfda.ca

13.1.4 Notice and Request for Comment – Material Amendments to CDS Procedures Relating to Dormant Participant Procedures

CDS CLEARING AND DEPOSITORY SERVICES INC. (CDS®)

MATERIAL AMENDMENTS TO CDS PROCEDURES

DORMANT PARTICIPANT PROCEDURES

REQUEST FOR COMMENTS

A. DESCRIPTION OF THE PROPOSED AMENDMENTS

The proposed amendments are intended to clarify the process by which current CDS Participants can change their participant status from “Active” to “Dormant”. CDS Participants wishing to change their participation status from active to dormant (i.e., from self-clearing to clearing through another CDS Participant) are currently able to do so by submitting a request to CDS Customer Service and paying a dormancy fee. This fee is listed on CDS’s fee schedule and is paid on an annual basis per Participant.

B. NATURE AND PURPOSE OF THE PROPOSED AMENDMENTS

The proposed amendments are intended to codify the ability of CDS Participants to change their status from Active to Dormant, and vice versa. Most importantly, the proposed amendments will clarify that CDS Participants have the option to maintain Dormant status (as an alternative to withdrawal from Participation) so that, in the event that the Participant chooses to return to active, self-clearing, status, the Participant will not be required to pay a further Entrance Fee, as they would be required to do if applying for Participation *de novo*.

C. IMPACT OF THE PROPOSED AMENDMENTS

Beyond the addition of the clarification to the Participant Procedures User Guide entitled *Participating in CDS Services*, the proposed amendments will have no substantive impact on current or prospective CDS Participants.

In the event that a current Participant who has maintained dormant status wishes to return to active status and resume self-clearing activities through CDS’s systems, that Participant will be required to complete and file a new Application for Participation. This new Application will require the approval of CDS’s Board of Directors – pursuant to regular CDS practice – prior to being re-instated as an Active Participant.

C.1 Competition

The proposed amendments to CDS Procedures, and to the process of re-instatement of a Dormant Participant to Active status, will have no impact on the ability of qualified and eligible market participants to access CDS’s clearing, settlement, and depository services.

C.2 Risks and Compliance Costs

The risks and compliance costs in respect of the process by which Dormant Participants return to Active status are the same as would apply for a new Participant submitting an Application for Participation for Board of Directors’ approval. The same timeline for approval would apply in the event of a re-instatement by this process.

C.3 Comparison to International Standards – (a) Committee on Payment and Settlement Systems of the Bank for International Settlements, (b) Technical Committee of the International Organization of Securities Commissions, and (c) the Group of Thirty

No such comparison is available in respect of the proposed amendments.

D. DESCRIPTION OF THE PROCEDURE DRAFTING PROCESS

D.1 Development Context

CDS Staff identified a lack of clarity in existing procedures in respect of Participants who wished to change from Active to Dormant status, or vice versa. CDS currently has several dormant participants (i.e., Participants who do not self-clear, choosing instead to clear through an Active CDS Participant), and it was deemed prudent to document the process for future Active-to-Dormant/Dormant-to-Active status changes. The proposed amendments were developed by CDS Staff in that context and for that purpose.

D.2 Procedure Drafting Process

The Dormant Participant procedure amendments were developed by CDS personnel and are reviewed and approved by CDS's Strategic Development Review Committee ("SDRC"). The service description comprising the substance of the proposed amendments was developed by CDS product development staff.

D.3 Issues Considered

The proposed amendments enable Active Participants further latitude in respect of their own operations and clearing procedures. CDS considered it important to allow its Participants, if they so choose, the opportunity and capacity to remain a CDS Participant.

D.4 Consultation

CDS staff consulted with the members of its SDRC, which committee's membership includes representatives from the CDS Participant community. The SDRC reviewed and approved the proposed amendments prior to their submission for public comment.

D.5 Alternatives Considered

The *status quo* was considered; CDS Staff, however, determined that current procedures in respect of Dormant Participants, Dormant Status, and changes to the Active/Dormant status of Participants were not sufficiently responsive to the demands of CDS's market and its Participants.

D.6 Implementation Plan

CDS is recognized as a clearing agency by the Ontario Securities Commission pursuant to section 21.2 of the Ontario *Securities Act*. The Autorité des marchés financiers has authorized CDS to carry on clearing activities in Québec pursuant to sections 169 and 170 of the Québec *Securities Act*. In addition CDS is deemed to be the clearing house for CDSX, a clearing and settlement system designated by the Bank of Canada pursuant to section 4 of the *Payment Clearing and Settlement Act*. The Ontario Securities Commission, the Autorité des marchés financiers and the Bank of Canada will hereafter be collectively referred to as the "Recognizing Regulators".

The amendments to Participant Procedures may become effective upon approval of the amendments by the Recognizing Regulators following public notice and comment.

E. TECHNOLOGICAL SYSTEMS CHANGES

E.1 CDS

No technological systems changes to CDS's systems are anticipated as a result of the proposed amendments.

E.2 CDS Participants

No technological systems changes to Participants' systems are anticipated as a direct result of the proposed amendments. Where a CDS Participant chooses to move to or from Dormant status, normal changes in respect of connectivity to CDS's systems would be required.

E.3 Other Market Participants

The proposed amendments are not expected to result in any technological systems changes for other market participants.

F. COMPARISON TO OTHER CLEARING AGENCIES

No comparable or similar procedures were available for other clearing agencies.

G. PUBLIC INTEREST ASSESSMENT

CDS has determined that the proposed amendments are not contrary to the public interest.

H. COMMENTS

Comments on the proposed amendments should be in writing and delivered by **December 16, 2007** to:

Tony Hoffmann
Legal Counsel
CDS Clearing and Depository Services Inc.
85 Richmond Street West
Toronto, Ontario M5H 2C9

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

Copies should also be provided to the Autorité des marchés financiers and the Ontario Securities Commission by forwarding a copy to each of the following individuals:

M^e Anne-Marie Beaudoin
Directrice du secrétariat
Autorité des marchés financiers
800, square Victoria, 22nd floor
PO box 246, tour de la Bourse
Montréal (Québec) H4Z 1G3

Fax: (514) 873-7455
e-mail: consultation-en-cours@lautorite.qc.ca

Manager
Market Regulation Branch
Ontario Securities Commission
Suite 1903, Box 55,
20 Queen Street West
Toronto, Ontario, M5H 3S8

Fax: 416-595-8940
e-mail: sgreenlass@osc.gov.on.ca

CDS will make available to the public, upon request, all comments received during the comment period.

I. PROPOSED PROCEDURE AMENDMENTS

Appendix "A" contains text of current CDS Participant Procedures marked to reflect proposed amendments as well as text of these procedures reflecting the adoption of the proposed amendments.

JAMIE ANDERSON
Managing Director, Legal

APPENDIX "A"

PROPOSED PROCEDURE AMENDMENT

Text of CDS Participant Procedures marked to reflect proposed amendments	Text CDS Participant Procedures reflecting the adoption of proposed amendments
<p>1.7 Dormant participants</p> <p><u>Participants that decide to clear and settle trades through other CDS participants can change their status to dormant by paying an annual dormancy fee. This will maintain their status as a non-active participant. By paying the dormancy fee, participants who opt out of using CDS services for a fixed period of time can resume using CDS services without paying an additional membership fee.</u></p> <p><u>Participants requesting a dormancy status should do so by sending a formal letter (on company letterhead) to CDS Customer Service.</u></p> <p><u>If a dormant participant chooses to use a CDS service during the dormancy period, the participant must pay the non-participant fee for that service.</u></p> <p><u>Participants who want to become active again (i.e., self-clearing) must complete an Application for Participation and submit it to CDS Customer Service for board approval.</u></p>	<p>1.7 Dormant participants</p> <p>Participants that decide to clear and settle trades through other CDS participants can change their status to dormant by paying an annual dormancy fee. This will maintain their status as a non-active participant. By paying the dormancy fee, participants who opt out of using CDS services for a fixed period of time can resume using CDS services without paying an additional membership fee.</p> <p>Participants requesting a dormancy status should do so by sending a formal letter (on company letterhead) to CDS Customer Service.</p> <p>If a dormant participant chooses to use a CDS service during the dormancy period, the participant must pay the non-participant fee for that service.</p> <p>Participants who want to become active again (i.e., self-clearing) must complete an Application for Participation and submit it to CDS Customer Service for board approval.</p>

13.1.5 RS Market Integrity Notice – Guidance – Designation of Additional Exchange-Traded Funds

November 16, 2007

No. 2007-023

RS MARKET INTEGRITY NOTICE

GUIDANCE

DESIGNATION OF ADDITIONAL EXCHANGE-TRADED FUNDS

Summary

This Market Integrity Notice provides guidance relating to additional Exchange-traded Funds that have been designated effective as of November 16, 2007 by Market Regulation Services Inc. for the purposes of the Universal Market Integrity Rules. ***If a security has not been designated, the exemptions provided in the Universal Market Integrity Rules for such funds are unavailable to that security.***

Questions / Further Information

For further information or questions concerning this notice contact:

Felix Mazer
Policy Counsel

Telephone: 416.646.7280
Fax: 416.646.7265

e-mail: felix.mazer@rs.ca

DESIGNATION OF ADDITIONAL EXCHANGE-TRADED FUNDS

Summary

This Market Integrity Notice provides guidance relating to additional Exchange-traded Funds that have been designated effective as of November 16, 2007 by Market Regulation Services Inc. ("RS") for the purposes of the Universal Market Integrity Rules ("UMIR"). ***If a security has not been designated, the exemptions provided in UMIR for such funds are unavailable to that security.***

Definition of an "Exchange-traded Fund"

Rule 1.1 of UMIR defines an "Exchange-traded Fund" as a mutual fund:

- the units of which are:
 - a listed security or a quoted security, and
 - in continuous distribution in accordance with applicable securities legislation; and
- designated by the Market Regulator.

Market Integrity Notice 2007-005 – *Guidance – Designation of Additional Exchange-traded Funds* (February 28, 2007) set out a list of thirteen securities that had been designated as an "Exchange-traded Fund" as at February 28, 2007. As stated in Market Integrity Notice 2006-013 – *Guidance – Designation of Indices and Exchange-traded Funds* (May 26, 2006) and as set out in Policy 1.1 – Definitions, Part 2 – *Definition of an "Exchange-traded Fund"*, additional designations of an "Exchange-traded Fund" would be made after consultation with the Ontario Securities Commission ("OSC") or other applicable securities regulatory authorities. Acceptance of the designation by applicable securities regulatory authorities is a pre-condition to any designation of a security as an "Exchange-traded Fund". Other factors which RS takes into account are:

- the liquidity or public float of the security (or the underlying securities which comprise the portfolio of the mutual fund);
- whether the units are redeemable at any time for a "basket" of the underlying securities in addition to cash;

- whether a “basket” of the underlying securities may be exchanged at any time for units of the fund;
- whether the fund tracks a recognized index on which information is publicly disseminated and generally available through the financial media; and
- whether derivatives based on units of the fund, the underlying index or the underlying securities are listed on a marketplace.

None of these additional five factors is determinative in and of itself and each security will be evaluated on its own merits before a request is made to the applicable securities regulatory authority to concur in the designation.

Exemptions under UMIR

Securities which have been designated as an “Exchange-traded Fund” are exempt from:

- the restrictions on short selling under Rule 3.1; and
- certain restrictions on activities by a Participant during certain securities transaction under Rule 7.7.

Exemptions from the Restriction on Short Selling

Under Rule 3.1 of UMIR, a short sale of an “Exchange-traded Fund” may be made at a price less than the last sale price and such a sale may be marked as “short exempt” in accordance with the order marking requirements under Rule 6.2 of UMIR. The policy rationale for this exemption relates to the fact that the trading value of the security will track the changes in the value of the index underlying the fund or changes in the value of the structured investment portfolio which comprises the assets of the fund. Because of the relationship between trading value of the security and asset value, the security is not prone to being easily manipulated by short selling activity.

Exemptions from the Prohibitions and Restrictions on Trading During Certain Securities Transactions

Under Rule 7.7 of UMIR, a dealer-restricted person is prohibited or restricted in dealing with certain securities while acting as:

- an underwriter in a prospectus distribution or restricted private placement;
- an agent, but not as an underwriter, in a restricted private placement that involves the distribution of more than 10% of the issued and outstanding shares and the Participant is entitled to sell more than 25% of the distribution;
- a dealer-manager, manager, soliciting dealer or adviser in respect of a securities exchange takeover bid or issuer bid if a security is offered as consideration; or
- a soliciting dealer or adviser in respect of the approval of an amalgamation, arrangement, capital reorganization or similar transaction.

These prohibitions or restrictions in Rule 7.7 which govern market stabilization and market balancing activities (including the publication of research) do not apply if the security is an Exchange-traded Fund or a connected security of an Exchange-traded Fund. As with the exemption from the price restrictions on short sales, the exemption recognizes that the relationship between trading value of the security and asset value results in the security not being prone to being influenced by buying activity from dealers or other persons who may stand to benefit from the completion of the securities transactions.

Designation of Exchange-Traded Funds

Since February 28, 2007, the following fifteen securities have been listed on the Toronto Stock Exchange (“TSX”):

Claymore Canadian Financial Monthly Income ETF (symbol “FIE”)
Claymore Global Balanced Growth ETF (symbol “CBN”)
Claymore Global Balanced Income ETF (symbol “CBD”)
Claymore S&P Global Water ETF (symbol “CWW”)
Claymore S&P/TSX CDN Preferred Share ETF (symbol “CPD”)
Claymore S&P/TSX Global Mining ETF (symbol “CMW”)
Horizons BetaPro S&P/TSX Capped Energy Bear Plus ETF (symbol “HED”)
Horizons BetaPro S&P/TSX Capped Energy Bull Plus ETF (symbol “HEU”)
Horizons BetaPro S&P/TSX Capped Financials Bear Plus ETF (symbol “HFD”)

Horizons BetaPro S&P/TSX Capped Financials Bull Plus ETF (symbol "HFU")
 Horizons BetaPro S&P/TSX Global Gold Bear Plus ETF (symbol "HGD")
 Horizons BetaPro S&P/TSX Global Gold Bull Plus ETF (symbol "HGU")
 iShares CDN Jantzi Social Index Fund (symbol "XEN")
 iShares CDN Russell 2000 Index – Canadian Dollar Hedged Index Fund (symbol "XSU")
 iShares CDN S&P/TSX Small Cap Index Fund (symbol "XCS")

After consultation with and the concurrence of the OSC in the designation, RS has designated each of these securities as an "Exchange-traded Fund" **effective as of November 16, 2007**. As of November 16, 2007, the following forty-seven securities that are listed on the TSX have been designated as an "Exchange-traded Fund":

Issuer Name	Symbol
Claymore BRIC ETF	CBQ
Claymore Canadian Financial Monthly Income ETF (previously Canadian Financial Income Fund)	FIE
Claymore Canadian Fundamental Index ETF (previously Claymore ETF FTSE RAFI Canadian Index Fund)	CRQ
Claymore CDN Dividend & Income Achievers ETF	CDZ
Claymore Global Balanced Growth ETF	CBN
Claymore Global Balanced Income ETF	CBD
Claymore International Fundamental Index ETF	CIE
Claymore Japan Fundamental Index ETF C\$ Hedged	CJP
Claymore Oil Sands Sector ETF	CLO
Claymore S&P Global Water ETF	CWW
Claymore S&P/TSX CDN Preferred Share ETF	CPD
Claymore S&P/TSX Global Mining ETF	CMW
Claymore US Fundamental Index ETF C\$ hedged	CLU
CP HOLDERS	HCH
Horizons BetaPro S&P/TSX 60 Bear Plus ETF	HXD
Horizons BetaPro S&P/TSX 60 Bull Plus ETF	HXU
Horizons BetaPro S&P/TSX Capped Energy Bear Plus ETF	HED
Horizons BetaPro S&P/TSX Capped Energy Bull Plus ETF	HEU
Horizons BetaPro S&P/TSX Capped Financials Bear Plus ETF	HFD
Horizons BetaPro S&P/TSX Capped Financials Bull Plus ETF	HFU
Horizons BetaPro S&P/TSX Global Gold Bear Plus ETF	HGD
Horizons BetaPro S&P/TSX Global Gold Bull Plus ETF	HGU
iShares CDN Dow Jones Canada Select Dividend Index Fund (previously iUnits Dividend Index Fund)	XDV
iShares CDN Dow Jones Canada Select Growth Index Fund	XCG
iShares CDN Dow Jones Canada Select Value Index Fund	XCV
iShares CDN Jantzi Social Index Fund	XEN
iShares CDN MSCI EAFE 100% Hedged to CAD Dollars Index Fund (previously iUnits International Equity C\$ Index Fund)	XIN
iShares CDN Russell 2000 Index – Canadian Dollar Hedged Index Fund	XSU
iShares CDN S&P 500 Hedged to Canadian Dollars Index Fund (previously iUnits S&P 500 C\$ Index Fund)	XSP
iShares CDN S&P/TSX 60 Index Fund (previously iUnits S&P/TSX 60 Index Fund)	XIU
iShares CDN S&P/TSX Capped Composite Index Fund (previously iUnits Composite Canadian Equity Capped Index Fund)	XIC
iShares CDN S&P/TSX Capped Energy Index Fund (previously iUnits S&P/TSX Capped Energy Index Fund)	XEG
iShares CDN S&P/TSX Capped Financial Index Fund (previously iUnits S&P/TSX Capped Financials Index Fund)	XFN
iShares CDN S&P/TSX Capped Gold Index Fund (previously iUnits S&P/TSX Capped Gold Index Fund)	XGD
iShares CDN S&P/TSX Capped Income Trust Index Fund (previously iUnits Income Trust Sector Index Fund)	XTR
iShares CDN S&P/TSX Capped Information Technology Index Fund (previously iUnits S&P/TSX Capped Information Technology Index Fund)	XIT
iShares CDN S&P/TSX Capped Materials Index Fund (previously iUnits Materials Sector Index Fund)	XMA

Issuer Name	Symbol
iShares CDN S&P/TSX Capped REIT Index Fund (previously iUnits S&P/TSX Capped REIT Index Fund)	XRE
iShares S&P/TSX Midcap Index Fund (previously iUnits S&P/TSX Midcap Index Fund)	XMD
iShares CDN S&P/TSX SmallCap Index Fund	XCS
iShares CDN Scotia Capital All Corporate Bond Index Fund	XCB
iShares CDN Scotia Capital All Government Bond Index Fund	XGB
iShares CDN Scotia Capital Long Term Bond Index Fund	XLB
iShares CDN Scotia Capital Real Return Bond Index Fund (previously iUnits Real Return Bond Index Fund)	XRb
iShares CDN Scotia Capital Short Term Bond Index Fund (previously iUnits Short Bond Index Fund)	XSB
iShares CDN Scotia Capital Universe Bond Index Fund (previously iUnits Canadian Bond Broad Market Index Fund)	XBB
iShares COMEX Gold Trust	IGT

Listing of Designated “Exchange-traded Funds”

A current list of the securities which have been designated by RS as an “Exchange-traded Fund” (“ETF List”) is available on the RS website (at www.rs.ca) and may be accessed through the “Quick Links” on the homepage or under the heading “Timely Disclosure” on the “Surveillance” page. **As of November 16, 2007, RS will no longer issue a Market Integrity Notice to announce changes to the ETF List.** In the future, RS will provide a separate e-mail notification of a change to the ETF List to each person that subscribes to receive electronic notification of Market Integrity Notices/Market Policy Notices. A Participant or Access Person that has not subscribed to the RS email notification system is encouraged to do so by accessing the “RS Login” link on the RS website homepage.

Each security designated by RS as an “Exchange-traded Fund” has also been designated by the OSC to be an “exchange-traded fund” for the purposes of OSC Rule 48-501 – *Trading during Distributions, Formal Bids and Share Exchange Transactions*. OSC Rule 48-501 contains prohibitions and restrictions governing the trading activities of dealers and parties connected to the issuer. While OSC Rule 48-501 is similar to Rule 7.7 of UMIR, there are differences in the application of the rules. Reference should be made to OSC Rule 48-501 and to Market Integrity Notice 2005-007 – *Notice of Amendment Approval – Amendments Respecting Trading During Certain Securities Transactions* (March 4, 2005).

Securities Not Designated as an “Exchange-traded Fund”

If a security has not been designated by RS as an “Exchange-traded Fund”, the exemptions provided in UMIR for such funds are unavailable to that security. Not every security which is known as an “exchange-traded fund” or “ETF” may necessarily be designated by RS. A Participant or Access Person may be subject to disciplinary proceedings if it attempts to rely on an exemption for an “Exchange-traded Fund” if, at the time of activity, the security has not been designated by RS.

A Participant that intends to act as the “designated broker” of a security that will be listed on an exchange as an ETF is urged to apply to RS to have the security designated as an “Exchange-traded Fund” for the purposes of UMIR at the time application is made to list the security on the exchange. A timely application to RS will help to ensure that the security can be designated concurrent with the listing of the security on the exchange.

Questions / Further Information

For further information or questions concerning this notice contact:

Felix Mazer,
Policy Counsel,
Market Policy and General Counsel’s Office,
Market Regulation Services Inc.,
Suite 900,
145 King Street West,
Toronto, Ontario. M5H 1J8

Telephone: 416.646.7280
Fax: 416.646.7265
e-mail: felix.mazer@rs.ca

ROSEMARY CHAN,
VICE PRESIDENT, MARKET POLICY AND GENERAL COUNSEL

13.1.6 TSX Inc. – Summary of Comments Received and TSX Responses Regarding Deletion of TSX Rule 4-804

DELETION OF TSX RULE 4-804 – MARKET MAKER AND PRINCIPAL ACCOUNTS

SUMMARY OF COMMENTS RECEIVED AND TSX RESPONSESComments Received from:

1. CIBC World Markets (“CIBC”)
2. National Bank Financial (“NBF”)

Capitalized terms that have not been specifically defined have the meaning attributed to them in the TSX Proposal.

	Issue and Comments	Comment Summary	TSX Response
<u>CIBC</u>			
1.	Impact on Market Makers	In a multiple marketplace environment, a competitive Market Maker will need to honour the MGF at the National Best Bid and Offer (“NBBO”). As a result, the Pro Order Handling Rule will be rendered ineffective.	<p>We note that CIBC World Markets does not engage in market making. Thus their comments are derived from their experience in retail and institutional trading.</p> <p>TSX agrees that the MGF liability can be triggered by the presence of other marketplaces, not through a rule-based obligation but through the normal course of a market maker’s business. We share CIBC’s expectation that TSX Market Makers have a natural business incentive to post the best quote across Canadian marketplaces.</p> <p>We agree that the presence of other marketplaces makes the Pro Order Handling Rule ineffective and its removal is not contrary to the public interest.</p>
<u>NBF</u>			
2a.	Impact on Market Makers	Removal of the Pro Order Handling Rule exacerbates the MGF liability risk to Market Makers by increasing the number of participants that can exploit the Market Maker’s MGF obligations.	<p>We note that National Bank Financial is heavily engaged in market making. Thus, their comments are derived from their experience in pro and specialist trading.</p> <p>TSX acknowledges that the presence of quotes from new marketplaces does not necessarily trigger an MGF liability. However, we feel that most of our market-making partners are concerned with posting the best quote across marketplaces, and as a result the additional MGF liability will be triggered as part of their normal course of business whether or not the professional order handling rule is removed.</p> <p>TSX does not agree that removal of the Pro Order Handling Rule exacerbates MGF liability risk. As described in NBF’s comments, this risk exists today – client orders that tighten the posted spread can be entered in small quantities and at prices that create a certain amount of MGF liability risk. Market makers can mitigate the risk associated with these orders by filling them, either manually or automatically.</p> <p>TSX requires sufficient commitment of capital as part of a market making firm’s commitment to managing</p>

	Issue and Comments	Comment Summary	TSX Response
			<p>their stocks of responsibility, This capital requirement is in place to ensure the market maker is capable of filling, on a recurring basis if required, these orders and mitigating their MGF liability risk while maintaining a liquid TSX market for the symbol.</p> <p>Given that procedures already exist for the reporting of abusive trading, TSX feels that the elimination of the Pro Order Handling Rule does not introduce a new or greater MGF liability risk for the Market Maker. Rather, it may marginally increase the frequency at which the existing risk must be managed. TSX-mandated capital requirements are in place to ensure the Market Maker can continue to mitigate MGF liability risk.</p>
2b.	Impact on Market Makers	Removal of the Pro Order Handling Rule means TSX is abandoning Market Makers in order to keep order flow on TSX	<p>Market Makers are business partners of TSX, and are integral to the functioning of the Canadian equity market. In exchange for the benefits associated with market maker status, Market Maker Firms are expected to manage a certain amount of business risk and assist TSX in evolving as market conditions change.</p> <p>We acknowledge that as an exchange, TSX and its Participating Organizations will benefit from removal of the Prof Order Handling Rule because it will remove a risk of regulatory arbitrage that could negatively impact the quality of TSX's central limit order book.</p> <p>Far from abandoning our Market Makers, we are encouraging a level playing field in a multiple-marketplace environment. Competitive Market Makers that seek to post the best intermarket quote will undertake no additional MGF risk, and will also have increased opportunity to challenge quotes on symbols other than their securities of responsibility.</p> <p>We remain committed to our market making partners and will continue to work with them as market making evolves in the new multi-market trading environment.</p>
2c.	Impact on Market Makers	Market Maker performance that is derived from MGF commitments should have its weighting reduced in the overall Market Maker score if the Pro Order Handling Rule is removed	<p>TSX does not agree that the assessment of a Market Maker's performance that is derived from MGF commitments requires adjustment. Market Makers are not measured on MGF performance. Market Maker performance is formally assessed using the following metrics, equally weighted:</p> <ul style="list-style-type: none"> • Spread maintenance: Measures the Market Maker's ability to call a two-sided market • Participation: Measures the participation of Market Makers in their security of responsibility. • Liquidity: Measures whether Market Makers are lining the book with reasonable depth. <p>Of the three, only participation is indirectly affected by MGF levels, in that the amount of participation that can be undertaken by a Market Maker is a percentage of the MGF offered. Further, participation is a relative</p>

	Issue and Comments	Comment Summary	TSX Response
			metric, in which Market Makers are ranked relative to their peers. As a result, if MGFs decrease across the board, relative positions will not change and no Market Maker would be negatively impacted due to MGF commitments.
3.	Impact on TSX	Maintaining the Pro Order Handling Rule in a multiple marketplace environment may compromise liquidity on TSX	We agree. TSX believes that maintaining the Pro Order Handling Rule in a multiple-marketplace environment, where other marketplaces have no parallel obligation, creates an opportunity for regulatory arbitrage. Pro orders wishing to improve the NBBO in increments smaller than the MGF quantity could be driven to other marketplaces where Rule 4-804 can be bypassed, compromising liquidity on TSX.
4.	Impact of Direct Market Access ("DMA") Orders	DMA orders, which are marked as client orders today, are not the same as small retail client orders and should be differentiated as 'sophisticated' client order flow. These orders are currently able to tighten spreads in increments less than the MGF because they are not treated as Pro orders, thereby creating significant MGF liability risk for Market Makers.	<p>Although valid statements, the concerns raised by NBF about classification of sophisticated client orders raised by NBF are not relevant to the proposed rule change. The Professional Order Handling Rule does not apply to client orders. Its removal will have no impact on MGF liabilities created by sophisticated client flow, and Market Makers will continue to manage the risk created by these orders.</p> <p>TSX will be gathering comments relating to the DMA client order issue from its Market Making partners in 2007.</p>
5.	Proposed Alternative	Exempt Market Makers from MGF obligation if the quote is established by a pro order.	<p>Exempting Market Makers from their MGF responsibilities when quotes are established by a pro order is a poor alternative that would result in occasional minimum fills that are unpredictable, rather than guaranteed minimum fills that are certain, for client orders. This would defeat the purpose of the facility – under NBF’s proposed solution retail investors would never know if their order has a minimum fill guarantee in a fast moving market.</p> <p>Although the proposed solution would be advantageous to pro traders, allowing them to tighten spreads using small orders and simultaneously reducing the MGF risk that they have to manage, it would create a market where, in circumstances that can arise often, retail orders would face MGFs of zero.</p>
6.	Impact on MGF Facility and True Client Orders	Market Makers will likely reduce their MGF obligations to the lowest possible amount (i.e. 200 shares) in order to limit their risk exposure which in turn will significantly disadvantage true client orders.	<p>While TSX agrees that there is a risk that MGF levels will fall, we disagree with NBF’s view that the removal of the Pro Order Handling Rule will be the cause of such reduced levels.</p> <p>As discussed in item 2(a) above, and supported in the comment letter provided by CIBC, as summarized in item 1 above, TSX believes that MGF liability will be an issue for diligent Market Makers with or without the Pro Order Handling Rule. In a multiple marketplace environment, Market Makers will need to post top-of book quotes across marketplaces, or risk being shut out of their own business. Consequently, a competing Pro that pennies a TSX Market Maker on a best-price protected marketplace will trigger MGF liability risk, because that TSX Market Maker will need to match or</p>

	Issue and Comments	Comment Summary	TSX Response
			<p>better this price in order to participate in the market, but will need to guarantee the posted price for a much larger volume. The presence of this risk may put downward pressure on MGFs market wide.</p> <p>Any risk to the MGF quantities offered by our Market Makers however, is a direct consequence of competing marketplaces, as is the possible loss of service to client orders, and not a consequence of the deletion of Pro Order Handling Rule which will become irrelevant the moment a new marketplace without a parallel obligation begins trading TSX-listed securities.</p> <p>Unless the value provided by TSX Market Makers to end clients is acknowledged across marketplaces, and pro order handling rules are put in place to allow them to continue to provide high MGFs without being abused by competing Pros, natural competitive forces will put downward pressure on MGFs.</p> <p>Consider, for example, a client order for 1,000 shares routed to another marketplace with 100 shares showing at the top of book price¹. That client order will be filled for 100 shares at the better price, and 900 will be filled across one or more less favourable price levels. This client order did not receive the benefits of an MGF at the top of book price. The best-price obligation, without a matching MGF obligation on other marketplaces, erodes the service provided by the MGF facility irrespective of Pro Order Handling Rule. The result of allowing other marketplaces to operate without an MGF facility is an overall reduction of service to client orders in this regard.</p>

¹ To our knowledge, no new marketplace has offered an MGF facility.

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Chapter 25

Other Information

25.1 Consents

25.1.1 JPY Holdings Ltd. - s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Canada Business Corporations Act.

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.

Regulations Cited

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

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

AND

**IN THE MATTER OF
JPY HOLDINGS LTD.**

**CONSENT
(Subsection 4(b) of the Regulation)**

UPON the application of JPY Holdings Ltd. (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") requesting a consent (the "**Request**") from the Commission for the Applicant to continue into 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 laws of the Province of British Columbia on May 13, 1985 and was continued under the laws of the Province of Ontario on June 29, 1993.

2. The Applicant's head office is located at 595 Howe Street, Suite 900, Vancouver, British Columbia, V6C 2T5. The Applicant's registered office is located at 40 King Street West, Suite 2100, Toronto, Ontario, M5H 3C2. Following the proposed Continuance, the Applicant's registered office will be located at 595 Howe Street, Suite 900, Vancouver, British Columbia, V6C 2T5.

3. The authorized share capital of the Applicant consists of an unlimited number of common shares (the "**Common Shares**") and an unlimited number of first preference shares (the "**First Preference Shares**"). As at November 5, 2007, 8,269,659 Common Shares are issued and outstanding and nil First Preference Shares are issued and outstanding.

4. The Applicant's outstanding common shares were listed and posted for trading on the NEX Board of the TSX Venture Exchange under the symbol "JPY", but were delisted on March 30, 2005 following the Applicant's failure to pay required filing fees.

5. The Commission issued a cease trade order against the Applicant on June 18, 2003 (the "**Ontario CTO**") as a result of the Applicant's failure to file certain financial statements and management's discussion and analysis of financial condition and results of operations. The Commission revoked the Ontario CTO on October 29, 2007.

6. The British Columbia Securities Commission (the "**BCSC**") and the Alberta Securities Commission (the "**ASC**") also issued cease trade orders dated June 3, 2003 and September 12, 2003, respectively. Such cease trade orders were revoked by the BCSC and ASC on October 26, 2007 and October 29, 2007, respectively.

7. Pursuant to section 181 of the OBCA, the Applicant intends to make an application (the "**Application for Continuance**") to the Director under the OBCA for authorization to continue under the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "**CBCA**").

8. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation under the OBCA, an application for authorization to continue in another jurisdiction under section 181 of the OBCA must be accompanied by a consent from the Commission.

Other Information

9. The Applicant is an offering corporation under the OBCA and is a reporting issuer under the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**"). The Applicant is also a reporting issuer in British Columbia and Alberta.
10. Following the Continuance, the Applicant intends to remain a reporting issuer in Ontario, British Columbia and Alberta.
11. The Applicant is not in default of any of the provisions of the Act or the regulations or rules made thereunder and is not in default under the securities legislation of British Columbia or Alberta.
12. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, pending proceeding under the Act or under the securities legislation of British Columbia or Alberta.
13. The proposed Continuance was approved by the shareholders of the Applicant by special resolution at the Applicant's annual and special meeting (the "**Meeting**") held on September 27, 2007. The special resolution authorizing the continuance was approved at the Meeting by 100% of the votes cast.
14. Pursuant to section 185 of the OBCA, all shareholders of record as of the record date of the Meeting are entitled to dissent rights with respect to the resolution approving the Continuance.
15. The management information circular dated August 27, 2007, provided to all shareholders of the Applicant in connection with the Meeting, advised registered shareholders of their dissent rights.
16. The Continuance has been proposed as the Applicant's head office is located in British Columbia and it no longer has any connection to Ontario other than its incorporation and believes it to be in its best interest to conduct its affairs in accordance with the CBCA.
17. The material rights, duties and obligations of a corporation governed by the CBCA are substantially similar to those of a corporation governed by the OBCA.

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"David L. Knight"
Commissioner
Ontario Securities Commission

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 CBCA.

Dated this 9th day of November, 2007.

25.2 Approvals

Schedule "A"

25.2.1 Burgundy Asset Management Ltd. - s. 213(3)(b) of the LTCA

Burgundy Canadian Small Cap Fund
Burgundy Asian Equity Fund
Burgundy U.S. Smaller Companies Fund
Burgundy Balanced Foundation Fund
Burgundy Balanced Pension Fund
Burgundy Global Focused Opportunities Fund
Burgundy Pension Trust Fund
Burgundy U.S. Small/Mid Cap Fund

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager, with no prior track record acting as trustee, for approval to act as trustee of pooled funds and future pooled funds to be established and managed by the applicant and offered pursuant to a prospectus exemption.

(the "Burgundy Pooled Funds")

Statutes Cited

Loan and Trust Corporations Act, R.S.O. 1990, c. L.25, as am., s. 213(3)(b).

November 2, 2007

Borden Ladner Gervais LLP

Scotia Plaza, 40 King Street west
Toronto, ON M5H 3Y4

Attention: Kathryn Fuller/William J.E. Jones

Dear Sirs/Medames:

**Re: Burgundy Asset Management Ltd. (the "Applicant")
Application pursuant to clause 213(3)(b) of the Loan and Trust Corporations Act (Ontario) for approval to act as trustee
Application No. 2007/0851**

Further to your application dated October 12, 2007 (the "Application") filed on behalf of the Applicant, and based on the facts set out in the Application and the representation by the Applicant that the assets of Burgundy Pooled Funds, as defined and listed on Schedule "A", and such other funds as the Applicant may establish from time to time will be held in the custody of a trust company incorporated, and licensed or registered, under the laws of Canada or a jurisdiction, or a bank listed in Schedule I, II or III of the Bank Act (Canada) or an affiliate of such bank or trust company, the Ontario Securities Commission (the "Commission") makes the following order.

Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of Burgundy Pooled Funds and such other funds which may be established and managed by the Applicant from time to time, the securities of which will be offered pursuant to a prospectus exemption.

Yours truly,

"Robert L. Shirriff"

"James E. A. Turner"

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