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Commodity Futures Act of Ontario (R.S.O. 1990, c. C.20)

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

JANUARY 2, 2009

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
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Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

SCHEDULED OSC HEARINGS

January 5, 2009	**FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun**
TBA	s. 127
	M. Mackewn in attendance for Staff
	Panel: ST/MCH
January 5-16, 2009	**Xi Biofuels Inc., Biomaxx Systems Inc., Ronald David Crowe and Vernon P. Smith**
10:00 a.m.	and **Xiiva Holdings Inc. carrying on Business as Xiiva Holdings Inc., Xi Energy Company, Xi Energy and Xi Biofuels**
	s. 127
	M. Vaillancourt in attendance for Staff
	Panel: WSW/DLK
January 6, 2009	**Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson**
3:00 p.m.	
	s. 127(1) and 127(5)
	M. Boswell in attendance for Staff
	Panel: JEAT/MCH
January 12-23, 2009	**Franklin Danny White, Naveed Ahmad Qureshi, WNBC The World Network Business Club Ltd., MMCL Mind Management Consulting, Capital Reserve Financial Group, and Capital Investments of America**
10:00 a.m.	
	s. 127
	C. Price in attendance for Staff
	Panel: PJL/KJK

January 19, 2009 10:00 a.m.	**Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance** s. 127 J. Feasby in attendance for Staff Panel: JEAT/PLK	
January 20, 2009 3:00 p.m.	**Irwin Boock, Stanton De Freitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiants, Select American Transfer Co., Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., Nutrione Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group** s. 127(1) & (5) P. Foy in attendance for Staff Panel: DLK/ST	
January 21, 2009 10:00 a.m.	**Hahn Investment Stewards & Co. Inc.** s. 21.7 Y. Chisholm in attendance for Staff Panel: TBA	
January 26-30, 2009 10:00 a.m.	**Darren Delage** s. 127 M. Adams in attendance for Staff Panel: TBA	
February 2, 2009 10:00 a.m.	**Biovail Corporation, Eugene N. Melnyk, Brian H. Crombie, John R. Miszuk and Kenneth G. Howling** s. 127(1) and 127.1 J. Superina/A. Clark in attendance for Staff Panel: JEAT/DLK/PLK	
		February 10, 2009 10:00 a.m. **Gold-Quest International, Health and Harmoney, Iain Buchanan and Lisa Buchanan** s.127 H. Craig in attendance for Staff Panel: TBA
		February 13, 2009 9:00 a.m. **Lyndz Pharmaceuticals Inc., Lyndz Pharma Ltd., James Marketing Ltd., Michael Eatch and Rickey McKenzie** s.127(1) & (5) J. Feasby in attendance for Staff Panel: WSW/ST
		February 16, 2009 9:30 a.m. **Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee and Peter Y. Atkinson** s.127 J. Superina in attendance for Staff Panel: LER/MCH
		February 23, 2009 10:00 a.m. **Roger D. Rowan, Watt Carmichael Inc., Harry J. Carmichael and G. Michael McKenney** s. 127 J. Superina in attendance for Staff Panel: PJL/ST/DLK
		February 23 - March 13, 2009 10:00 a.m. **John Illidge, Patricia McLean, David Cathcart, Stafford Kelley and Devendranauth Misir** S. 127 and 127.1 I. Smith in attendance for Staff Panel: TBA
		February 25-27, 2009 10:00 a.m. **James Richard Elliott** S. 127 J. Feasby in attendance for Staff Panel: TBA

March 3, 2009 2:30 p.m.	**Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York** s. 127 S. Horgan in attendance for Staff Panel: JEAT/PLK
March 3, 2009 3:30 p.m.	**Adrian Samuel Leemhuis, Future Growth Group Inc., Future Growth Fund Limited, Future Growth Global Fund limited, Future Growth Market Neutral Fund Limited, Future Growth World Fund and ASL Direct Inc.** s. 127(5) K. Daniels in attendance for Staff Panel: TBA
March 16, 2009 10:00 a.m.	**Sextant Capital Management Inc., Sextant Capital GP Inc., Sextant Strategic Opportunities Hedge Fund L.P., Otto Spork, Robert Levack and Natalie Spork** s. 127 S. Kushneryk in attendance for Staff Panel: TBA
March 23-April 3, 2009 10:00 a.m.	**Imagin Diagnostic Centres Inc., Patrick J. Rooney, Cynthia Jordan, Allan McCaffrey, Michael Shumacher, Christopher Smith, Melvyn Harris and Michael Zelyony** s. 127 and 127.1 H. Craig in attendance for Staff Panel: TBA
April 6, 2009 10:00 a.m.	**Gregory Galanis** s. 127 P. Foy in attendance for Staff Panel: TBA
April 13-17, 2009 10:00 a.m.	**Matthew Scott Sinclair** s.127 P. Foy in attendance for Staff Panel: TBA
April 20-27, 2009 10:00 a.m.	**Al-Tar Energy Corp., Alberta Energy Corp., Drago Gold Corp., David C. Campbell, Abel Da Silva, Eric F. O'Brien and Julian M. Sylvester** s. 127 S. Horgan in attendance for Staff Panel: TBA
April 20-May 1, 2009 10:00 a.m.	**Shane Suman and Monie Rahman** s. 127 & 127(1) C. Price in attendance for Staff Panel: JEAT/DLK/MCH
May 4-29, 2009 10:00 a.m.	**Borealis International Inc., Synergy Group (2000) Inc., Integrated Business Concepts Inc., Canavista Corporate Services Inc., Canavista Financial Center Inc., Shane Smith, Andrew Lloyd, Paul Lloyd, Vince Villanti, Larry Haliday, Jean Breau, Joy Statham, David Prentice, Len Zielke, John Stephan, Ray Murphy, Alexander Poole, Derek Grigor and Earl Switenky** s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: TBA
May 7-15, 2009 10:00 a.m.	**MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric** s. 127 & 127(1) D. Ferris in attendance for Staff Panel: TBA

May 12, 2009 2:30 p.m.	**LandBankers International MX, S.A. De C.V.; Sierra Madre Holdings MX, S.A. De C.V.; L&B LandBanking Trust S.A. De C.V.; Brian J. Wolf Zacarias; Roger Fernando Ayuso Loyo, Alan Hemingway, Kelly Friesen, Sonja A. McAdam, Ed Moore, Kim Moore, Jason Rogers and Dave Urrutia** s. 127 M. Britton in attendance for Staff Panel: JEAT/ST
May 25 – June 2, 2009 10:00 a.m.	**Global Partners Capital, Asia Pacific Energy Inc., 1666475 Ontario Inc. operating as "Asian Pacific Energy", Alex Pidgeon, Kit Ching Pan also known as Christine Pan, Hau Wai Cheung, also known as Peter Cheung, Tony Cheung, Mike Davidson, or Peter McDonald, Gurdip Singh Gahunia also known as Michael Gahunia or Shawn Miller, Basis Marcellinius Toussaint also known as Peter Beckford, and Rafique Jiwani also known as Ralph Jay** s.127 M. Boswell in attendance for Staff Panel: TBA
June 1-3, 2009 10:00 a.m.	**Robert Kasner** s. 127 H. Craig in attendance for Staff Panel: TBA
June 4, 2009 10:00 a.m.	**Shallow Oil & Gas Inc., Eric O'Brien, Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and Abraham Herbert Grossman aka Allen Grossman** s. 127(7) and 127(8) M. Boswell in attendance for Staff Panel: DLK/CSP/PLK
June 4, 2009 11:00 a.m.	**Abel Da Silva** s.127 M. Boswell in attendance for Staff Panel: TBA
June 10, 2009 10:00 a.m.	**Global Energy Group, Ltd. and New Gold Limited Partnerships** s. 127 H. Craig in attendance for Staff Panel: TBA
August 10, 2009 10:00 a.m.	**New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., L. Jeffrey Pogachar, Paola Lombardi and Alan S. Price** s. 127 S. Kushneryk in attendance for Staff Panel: TBA
September 7-11, 2009; and September 30-October 23, 2009 10:00a.m.	**Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited** s. 127 M. Britton in attendance for Staff Panel: TBA
September 21-25, 2009 10:00 a.m.	**Swift Trade Inc. and Peter Beck** s. 127 S. Horgan in attendance for Staff Panel: TBA
November 16-December 11, 2009 10:00 a.m.	**Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building Supplies Ltd., Kore International Management Inc., Petar Vucicevich and Andrew DeVries** s. 127 & 127.1 M. Britton in attendance for Staff Panel: TBA

January 11, 2010 10:00 a.m.	**Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton** s. 127 H. Craig in attendance for Staff Panel: TBA
TBA	**Yama Abdullah Yaqeen** s. 8(2) J. Superina in attendance for Staff Panel: TBA
TBA	**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
TBA	**Frank Dunn, Douglas Beatty, Michael Gollogly** s.127 K. Daniels in attendance for Staff Panel: TBA
TBA	**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.** s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: JEAT/DLK/CSP
TBA	**Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)** s.127 and 127.1 D. Ferris in attendance for Staff Panel: TBA
TBA	**Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin** s. 127 H. Craig in attendance for Staff Panel: JEAT/MC/ST
TBA	**Rodney International, Choeun Chhean (also known as Paulette C. Chhean) and Michael A. Gittens (also known as Alexander M. Gittens)** s. 127 M. Britton in attendance for Staff Panel: WSW/ST
TBA	**Norshield Asset Management (Canada) Ltd., Olympus United Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas** s.127 P. Foy in attendance for Staff Panel: WSW/DLK/MCH

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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

ADJOURNED SINE DIE

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

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

Global Partners Capital, WS Net Solution, Inc., Hau Wai Cheung, Christine Pan, Gurdip Singh Gahunia

1.1.2 Joint Standing Committee Reports on Product Suitability Consultation

FOR IMMEDIATE RELEASE
December 17, 2008

JOINT STANDING COMMITTEE REPORTS ON PRODUCT SUITABILITY CONSULTATION

TORONTO – On September 4, 2008 the Joint Standing Committee on Retail Investor Issues (JSC) posted a series of consultation questions to seek feedback on issues relating to the suitability of investment products for retail investors. The questions focused on what information investors want and need when making a decision to invest, as well as how they think investment products should be regulated.

The consultation is now complete, and the JSC has posted a summary report at www.osc.gov.on.ca/jsc. The consultation was the first in a series to obtain retail investor input and feedback to regulatory initiatives.

The Joint Standing Committee on Retail Investor Issues was formed by the Investment Industry Regulatory Organization of Canada, Mutual Fund Dealers Association of Canada, Ombudsman for Banking Services and Investments, and the Ontario Securities Commission to focus on matters relating to retail investors, such as enhancing investor education, promoting greater transparency of investment products offered for sale to retail investors, and otherwise strengthening the effectiveness of retail investor protections.

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1.1.3 Notice of Commission Approval – Housekeeping Amendments to the Notes and Instructions to Schedule 5 of IIROC's Form 1 of the Dealer Member Rules Relating to Approved Inter-Dealer Bond Brokers

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

HOUSEKEEPING AMENDMENTS TO THE NOTES AND INSTRUCTIONS TO SCHEDULE 5 OF FORM 1 OF THE DEALER MEMBER RULES RELATING TO APPROVED INTER-DEALER BOND BROKERS

NOTICE OF COMMISSION APPROVAL

The Ontario Securities Commission approved the housekeeping amendments to the Notes and Instructions to Schedule 5 of IIROC's Form 1 of the Dealer Member Rules related to approved inter-dealer bond brokers. The Alberta Securities Commission, the Autorité des marches financiers, the Newfoundland and Labrador Securities Division, the New Brunswick Securities Commission, the Nova Scotia Securities Commission and the Saskatchewan Financial Services Commission approved the amendments. The British Columbia Securities Commission did not object to the amendments.

The objective of the amendments is to adopt a more efficient approach for updating the list of approved inter-dealer bond brokers. A description and a copy of the amendments are contained in Chapter 13 of this bulletin.

1.3 News Releases

1.3.1 Canadian Securities Regulators Finalize Passport for Registrants and a Streamlined Review Policy for Registration in Multiple Jurisdictions

FOR IMMEDIATE RELEASE
December 19, 2008

CANADIAN SECURITIES REGULATORS FINALIZE PASSPORT FOR REGISTRANTS AND A STREAMLINED REVIEW POLICY FOR REGISTRATION IN MULTIPLE JURISDICTIONS

Vancouver – The Canadian Securities Administrators (CSA) today published details of a new streamlined process for dealer and adviser registration in multiple jurisdictions.

All CSA members (except the Ontario Securities Commission) have approved rule and policy amendments to make the regulatory passport system available to registrants in all jurisdictions, including Ontario.

At the same time, CSA members in all provinces and territories (including Ontario) have approved a new policy containing procedures for registration in multiple jurisdictions. It includes an interface for firms and individuals in passport jurisdictions to register in Ontario.

"Making the passport system available for the dealer and adviser community will give all market participants faster and simpler access to Canada's capital markets," said CSA Chair Jean St-Gelais. "This phase of passport will simplify the regulatory processes and will benefit registrants and investors in all provinces and territories."

Amending Multilateral Instrument 11-102 *Passport System* to extend passport to the dealer and adviser community is the last step in fulfilling a major commitment in the memorandum of understanding regarding securities regulation among the governments of passport jurisdictions. Ontario is not a passport jurisdiction.

The new policy, National Policy 11-204 *Process for Registration in Multiple Jurisdictions*, will replace and streamline the current National Registration System (NRS) and establish the process for obtaining registration in multiple jurisdictions, including Ontario.

Once the rule and policy amendments are effective, the passport system will be fully implemented. Passport will allow someone to clear a prospectus, obtain a discretionary exemption or register in the home province (including Ontario) and have that clearance, exemption or registration apply automatically in all passport provinces and territories.

The foundation for passport is a set of harmonized regulatory requirements consistently interpreted and applied throughout Canada. The amendments to the passport instrument and the new national policy will be implemented concurrently with the proposed new national

rule on registration requirements, which will harmonize and simplify the registration regime in Canada.

The CSA now expects to complete the work on proposed NI 31-103 *Registration Requirements* by the end of April 2009, when we expect to be in a position to determine an implementation date.

The amendments, new policy, and related documents are available on various CSA members' websites.

The CSA, the council of the securities regulators of Canada's provinces and territories, co-ordinates and harmonizes regulation for the Canadian capital markets.

Passport System for Registration
Backgrounder

What is passport?

A system that gives a market participant access to capital markets in multiple jurisdictions by dealing only with its principal regulator and complying with one set of harmonized laws.

How does it work?

- Each market participant has a principal regulator, typically in its home jurisdiction
- A market participant can register in all passport jurisdictions through its principal regulator
- If the principal regulator imposes terms and conditions, the same terms and conditions apply automatically in all non-principal passport jurisdictions
- If the principal regulator suspends, terminates or accepts a surrender of registration, that decision applies automatically in all non-principal passport jurisdictions
- Market participants are subject to one set of harmonized registration requirements in all jurisdictions

What are the benefits of passport?

- Simpler - need only one registration decision - comply with one set of harmonized laws
- Faster - deal with one regulator
- Cheaper - eliminate professional costs for dealing with multiple regulators and different laws

What does it mean for Ontario?

- Ontario market participants have direct access to the markets in other jurisdictions by dealing only with the Ontario Securities Commission (OSC), even though Ontario has not adopted the passport rule
- Other market participants gain access to the Ontario market through a streamlined interface

Registration process:

A firm or individual seeking registration in both the home jurisdiction and one or more passport jurisdictions

- makes a single submission
- has the submission reviewed by only one regulator
- is automatically registered in the other jurisdiction when registered in the home jurisdiction

A firm or individual already registered in the home jurisdiction and seeking registration in the same category in a passport jurisdiction

- makes a single submission
- has the submission reviewed by only one regulator
- is automatically registered in the other jurisdiction if the firm or individual is a member of any self regulatory organization required for that category

In both cases, if a firm's or individual's home jurisdiction is outside Ontario, but they are seeking registration in Ontario, the OSC makes its own registration decision.

An investment dealer firm and its representatives continue to deal with the Investment Industry Regulatory Organization of Canada, where applicable.

To arrange interviews with CSA Chair Jean St-Gelais, please contact directly:

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1.3.2 Canadian Securities Regulators Seek Comments on Revised Corporate Governance and Audit Committee Regimes

FOR IMMEDIATE RELEASE
December 19, 2008

CANADIAN SECURITIES REGULATORS
SEEK COMMENTS ON
REVISED CORPORATE GOVERNANCE AND
AUDIT COMMITTEE REGIMES

Montreal – The Canadian Securities Administrators (CSA) announced today that they are seeking comment on proposed amendments to the CSA's corporate governance and audit committee regimes.

The proposed governance and audit committee regimes introduce changes in three main areas:

- National Policy 58-201 *Corporate Governance Principles* would be a more principles-based policy that is broader in scope than the current policy.
- More general disclosure requirements would replace the existing "comply or explain" disclosure model set out in National Instrument 58-101 *Disclosure of Corporate Governance Practices*.
- A principles-based approach to determining director and audit committee member independence would replace the current approach in National Instrument 52-110 *Audit Committees*.

"The proposed governance regime is intended to provide greater transparency for the marketplace regarding issuers' corporate governance practices and to provide guidance to issuers," said Jean St-Gelais, Chair of the CSA and President & Chief Executive Officer of the Autorité des marchés financiers. "We think the revised audit committee regime would continue to provide a framework for establishing and maintaining strong, effective and independent audit committees."

The CSA is requesting comments on the following documents by April 20, 2009:

- Proposed NP 58-201 *Corporate Governance Principles* and NI 58-101 *Disclosure of Corporate Governance Practices*.
- Proposed NI 52-110 *Audit Committees* and its related companion policy 52-110CP and,
- Consequential amendments to other rules and policies.

The proposed national instruments and policies are available on various CSA members' websites, along with the CSA Notice and Request for Comment that outlines specific requests for comment.

The CSA, the council of the securities regulators of Canada's provinces and territories, co-ordinates and harmonizes regulation for the Canadian capital markets.

For more information:

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416-595-8913

Ainsley Cunningham
Manitoba Securities Commission
204-945-4733

Sylvain Théberge
Autorité des marchés financiers
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Wendy Connors-Beckett
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Ken Gracey
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Marc Gallant
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Nunavut Securities Office
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1.3.3 Canadian Securities Regulators Propose Changes to Insider Reporting Regime

FOR IMMEDIATE RELEASE
December 18, 2008

CANADIAN SECURITIES REGULATORS PROPOSE CHANGES TO INSIDER REPORTING REGIME

Vancouver – The Canadian Securities Administrators (CSA) published today proposed materials for comment that aim to modernize, harmonize and streamline how insiders report their securities transactions to the public.

The proposed National Instrument 55-104 *Insider Reporting Requirements and Exemptions*, the companion policy, and related amendments set out the framework and guidelines for a new insider reporting regime. Proposed changes to the insider reporting regime would, among other things:

- reduce the number of insiders required to file insider reports to a core group with the greatest access to material undisclosed information and the greatest influence over the reporting issuer
- move the reporting deadline from 10 days to five days after the trade for most transactions
- simplify and bring consistency to stock-based compensation reporting requirements
- give issuers the option to file reports on stock-based compensation for insiders
- require an issuer to disclose whether any of its insiders failed to file an insider report on time

The new regime would generally consolidate the main insider reporting requirements and exemptions in a single national instrument, except in Ontario where the main insider reporting requirements will remain in the Ontario *Securities Act*. Despite the difference, the substance of the requirements for insider reporting will be the same across the CSA jurisdictions.

Although the CSA is not proposing any changes to the System for Electronic Disclosure by Insiders (SEDI) as part of this initiative, several of the proposed changes should help issuers and insiders comply with their filing obligations relating to SEDI.

The CSA expects the proposed instrument will make it easier for issuers and insiders to understand their obligations. It should also help to promote timely and effective compliance.

The proposed materials are available on the websites of various CSA members. The comment period is open for 90 days.

The CSA, the council of the securities regulators of Canada's provinces and territories, co-ordinates and harmonizes regulation for the Canadian capital markets.

For more information:

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1.4 Notices from the Office of the Secretary

1.4.1 Lyndz Pharmaceuticals Inc. et al.

FOR IMMEDIATE RELEASE
December 17, 2008

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

AND

IN THE MATTER OF
LYNDZ PHARMACEUTICALS INC.,
LYNDZ PHARMA LTD., JAMES MARKETING LTD.,
MICHAEL EATCH AND RICKEY MCKENZIE

TORONTO – The Commission issued an Order today extending the Temporary Order to February 13, 2009 and adjourning the hearing to 9:00 a.m. on February 13, 2009 in the above matter.

A copy of the Order dated December 17, 2008 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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

Laurie Gillett
Manager, Public Affairs
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Assistant Manager,
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416-593-2361

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

1.4.2 Hahn Investment Stewards & Co. Inc.

FOR IMMEDIATE RELEASE
December 19, 2008

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

AND

IN THE MATTER OF
HAHN INVESTMENT STEWARDS & CO. INC.

TORONTO – The Ontario Securities Commission will hold a hearing to consider the Application made by Hahn Investment Stewards & Co. Inc. for a review of a decision of the Investment Industry Regulatory Organization of Canada made October 17, 2008.

The hearing will be held on January 21, 2009 at 10:00 a.m. on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

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

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1.4.3 Hahn Investment Stewards & Co. Inc.

FOR IMMEDIATE RELEASE
December 23, 2008

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

AND

IN THE MATTER OF
HAHN INVESTMENT STEWARDS & CO. INC.

TORONTO – Following the hearing in writing of the motion of TSX Inc., the Commission issued an Order granting TSX Inc. full standing as an Intervenor in the hearing of this matter.

A copy of the Order dated December 22, 2008 is available at **www.osc.gov.on.ca**.

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1.4.4 Sextant Capital Management Inc. et al.

FOR IMMEDIATE RELEASE
December 23, 2008

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

AND

IN THE MATTER OF
SEXTANT CAPITAL MANAGEMENT INC.,
SEXTANT CAPITAL GP INC.,
SEXTANT STRATEGIC OPPORTUNITIES
HEDGE FUND L.P., OTTO SPORK,
ROBERT LEVACK AND NATALIE SPORK

TORONTO – Following a motion hearing held on December 19, 2008 the Commission issued its Reasons and Decision in the above noted matter.

A copy of the Reasons and Decision dated December 23, 2008 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
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SECRETARY

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Chapter 2

Decisions, Orders and Rulings

2.1.1 Bank of Nova Scotia, the Shareholder Dividend and Share Purchase Plan of the Bank, and Computershare Trust Company of Canada

Headnote

Process for Exemptive Relief Applications in Multiple Jurisdictions – Plan agents under reinvestment plans of various issuers exempted, subject to conditions, from the dealer registration requirement for trades made by the plan agent with a plan participant when the plan agent accepts an unsolicited direction from the participant to sell, on behalf of the participant, securities of the issuer, that are held under the plan for the participant, through an appropriately registered dealer – Each plan provides for the purchase of additional securities of the issuer by plan participants, using dividends or distributions out of earnings, surplus, capital or other sources that are payable in respect of the securities of the issuer that are held by participant in the plan, and, depending upon the plan, may also provide for the purchase by the participant of additional securities of the issuer, using optional cash payments – Each plan agent is either a trust company or an affiliate of a trust company.

Applicable Ontario Statutory Provisions

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

Multilateral Instruments Cited

National Instrument 14-101 Definitions.
National Instrument 45-106 Prospectus and Registration Exemptions, s. 2.2.

December 16, 2008

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(THE JURISDICTION)

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
THE BANK OF NOVA SCOTIA (THE BANK)
THE SHAREHOLDER DIVIDEND AND SHARE
PURCHASE PLAN OF THE BANK (THE PLAN),
AND COMPUTERSHARE TRUST COMPANY
OF CANADA (THE PLAN AGENT)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Bank, under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**), for a decision that, where, in connection with the termination of the participation of a Plan participant (**Plan Participant**) in the Plan, the Plan Agent accepts a direction (a **Sale Order**) from the Plan Participant to sell common shares of the Bank (**Common Shares**) that are held by the Plan Agent for the Plan Participant under the Plan, through an appropriately registered dealer, the dealer registration requirement shall not apply to the trade that is made by the Plan Agent with the Plan Participant when the Plan Agent accepts the Sale Order (the **Requested Relief**).

Under the *Process for Exemptive Relief Applications in Multiple Jurisdictions* (for a passport application):

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

(b) the Bank has provided notice that Section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the provinces and territories of Canada.

Interpretation

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

Representations

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

The Bank

1. The Bank is a bank named in Schedule I of the *Bank Act* (Canada). The Bank is not an investment fund. The executive offices of the Bank are located in Ontario.

2. The authorized share capital of the Bank consists of an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series (**Preferred Shares**).

3. The Common Shares are listed on the Toronto Stock Exchange and the New York Stock Exchange.

4. The Bank is a reporting issuer (or the equivalent) in each province and territory of Canada that provides for a reporting issuer regime and is not, to its knowledge, in default of any requirement of the securities legislation of such jurisdictions.

The Plan Agent

5. The Plan Agent is a trust company organized under the laws of Canada and authorized to carry on business as a trust company in each province and territory of Canada.

The Plan

6. The Plan includes the following features:

   (i) holders of Common Shares (other than U.S. residents) may elect to have dividends paid thereon automatically reinvested in Common Shares;

   (ii) holders of Preferred Shares (other than U.S. residents) may elect to have dividends paid thereon automatically reinvested in Common Shares;

   (iii) holders (each, a Shareholder) of either Common Shares or Preferred Share who are also holders of subordinated debentures of the Bank (**Debentures**) (other than U.S. residents) may elect to have interest on Debentures reinvested in Common Shares; and

   (iv) Shareholders (other than U.S. residents) may make optional cash payments (**Optional Cash Payment**) of up to $20,000 per annum for the purchase of additional Common Shares of the Bank under the Plan, without paying brokerage commissions or other expenses, subject to a minimum payment of $100.

7. The Plan Agent was appointed to act as the administrator for the Plan by the Bank and, where the Plan Agent carries on trading activities in respect of the acquisition or disposition of securities for a Plan Participant under the Plan, the Plan Agent is stated in the Plan to be acting as agent for the Plan Participant. The Plan Agent does not provide investment advice to any Plan Participant concerning decisions by the Plan Participant to purchase, sell or hold securities under the Plan.

8. Under the Plan, the Bank pays the Plan Agent all cash dividends and interest on the Common Shares, Preferred Shares or Debentures held by Plan Participants through the Plan which are to be reinvested, and the Plan Agent uses those funds, together with any Optional Cash Payments, to purchase additional Common Shares for the Plan Participants. At the election of the Bank, the Common Shares are either purchased from the Bank from treasury or purchased in the secondary market. All Common Shares acquired under the Plan are registered in the name of the Plan Agent or its nominee.

9. Agent. Non-registered holders must arrange to have their Shares transferred into their name or into a specific segregated registered account in order to become Plan Participants. Once an authorization form has been lodged with the Plan Agent, participation in the Plan is automatic, until terminated.

10. The Plan Agent maintains an account for each Plan Participant. Statements of account are mailed to each Plan Participant as promptly as practicable after each Common Share dividend payment date. Common Shares issued or purchased under the Plan for each Plan Participant are credited in an account established for that Plan Participant and shown on that Plan Participant's statement of account. On request, the Plan Agent will issue share certificates registered in a Plan Participant's name for any number of whole Common Shares held for such Plan Participant's account under the Plan. Common Shares held by the Plan Agent under the Plan may not be pledged, sold or otherwise disposed by a Plan Participant. Instead, a Plan Participant that wishes to do so, must request that certificates for such shares be issued to it. Certificates are not issued for fractional shares.

11. Participation in the Plan may be terminated at any time by the Plan Participant giving written notice to the Plan Agent. When participation is terminated, the terminating Plan Participant will receive a certificate for the number of whole Common Shares held for such Participant's account and a cash payment will be made for any fraction of a Common Share credited to the account. The Plan provides that a terminating Plan Participant may direct the Plan Agent to sell all of the whole and fractional Common Shares credited to such Plan Participant's account under the Plan. In such event, the Plan Agent will sell such Common Shares through a registered dealer designated by the Plan Agent, as soon as reasonably practicable following receipt by the Agent of notice of termination. The proceeds of sale, less any applicable commissions and taxes, will be paid to the terminating Plan Participant by the Plan Agent, together with a cash payment for any fractional Common Share. For the purpose of providing cash payments in respect of fractional Common Shares, the Plan Agent will purchase from the Plan Participant for cash any such fraction based

on the last price paid by the Plan Agent for new Common Shares purchased out of Optional Cash Payments.

12. There is currently no registration exemption that is available to the Plan Agent for trades made by the Plan Agent with a terminating Plan Participant when the Plan Agent accepts a Sale Order from the Plan Participant.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Requested Relief is granted, provided that:

(A) the Plan Agent is, at the relevant time, appropriately licensed or otherwise permitted to carry on the business of a trust company in the Jurisdiction; and

(B) the Sale Order is not solicited, but for this purpose a Sale Order shall not be considered "solicited" by reason of the Bank, or the Plan Agent on behalf of the Bank, distributing from time to time to Plan Participants disclosure documents, notices, brochures, statements of account, or similar documents advising of the ability under the Plan of the Plan Agent to facilitate sales of Common Shares or by reason of the Bank and/or the Plan Agent advising Plan Participants of that ability, and informing Plan Participants of the details of the operation of the Plan in response to enquiries from time to time from Plan Participants by telephone or otherwise.

(C) the Requested Relief shall terminate on December 31, 2014.

"Margot C. Howard"
Commissioner
Ontario Securities Commission

"Mary G. Condon"
Commissioner
Ontario Securities Commission

2.1.2 Gluskin Sheff + Associates Inc. et al.

Headnote

NP 11-203 – Relief granted from mutual fund conflict of interest restrictions, self-dealing prohibitions and self-interest prohibition to allow a reorganization of pooled funds and managed account client investments – Relief is necessary because prior relief granted to the filer does not contemplate a momentary three-tier fund-of-fund structure – Top funds' manager will bear all costs associated with the reorganization.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 111(2)(b), 111(3), 113, 118(2)(b), 121(2)(a)(ii), 147.
Regulations under the Securities Act (Ontario), ss. 105, 115(6).

December 16, 2008

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(the Jurisdiction)

AND

IN THE MATTER OF
GLUSKIN SHEFF + ASSOCIATES INC.
(the Manager)

AND

GS+A HIGH YIELD LONG/SHORT TRUST
GS+A INCOME LONG/SHORT TRUST
GS+A SHORT TRUST
GS+A EQUITY LONG/SHORT TRUST
GS+A QUANTITATIVE LONG/SHORT TRUST
(the Trust Funds)

AND

GS+A HIGH YIELD LONG/SHORT FUND
GS+A INCOME LONG/SHORT FUND
GS+A SHORT FUND
GS+A EQUITY LONG/SHORT FUND
GS+A QUANTITATIVE LONG/SHORT FUND
(the Existing Underlying Funds and collectively with the Trust Funds and the Manager, the Filers)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for an exemption from:

(a) the requirement that no mutual fund in Ontario shall knowingly make an investment in any person

or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder;

(b) the requirement that no mutual fund in Ontario shall knowingly hold an investment described in (a) above;

(c) the requirement that a portfolio manager shall not knowingly cause any investment portfolio managed by it to purchase or sell the securities of any issuer from or to the account of a responsible person, any associate of a responsible person or the portfolio manager; and

(d) the requirement prohibiting a purchase or sale of a security in which an investment counsel or any associate of an investment counsel has a direct or indirect beneficial interest from or to any other portfolio managed by the investment counsel

in order to effect the one-time transaction described below (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

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

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of British Columbia, Alberta, Quebec, New Brunswick and Nova Scotia.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined. In addition:

Continuing Funds shall mean GS+A Equity Long/Short Trust and GS+A Quantitative Long/Short Trust.

Funds shall mean the Trust Funds and the Existing Underlying Funds.

Reorganization shall mean the transaction described in this decision.

Terminating Funds shall mean GS+A High Yield Long/Short Trust, GS+A Income Long/Short Trust and GS+A Short Trust.

Top Funds shall mean the Top LPs and the Top Trusts.

Top LPs shall mean GS+A Balanced Multi-Strategy Fund and GS+A Multi-Strategy Opportunities Fund, which are investments funds, organized as limited partnerships, to be created and managed by the Manager.

Top Trusts shall mean the Continuing Funds following the transaction described below.

Underlying Funds means the Existing Underlying Funds and any other future investment fund managed by the Manager and organized under the laws of Ontario that is not a reporting issuer under the Act.

Representations

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

1. The Manager is a corporation incorporated under the laws of Ontario and the registered head office is located in Toronto, Ontario.

2. The Manager is registered as an investment counsel and portfolio manager in each of Ontario, British Columbia, Alberta, Quebec, Manitoba, New Brunswick, Nova Scotia and Northwest Territories, and as a limited market dealer and mutual fund dealer in Ontario.

3. The Manager offers discretionary portfolio management services to individuals, corporations and other entities (each a **Client**) seeking wealth management or related services through a managed account (**Managed Account**). Pursuant to a written agreement between the Manager and each Client, the Manager makes investment decisions for each Managed Account and has full discretionary authority to trade in securities for each Managed Account without obtaining the specific consent of the applicable Client to the trade.

4. Each Client of the Manager either meets the definition of an "accredited investor" under National Instrument 45-106 *Prospectus and Registration Exemptions* or qualifies to purchase units of the Funds under an exemption from the prospectus and registration requirements.

5. The Manager is the manager, trustee and portfolio manager of each of the Trust Funds.

6. The Trust Funds are mutual funds organized under the laws of Ontario pursuant to a master declaration of trust. The Trust Funds are not reporting issuers in any jurisdiction.

7. The Manager is also the manager and portfolio manager of the Underlying Funds, which are, or will be, mutual funds that are structured as limited partnerships under the laws of Ontario. The Existing Underlying Funds are not reporting issuers in any jurisdiction.

8. Each of the Filers is not in default of securities legislation in any jurisdiction.

9. From time to time, the Manager may invest a portion of certain Managed Accounts in units of the Funds, where such investment is appropriate for the particular Client's investment objectives and risk tolerance.

10. Currently, the investment objective of each Trust Fund is to invest its assets solely in securities of a particular Existing Underlying Fund. Each Existing Underlying Fund has an investment objective of generating long term positive absolute returns by investing its assets in accordance with a particular alternative investment strategy.

11. Because units of the Existing Underlying Funds are not qualified investments for registered plans under the *Income Tax Act* (Canada) (the **ITA**), the Manager created the Trust Funds in order to be able to provide those Clients who had assets in a registered plan and Clients who are foundations with exposure to the alternative investment strategies of the Existing Underlying Funds.

12. In order to diversify its Clients' exposure to alternative investment strategies and simplify its fund administration, the Manager has determined that it wishes to create two alternative investment strategy mandates. These two mandates will be exposed to a mix of different underlying alternative investment strategies, as chosen by the Manager.

13. For each Managed Account that the Manager has determined should have some exposure to alternative investment strategies, the Manager will decide what proportion of the Client's alternative investment strategy allocation should be exposed to each of the mandates, depending upon each Client's particular risk tolerance and investment objectives.

14. As a result of having Clients with assets held in both registered plans and non-registered plans, the Manager proposes to offer the two mandates using both a limited partnership structure (by creating the Top LPs) and using a trust structure (using the Top Trusts).

15. Each of the Top Funds will be exposed to a mix of alternative investment strategies primarily by investing in securities of various Underlying Funds, each of which is managed in accordance with a particular alternative investment strategy.

16. In order to achieve its objective of offering the Top Funds, while minimizing the impact to Clients currently invested in the Funds, the Manager proposes to implement the Reorganization.

17. The following steps will occur in respect of the Existing Underlying Funds effective on or about December 31, 2008:

    (a) the Top LPs will be created as two new limited partnerships before December 31, 2008;

    (b) Clients in each of the Existing Underlying Funds (other than the Trust Funds and certain Clients that choose to remain in the Existing Underlying Funds) will make a purchase of units of the Top LPs by transferring their units of the Existing Underlying Funds *in specie* to the Top LPs in exchange for units of the Top LPs;

    (c) the value of each Existing Underlying Fund and Top LP will be determined immediately prior to the *in specie* transfer in accordance with the constating documents of each Existing Underlying Fund;

    (d) the units of each Top LP received by investors in exchange for their units of each applicable Existing Underlying Fund will have an aggregate net asset value equal to the total value of the Existing Underlying Fund units being transferred and will be issued at the net asset value per unit of the applicable Top LP determined immediately prior to the transfer;

    (e) as a result of the *in specie* transfer, investors in the Existing Underlying Funds (other than the Trust Funds) will become investors in the Top LPs and the Top LPs will hold units of the Existing Underlying Funds.

18. The following steps will occur in respect of the Trust Funds effective on or about February 28, 2009:

    (a) after providing investors with 60 days' prior written notice, the declaration of trust of the Continuing Funds will be amended to create the Top Trusts by (i) changing the names of the Continuing Funds and (ii) changing their investment objectives in order to permit the Continuing Funds to invest in securities of each of the Underlying Funds;

    (b) the Terminating Funds will make a purchase of units of the Top Trusts by transferring their units of the Existing Underlying Funds *in specie* to the Top Trusts in exchange for units of the Top Trusts;

    (c) the value of each Terminating Fund and each Top Trust will be determined immediately prior to the *in specie* transfer

in accordance with the constating documents of each Trust Fund;

(d) the units of each Top Trust received by each applicable Terminating Fund will have an aggregate net asset value equal to the total value of the Terminating Fund units being transferred and will be issued at the net asset value per unit of the applicable Top Trust determined immediately prior to the transfer;

(e) each Terminating Fund will declare, pay and automatically reinvest a distribution to its unitholders of net capital gain and income (if any) so that it will not be subject to tax under Part I of the ITA for its taxation year, which includes the date of the transfer;

(f) immediately thereafter, each Terminating Fund will distribute its portfolio assets (which would consist solely of units of the Top Trusts) to its unitholders on a dollar-for-dollar basis so that the unitholders of the Terminating Funds will become direct unitholders of the Top Trusts; and

(g) forthwith, each Terminating Fund will be wound up.

19. No sales charges will be payable for the transfer of units of the Underlying Funds to the Top LPs or for the transfer of units of the Terminating Funds to the Top Trusts and the Manager will bear all the costs of the Reorganization.

20. Unitholders of the Existing Underlying Funds and the Trust Funds will receive notice of the proposed Reorganization. They will be entitled, without cost, to cause the redemption of units of the Existing Underlying Funds up to the end of business on December 31, 2008 and/or units of the Trust Funds up to the end of business on February 28, 2009.

21. The Funds are "related mutual funds" as a result of being managed by the Manager and, once created, the Top LPs will be related mutual funds. As a consequence of implementing the Reorganization:

(a) the Top LPs and the Top Trusts will become substantial securityholders of the Existing Underlying Funds; and

(b) for a brief period of time prior to the wind-up of the Terminating Funds, one or more of the Terminating Funds will become substantial securityholders of each Top Trust (each of which in turn may be a substantial securityholder of each Existing Underlying Fund).

Without the Exemption Sought, the Manager would be prohibited from implementing the Reorganization.

22. The Manager is or will be a "responsible person" as a result of being the portfolio manager for the Funds, the Top LPs and the Managed Accounts.

23. The general partner to each of the Top LPs will be controlled, directly or indirectly, by Ira Gluskin and Gerald Sheff. In addition, Ira Gluskin and Gerald Sheff control, directly or indirectly, the Manager. As a result, the Manager and the general partner to each Top LP will be affiliates. Both Ira Gluskin and Gerald Sheff will participate in the formulation of, or have access prior to implementation to, investment decisions made on behalf of or the advice given to each of the Managed Accounts and the Top LPs.

24. The Trust Funds are associates of the Manager as a result of the fact that the Manager is the trustee of the Trust Funds.

25. As a consequence of implementing the Reorganization, the Manager will cause:

(a) the Terminating Funds to purchase units of the Top Trusts in exchange for units of the Existing Underlying Funds; and

(b) the Managed Accounts to purchase units of the Top LPs in exchange for units of the Existing Underlying Funds.

In the absence of the Exemption Sought, such activity would be prohibited.

26. Although the Manager has exemptive relief to permit *in specie* transfers between the Managed Accounts and the Continuing Funds, such relief does not cover the scenarios discussed above for the Reorganization. In addition, a condition of such relief is that the consent of each affected Client be obtained prior to the transfer, which is a significant burden on the Manager, given the large number of Clients affected by the Reorganization.

27. Using the discretionary authority granted to it by each Client, the Manager could achieve the desired end result of the Reorganization, without obtaining Client consent, by redeeming the units of the Existing Underlying Funds and Terminating Funds in each Client's account and using the proceeds to purchase the units of the applicable Top LP or Continuing Fund.

28. The proposed steps to the Reorganization attempt to move the Clients from being investors in the Funds and transfer them to the appropriate Top Fund in a manner which minimizes the tax impact to the Funds and to the Clients.

29. In the opinion of the Manager, the Reorganization will be in the best interests of its Clients as it will allow Clients greater portfolio diversification, create a more simple-to-understand investment portfolio for its Clients and will reduce portfolio transaction costs and tax impact associated with rebalancing each Client's portfolio.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that during the course of the Reorganization the arrangements between or in respect of a Top Fund and an Underlying Fund avoid the duplication of management and performance fees.

"Margot C. Howard"
Commissioner
Ontario Securities Commission

"Suresh Thakrar"
Commissioner
Ontario Securities Commission

2.1.3 Westaim Corporation and Plumb-Line Income Trust

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted from the requirement that the audited consolidated financial statements that are required to be included in an information circular in connection with a proposed reverse take-over be accompanied by an auditor's report that does not contain a reservation of opinion, as required by s. 4.2(1) of NI 41-101 General Prospectus Requirements and s. 3.2(a) of NI 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency – exemption granted from the requirement that the comparatives for the December 31, 2008 audited financial statements contain an audit report that does not contain a reservation, as required by s. 4.1(2) of NI 51-102 Continuous Disclosure Obligations and s. 3.2(a) of NI 52-107 – exemption granted from the requirement that Westaim include three financial years of consolidated income statements, statements of retained earnings and statements of cash flows for the reverse take-over and instead provide three calendar years of audited consolidated financial statements – confidentiality granted for a limited period of time.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 4.1(2).
National Instrument 51-102F5 Information Circular, s. 14.2.
National Instrument 41-101 General Prospectus Requirements, s. 4.2(1).
National Instrument 41-101F1 Information Required in a Prospectus, s. 32.2(1)(a) and 32.2(6)(a).
National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, s. 3.2(a).

September 17, 2008

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

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
THE WESTAIM CORPORATION (Westaim) AND
PLUMB-LINE INCOME TRUST
(Plumb-Line, and together with Westaim, the Filers)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application (the **Application**) from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that:

(a) the requirement that financial statements that are required by securities legislation to be audited must be accompanied by an auditor's report that does not contain a reservation does not apply in respect of the Annual Plumb-Line Financial Statements (as defined herein) to be included in the information circular (the **Information Circular**) to be mailed by Westaim to the holders (the **Westaim Shareholders**) of Westaim's common shares (the **Westaim Shares**) in connection with a special meeting (the **Westaim Special Meeting**) of Westaim Shareholders at which the Westaim Shareholders will be asked to approve Westaim's proposed acquisition of the construction-related businesses of five private entities (collectively, the **Target Companies**), one of which is Plumb-Line (collectively, the **Business Combination**);

(b) the requirement that Westaim include annual financial statements of Plumb-Line in the Information Circular consisting of (i) an income statement, a statement of retained earnings, and a cash flow statement for each of the three most recently completed financial years ended more than 120 days before the date of the Information Circular, (ii) a balance sheet as at the end of the two most recently completed financial years described in paragraph (b)(i), and (iii) notes to the financial statements (provided that a transition year of less than nine months is deemed not to be a financial year for the purposes of the requirement to provide financial statements for the three most recently completed financial years), does not apply to the Information Circular;

(c) the requirement that financial statements that are required by securities legislation to be audited must be accompanied by an auditor's report that does not contain a reservation will not apply in respect of the audited consolidated December 31, 2007 comparative annual financial statements to be filed by the Resulting Issuer (as defined herein) for the year ended December 31, 2008; and

(d) the Application, all materials filed in support of the Application, and this decision document (collectively, the **Confidential Materials**) be held in confidence and not be made public until the earlier of: (i) the date on which Westaim and one or more of the Target Companies enter into a definitive agreement in respect of the proposed Business Combination and issue a press release relating thereto; (ii) the date that the Filers advise the Decision Makers that there is no longer any need for the Confidential Materials to remain confidential; and (iii) the date that is 90 days after the date of this decision document;

(collectively, the **Exemptions Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

(a) the Alberta Securities Commission is the principal regulator for the Application;

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon Territory, Northwest Territories and Nunavut; and

(c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

References herein to **Resulting Issuer** refer to Westaim following the completion of the Business Combination.

Representations

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

Westaim

1. Westaim is a corporation incorporated under the laws of the Province of Alberta on May 7, 1996. The principal office of Westaim is located in Calgary, Alberta.

2. Westaim is a holding company that holds 100% of the shares of iFire Technology Ltd. (a company formerly engaged in the development of flat panel television technology) and 74.5% of the shares of NUCRYST Pharmaceuticals Corp. (a public company engaged in the development of medical products that fight infection and inflammation).

3. Westaim is a reporting issuer or the equivalent under the legislation of each of the provinces and territories of Canada. To its knowledge, Westaim is not in default of securities legislation in any jurisdiction of Canada.

4. The Westaim Shares are listed on the Toronto Stock Exchange (the **TSX**).

5. Westaim's year end is December 31.

Plumb-Line

6. Plumb-Line is an open-end unincorporated investment trust established under the laws of the Province of Alberta on September 29, 2006. The principal office of Plumb-Line is located in Calgary, Alberta.

7. Plumb-Line indirectly holds (among other assets) 100% of the limited partnership units of Con-Forte Contracting Limited Partnership (**Con-Forte LP**).

8. Plumb-Line is privately held and is not a reporting issuer in any jurisdiction. To its knowledge, Plumb-Line is not in default of securities legislation in any jurisdiction of Canada.

9. Plumb-Line's year end is December 31.

Con-Forte LP

10. Con-Forte LP is a limited partnership established under the laws of the Province of Alberta on October 4, 2006. The principal office of Con-Forte LP is located in Calgary, Alberta.

11. Con-Forte LP is a contractor engaged in commercial formwork and residential cribbing for basements and foundations.

12. To the knowledge of Plumb-Line, Con-Forte LP is not in default of securities legislation in any jurisdiction of Canada.

13. The business of Con-Forte LP was previously conducted by Con-Forte Contracting Co. Ltd. (**Con-Forte Co.**). On October 1, 2006, the business of Con-Forte Co. was reorganized such that Con-Forte Co. ceased active business operations and Con-Forte LP commenced the operation of the business previously conducted by Con-Forte Co. Because Plumb-Line was created to continue the business of Con-Forte Co. through its subsidiary Con-Forte LP, under Canadian generally accepted accounting principles (**Canadian GAAP**) the consolidated financial statements of Plumb-Line have been prepared on a continuity of interests basis with Plumb-Line as the successor to Con-Forte Co.

14. Prior to ceasing active business operations, Con-Forte Co.'s year end was May 31. Con-Forte LP's year end is December 31.

The Proposed Business Combination

15. Subject to the satisfactory completion of due diligence and the negotiation of satisfactory terms, Westaim intends to enter into a definitive agreement pursuant to which the Business Combination of Westaim, Plumb-Line and the other Target Companies will be completed. Westaim will issue Westaim Shares as consideration for the acquisition of Plumb-Line.

16. Prior to the consummation of the Business Combination, Plumb-Line intends to dispose of certain assets, including all of the securities and/or assets of its wholly-owned subsidiary A&K Millwork Limited Partnership (**A&K**).

17. Westaim and Plumb-Line have each concluded that the Business Combination (if consummated) will constitute a transaction that Westaim will be required under Canadian GAAP to account for as a reverse takeover. Westaim will be the reverse takeover acquiree and Plumb-Line will be the reverse takeover acquirer. Westaim and Plumb-Line have each reviewed this position with their auditors, Deloitte & Touche LLP (**D&T**).

18. Following the expected completion of the Business Combination: (i) the primary business of the Resulting Issuer will be the construction businesses acquired from the Target Companies; (ii) the Resulting Issuer will continue to be a reporting issuer or the equivalent under the legislation of each of the provinces and territories of Canada; and (iii) the Westaim Shares will continue to be listed on the TSX.

The Westaim Special Meeting and the Information Circular

19. The Business Combination (if consummated) will constitute a "backdoor listing" pursuant to the rules of the TSX. The TSX rules therefore require that the Westaim Shareholders must approve the Business Combination at the Westaim Special Meeting to be called and held by Westaim.

20. In order to solicit proxies from registered holders of Westaim Shares in respect of the approval of the proposed Business Combination at the Westaim Special Meeting, Westaim's management must prepare the Information Circular in compliance with the requirements of Form 51-102F5 – *Information Circular* (the **Information Circular Form**) and deliver it to the Westaim Shareholders in compliance with applicable corporate and securities laws.

21. Section 14.2 of the Information Circular Form requires that the Information Circular must contain the disclosure (including financial statements) prescribed under securities legislation and described in the form of prospectus that the entity that will result from the Business Combination and that the Westaim Shareholders will have an interest in after the Business Combination is complete would be eligible to use immediately prior to the sending and filing of the Information Circular for a distribution of securities. Therefore, the Information Circular will contain the disclosure prescribed by Form 41-101F1 *Information*

Required in a Prospectus (the **Prospectus Form**) for the Resulting Issuer.

Financial Statement Disclosure for Plumb-Line Required by the Prospectus Form

22. Because Westaim's proposed acquisition of Plumb-Line is a proposed reverse takeover, Section 36.1 of the Prospectus Form requires Westaim to include, among other things, financial statement disclosure in respect of Plumb-Line (as the reverse takeover acquirer) in the Information Circular in accordance with Item 32 of the Prospectus Form.

23. Section 32.1(a) of the Prospectus Form provides that the financial statements of Plumb-Line required under Item 32 to be included in the Information Circular must include the financial statements of any predecessor entity that formed, or will form, the basis of the business of Plumb-Line (in this case, Con-Forte Co.), even though Con-Forte Co. is, or may have been, a different legal entity, if Plumb-Line has not existed for three years. Because Plumb-Line has not existed for three years, the financial statements of Con-Forte Co. (as the predecessor to the business of Plumb-Line) must be included in the Information Circular.

24. Section 32.2(1) of the Prospectus Form provides that Westaim must include annual financial statements of Plumb-Line in the Information Circular consisting of (a) an income statement, a statement of retained earnings, and a cash flow statement for each of the three most recently completed financial years ended more than 120 days before the date of the Information Circular, (b) a balance sheet as at the end of the two most recently completed financial years described in paragraph (a), and (c) notes to the financial statements.

25. Section 32.2(6) of the Prospectus Form provides that if financial statements of any predecessor entity, business or businesses acquired by Plumb-Line (in this case, Con-Forte Co.) are required to be disclosed under Section 32.2 of the Prospectus Form, then Westaim must include in the Information Circular: (a) income statements, statements of retained earnings, and cash flow statements for Con-Forte Co. for as many periods before the acquisition as may be necessary so that when these periods are added to the periods for which Plumb-Line's income statements, statements of retained earnings, and cash flow statements are included in the Information Circular, the results of Con-Forte Co., either separately or on a consolidated basis, total three years; and (b) balance sheets for Con-Forte Co. for as many periods before the acquisition as may be necessary so that when these periods are added to the periods for which Plumb-Line's balance sheets are included in the Information Circular, the financial position of Con-Forte Co., either separately or on a consolidated basis, total two years.

26. Section 32.2(4) of the Prospectus Form provides that if an issuer changed its financial year end during any of the financial years referred to in Section 32.2 and the transition year is less than nine months, the transition year is deemed not to be a financial year for the purposes of the requirement to provide financial statements for the number of financial years required by Section 32.2 of the Prospectus Form. Because pursuant to Section 32.1(a) of the Prospectus Form Plumb-Line and Con-Forte Co. are collectively considered the "issuer" for the purposes of the financial statement disclosure required by Section 32.2 of the Prospectus Form, the transition from Con-Forte Co.'s May 31 year end to Plumb-Line's December 31 year end results in the audited consolidated financial statements of Con-Forte Co. for the four month period ended September 30, 2006 being considered a transition year of the "issuer" for securities law purposes that is deemed not to be a financial year for the purposes of the requirement to provide financial statements for Plumb-Line for three financial years in accordance with Section 32.2(1) of the Prospectus Form. However, in accordance with Section 32.2(5) of the Prospectus Form, the audited consolidated financial statements of Con-Forte Co. for the four month period ended September 30, 2006 must be included in the Information Circular.

27. Section 32.3(1) of the Prospectus Form provides that Westaim must include comparative interim financial statements of Plumb-Line in the Information Circular for the most recent interim period ended subsequent to December 31, 2007 and more than 60 days before the date of the Information Circular. Section 32.3(2) of the Prospectus Form provides that the aforementioned interim financial statements must include: (a) a balance sheet as at the end of the interim period and a balance sheet as at the end of the immediately preceding financial year; (b) an income statement, a statement of retained earnings, and a cash flow statement, all for the year-to-date interim period, and comparative financial information for the corresponding interim period in the immediately preceding financial year; (c) for interim periods other than the first interim period in a current financial year, an income statement and a cash flow statement, for the three month period ending on the last day of the interim period and comparative financial information for the corresponding period in the preceding financial year; and (d) notes to the financial statements.

28. Section 4.2(1) of National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) requires that any financial statements included in

the Information Circular must be audited in accordance with National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (**NI 52-107**), unless an exception in Section 32.5 of the Prospectus Form applies. Section 32.5 of the Prospectus Form provides that the audit requirement in Section 4.2 of NI 41-101 does not apply to any interim financial statements required to be included in the Information Circular under Section 32.3 of the Prospectus Form. Section 3.2(a) of NI 52-107 requires that financial statements that are required by securities legislation to be audited must, among other things, be accompanied by an auditor's report that does not contain a reservation.

29. In accordance with Sections 36.1, 32.1(a), 32.2(1), 32.2(4), 32.2(5), 32.2(6) and 32.3 of the Prospectus Form, Westaim intends to include the following financial statements of Plumb-Line and Con-Forte Co. in the Information Circular:

    (a) audited consolidated interim financial statements of Plumb-Line for the six month period ended June 30, 2008 and unaudited consolidated interim financial statements of Plumb-Line for the six month period ended June 30, 2007;

    (b) audited consolidated financial statements of Plumb-Line for the initial 15 month year ended December 31, 2007;

    (c) audited consolidated financial statements of Con-Forte Co. (as the predecessor to the business of Plumb-Line) for the four month period ended September 30, 2006; and

    (d) audited consolidated financial statements of Con-Forte Co. (as the predecessor to the business of Plumb-Line) for the 12 month period ended May 31, 2006;

    (collectively, the **Audited Plumb-Line Financial Statements**).

30. However, notwithstanding that the Audited Plumb-Line Financial Statements collectively cover a 37 month period, the Audited Plumb-Line Financial Statements do not satisfy the requirement of Section 32.2(1) of the Prospectus Form that Westaim include audited annual financial statements of Plumb-Line and Con-Forte Co. (as the predecessor to the business of Plumb-Line) in the Information Circular for each of the three most recently completed financial years because Section 32.2(4) of the Prospectus Form deems Con-Forte Co.'s four month period ended September 30, 2006 not to be a financial year for the purposes of satisfying this requirement.

31. D&T was appointed the auditors of Con-Forte LP during the financial year ended December 31, 2007 and was appointed the auditors of Plumb-Line during the financial year ended December 31, 2008. Con-Forte Co. did not appoint auditors prior to ceasing active business operations. D&T has been engaged to audit the Audited Plumb-Line Financial Statements. However, because D&T was not present at the counting of inventory at any time prior to the December 31, 2007 year end of Plumb-Line, the audit reports issued in respect of:

    (a) the audited consolidated financial statements of Plumb-Line for the initial 15 month year ended December 31, 2007 will contain a reservation of opinion as to opening (but not closing) inventory;

    (b) the audited consolidated financial statements of Con-Forte Co. (as the predecessor to the business of Plumb-Line) for the four month period ended September 30, 2006 will contain a reservation of opinion as to both opening and closing inventory; and

    (c) the audited consolidated financial statements of Con-Forte Co. (as the predecessor to the business of Plumb-Line) for the 12 month period ended May 31, 2006 will contain a reservation of opinion as to both opening and closing inventory;

    (collectively, the **Annual Plumb-Line Financial Statements**).

32. Consideration has been given as to whether audit opinions that do not contain a reservation of opinion could be obtained in respect of the Annual Plumb-Line Financial Statements, but it has been concluded that this is not possible given the significant passage of time since the relevant inventory counts occurred.

33. The Information Circular will include audited consolidated interim financial statements of Plumb-Line for the six month period ended June 30, 2008, on which D&T will provide an audit report that does not contain a reservation of opinion.

34. Other than the business conducted by A&K, which was acquired by Plumb-Line on April 1, 2007 and will be disposed of prior to the consummation of the Business Combination, the only business that was conducted by Plumb-Line and its subsidiaries and their predecessors during the calendar years ended 2005, 2006 and 2007 that generated revenue was the business formerly conducted by Con-Forte Co. and presently conducted by Con-Forte LP.

35. The nature of Con-Forte LP's business is such that it is not seasonal. There is a fairly consistent demand for the provision of commercial formwork and residential cribbing services for basements and foundations throughout the year. Although revenue may be impacted by severe weather conditions, these conditions can occur at various times of the year and are not limited to a specific season.

Financial Statement Disclosure of the Resulting Issuer for the Year Ended December 31, 2008

36. Section 4.1(1) of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) will require the Resulting Issuer to file annual financial statements in respect of the financial year ended December 31, 2008 that include: (a) an income statement, a statement of retained earnings, and a cash flow statement for (i) the most recently completed financial year (being the Resulting Issuer's year ended December 31, 2008), and (ii) the financial year immediately preceding the most recently completed financial year (being the Resulting Issuer's initial 15 month year ended December 31, 2007); (b) a balance sheet as at the end of each of the periods referred to in paragraph (a); and (c) notes to the financial statements.

37. Section 4.1(2) of NI 51-102 requires that annual financial statements filed under Section 4.1(1) of NI 51-102 must be audited. Section 3.2(a) of NI 52-107 requires that financial statements that are required by securities legislation to be audited must, among other things, be accompanied by an auditor's report that does not contain a reservation.

38. Therefore, the audited consolidated financial statements of the Resulting Issuer for the initial 15 month year ended December 31, 2007 that will form a part of the audited consolidated comparative annual financial statements to be filed by the Resulting Issuer for the year ended December 31, 2008 must be accompanied by an auditor's report that does not contain a reservation.

39. For the reasons described above in paragraphs 31 and 32, the audit report to be issued in respect of the audited consolidated financial statements of the Resulting Issuer for the initial 15 month year ended December 31, 2007 that will form a part of the audited consolidated comparative annual financial statements to be filed by the Resulting Issuer for the year ended December 31, 2008 will contain a reservation of opinion as to opening (but not closing) inventory.

Public Disclosure and Confidentiality

40. Neither Westaim nor any of the Target Companies is currently required to, or currently intends to, publicly disclose the potential Business Combination until a definitive agreement relating thereto has been executed (if ever). The disclosure of the Confidential Materials to the public prior to the execution of a definitive agreement and the issuance of a press release relating thereto could adversely impact the ability of the parties to negotiate a definitive agreement and conclude the Business Combination.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptions Sought are granted, provided that: (i) the Audited Plumb-Line Financial Statements are included in the Information Circular; and (ii) the audited consolidated interim financial statements of Plumb-Line for the six month period ended June 30, 2008 to be included in the Information Circular are accompanied by an audit report that does not contain a reservation of opinion.

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

2.1.4 PBS Coals Limited – s. 1(10)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application for an order than the issuer is not a reporting issuer under applicable securities laws – Requested relief granted.

Applicable Legislative Provisions

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

December 17, 2008

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

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
PBS COALS LIMITED
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application (the Application) from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is not a reporting issuer (the Exemptive Relief Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

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

(b) this decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer was formed under the *Canada Business Corporations Act* (the CBCA).

2. The registered office of the Filer is 40 King Street West, Toronto, Ontario.

3. The Filer became a reporting issuer under the Legislation on September 28, 2007.

4. 7027940 Canada Limited (the Offeror) made an offer to acquire all of the issued and outstanding shares (the Shares) of the Filer.

5. As at the expiry time of the Offeror's offer to acquire the Shares (the Offer), approximately 99% of the Shares were deposited under the Offer and not withdrawn.

6. On November 3, 2008, all of the Shares deposited under the Offer were taken up and accepted for payment by the Offeror and on November 5, 2008, the Offeror provided the depositary with the funds necessary to make such payment. The remaining approximately 1% of outstanding Shares were acquired by the Offeror on November 10, 2008 pursuant to the compulsory acquisition provisions of the CBCA.

7. The Offeror became the sole beneficial holder of all of the Shares on November 10, 2008. The Filer has no securities outstanding other than the Shares held by the Offeror.

8. The Shares were delisted from the Toronto Stock Exchange effective as at the close of business on November 14, 2008.

9. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, other than its obligation to file and deliver on or before November 14, 2008 (the Filing Deadline) interim financial statements and management's discussion and analysis as required under National Instrument 51-102 *Continuous Disclosure Obligations* and the related certificates as required under Multilateral Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*.

10. As the Offeror became the sole beneficial holder of all of the Shares prior to the Filing Deadline, the Filer has not prepared or filed such interim financial statements, management's discussion and analysis or related certificates.

11. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada.

12. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

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

14. On November 25, 2008, the Filer filed a Voluntary Surrender of Reporting Issuer Status notice (the Notice) with the British Columbia Securities Commission (BCSC), pursuant to British Columbia Instrument 11- 502 Voluntary Surrender of Reporting Issuer Status. On December 5, 2008, the Filer received notice from the BCSC that the Notice was accepted and that non-reporting status was effective on December 6, 2008.

15. The Filer, upon the grant of the Exemptive Relief Sought, will no longer be a reporting issuer in any jurisdiction in Canada.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

"Margot C. Howard"
Commissioner

"Mary Condon"
Commissioner

2.1.5 Connors Bros. Income Fund – s. 1(10)

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

December 19, 2008

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

Dear Sirs/Mesdames:

Re: Connors Bros. Income Fund (the Applicant) - application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (the Jurisdictions) that the Applicant is not a reporting issuer

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 that the Applicant is not a reporting issuer.

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 fewer than 15 security holders in each of the jurisdictions in Canada and fewer 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 a decision that it is not 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

2.1.6 Potash Corporation of Saskatchewan Inc.

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – issuer conducting a bid through the facilities of the TSX and NYSE – NYSE is not a designated exchange under subsection 101.2(1) of the Act – relief granted, provided that any purchases made through the NYSE comply with the TSX NCIB rules.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 101.2(1), 104(2)(c).

October 22, 2008

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

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
POTASH CORPORATION OF
SASKATCHEWAN INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the requirements contained in the Legislation relating to issuer bids (the **Issuer Bid Requirements**) shall not apply to purchases of the Filer's common Shares (the **Shares**) made by the Filer through the facilities of the New York Stock Exchange (the **NYSE**) (the **Requested Relief**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

(a) the Saskatchewan Financial Services Commission is the principal regulator for this application;

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, the Northwest Territories, Nunavut, Prince Edward Island, Quebec and the Yukon; and

(c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

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

(a) The Filer is a corporation organized under the *Canada Business Corporations Act*;

(b) The Filer's head office is located in Saskatoon, Saskatchewan;

(c) The Filer is a reporting issuer in all of the provinces and territories of Canada that incorporate such a concept in their legislation and the Filer is not in default of any requirements of any applicable securities legislation in any of the provinces and territories of Canada in which it is a reporting issuer;

(d) The Filer is a registrant with the Securities and Exchange Commission in the United States and is subject to the requirements of the United States Securities Act of 1934;

(e) As at July 31, 2008, the Filer had approximately 304,967,498 Shares issued and outstanding;

(f) The Shares are listed and posted for trading on the Toronto Stock Exchange (the **TSX**) and the New York Stock Exchange (the **NYSE)**;

(g) On January 25, 2008, the Filer filed a Notice of Intention to Make a Normal Course Issuer Bid, as amended (the **Notice of Intention**), with the TSX and applicable securities regulatory authorities in order to permit it to make normal course issuer bid purchases of its Shares through the facilities of the TSX and NYSE;

(h) The by-laws, regulations and policies of the TSX relating to normal course issuer bids (the **TSX NCIB Rules**) allow normal course issuer bid purchases of up to 10% of the public float (as defined in the TSX NCIB Rules) of the class of securities subject to such a bid to be made through the facilities of the TSX over the course of a year;

(i) Issuer bid purchases made through the facilities of the TSX in accordance with the TSX NCIB Rules are exempt from the Issuer Bid Requirements pursuant to the "designated exchange exemption" contained in the Legislation (the **Designated Exchange Exemption**), while purchases through the facilities of the NYSE are not exempt pursuant to such exemption because the Decision Makers recognize the TSX as a "designated exchange" for the purpose of the Designated Exchange Exemption but not the NYSE;

(j) Issuer Bid purchases made through the facilities of the NYSE are exempt from the Issuer Bid Requirements pursuant to the "normal course issuer bid exemption" contained in the Legislation (the **NCIB Exemption**), which limits the aggregate number of securities which may be purchased during a 12 month period to 5% of the securities of that class issued and outstanding at the commencement of that period;

(k) Purchases of Shares by the Filer of up to 10% of the public float through the facilities of the NYSE would be permitted under the rules of the NYSE and under US federal securities law;

(l) No other exemptions exist under the Legislation that would otherwise permit the Filer to make purchases through the NYSE on an exempt basis where the purchases exceed the 5% limitation in the NCIB Exemption; and

(m) The Filer may from time to time, in the future, file a new notice of intention with the TSX to make purchases of Shares through the facilities of both the TSX and the NYSE where the purchases fall within the 10% limit under the TSX NCIB Rules but exceed the 5% limitation in the NCIB Exemption.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decisions Makers under the Legislation is that the Requested Relief is granted provided that the purchases of Shares made by the Filer through the facilities of the NYSE are part of a normal course issuer bid that complies with the TSX NCIB Rules.

"Barbara Shourounis"
Director, Securities Division
Saskatchewan Financial Services Commission

2.1.7 Q9 Networks Inc. – s. 1(10)

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

December 22, 2008

McCarthy Tétrault LLP
Box 48, Suite 5300
Toronto Dominion Bank Tower
Toronto, ON M5K 1E6

Attention: Amrit Sidhu

Dear Sirs/Mesdames:

Re: Q9 Networks Inc. (the "Applicant") – application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

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 that the Applicant is not a reporting issuer.

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 fewer than 15 security holders in each of the jurisdictions in Canada and fewer 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 a decision that it is not 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

2.1.8 Garbell Holdings Limited

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – Application for an order that the issuer is not a reporting issuer – Filer has no publicly held securities – no intention to seek public financing – Filer cannot provide the British Columbia Securities Commission with a notice of surrender containing the prescribed representations more than 10 days prior to the date on which it seeks to not to be a reporting issuer.

Applicable Legislative Provisions

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

December 19, 2008

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

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
GARBELL HOLDINGS LIMITED
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer is not a reporting issuer in the Jurisdictions (the **Exemptive Relief Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application),

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

(b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is a corporation governed by the *Business Corporations Act* (Ontario), with its head office located at Suite 1770, Standard Life Center, 121 King Street West, Toronto, Ontario M5H 3T9.

2. The issued and outstanding share capital of the Filer consists of 285,900 10.5% cumulative, redeemable first preference shares (the **Redeemable Shares**), 827, 335 common shares and 76 Second Preference shares.

3. The Redeemable Shares are the only publicly traded securities of the Filer.

4. On November 10, 2008, the directors of the Filer resolved to redeem the Redeemable Shares.

5. On November 10, 2008, the Filer mailed a notice of redemption (the **Notice**) to the holders of the Shares. The effective date of the redemption specified in the Notice is December 10, 2008.

6. On December 10, 2008, the Filer deposited sufficient funds with its depository, CIBC Mellon Trust Company, to fund cheques for the entire redemption amount due to holders of the Redeemable Shares on that date. After such deposit, by operation of the Filer's articles of incorporation, the holders of such Redeemable Shares ceased to have any rights in respect of such Redeemable Shares except the right to receive the redemption payment for such Redeemable Shares.

7. As a result of the redemption of the Redeemable Shares, the outstanding securities of the Filer, 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.

8. The outstanding securities of the Filer, are beneficially owned, directly or indirectly, by one shareholder in total in Canada. The shareholder is an estate with eight beneficiaries.

9. The Filer's Redeemable Shares were de-listed from the TSX-Venture exchange upon the confirmation of the redemption on December 10, 2008.

10. The Filer applied for this decision during a 30 day redemption notice period required by the articles of incorporation of the Filer. During that period, the Filer was not able to meet the conditions under the simplified procedure of CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* and BC Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status*.

11. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

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

13. The Filer is applying for a decision that the Filer is not a reporting issuer in all the jurisdictions in Canada in which it is currently a reporting issuer.

14. Upon the grant of the Exemptive Relief Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

15. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that the Exemptive Relief Sought is granted.

"Naizam Kanji"
Manager, Corporate Finance
Ontario Securities Commission

2.1.9 IMN Resources Inc. (formerly Petaquilla Copper Ltd.) – s. 1(10)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

December 23, 2008

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

Dear Sirs/Mesdames:

Re: IMN Resources Inc. (formerly Petaquilla Copper Ltd.) (the Applicant) - application for a decision under the securities legislation of Alberta and Ontario (the Jurisdictions) that the Applicant is not a reporting issuer

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 that the Applicant is not a reporting issuer.

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 fewer than 15 security holders in each of the jurisdictions in Canada and fewer 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 a decision that it is not 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

2.1.10 Covington Venture Fund Inc.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund mergers – approval required because the consolidation does not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102.

Applicable Legislative Provisions

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

November 27, 2008

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(the Jurisdiction)

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
COVINGTON VENTURE FUND INC.
(the "Filer")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") for approval from section 5.5(1)(b) of National Instrument 81-102 *Mutual Funds* ("**NI 81-102**"), to permit the Filer to effect a consolidation (the "**Consolidation**") of the pool of assets forming the basis of the net asset value of the Class A Shares, Series VII (the "**Series VII Assets**") with the pool of assets forming the basis of the net asset value of the Class A Shares, Series VIII and the Class A Shares, Series IX (the "**Series VIII and Series IX Assets**") (the "**Approval**").

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

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

b. the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is intended to be relied upon in the jurisdictions of British Columbia, Alberta, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

Interpretation

Defined terms contained in National Instrument 14-101, *Definitions* and MI 11-102 have the same meaning if used in this decision unless otherwise defined.

Representations

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

The Manager

1. The Manager (defined herein) is a Nova Scotia corporation and has its head office in Toronto.

2. The Manager is registered under the securities legislation of Ontario as an adviser in the categories of investment counsel and portfolio manager.

3. Covington Capital Corporation is the manager (the "**Manager**" or "**Covington**") of the Filer under a management agreement. On January 1, 2007, the Manager amalgamated with Covington Group of Funds Inc. under the laws of the Province of Nova Scotia. Prior to January 1, 2007, Covington Group of Funds Inc. had been the manager of the Filer and following January 1, 2007, The Manager continued this function.

4. The Manager is indirectly wholly-owned by Affiliated Managers Group Inc. ("**AMG**"). AMG is an asset management company with equity investments in a diverse group of mid-sized investment management firms throughout North American and Europe. AMG is listed on the New York Stock Exchange under the symbol "AMG".

The Filer

5. The Filer is a corporation formed by way of an amalgamation on January 6, 2006 pursuant to the *Canada Business Corporations Act* (the "**Amalgamation**") of six predecessor funds, Triax Growth Fund Inc., New Millennium Venture Fund Inc., New Generation Biotech (Balanced) Fund Inc., E2 Venture Fund Inc., Venture Partners Balanced Fund Inc. and Capital First Venture Fund Inc. (collectively, the "**Predecessor Funds**").

6. The Class A shares of Triax Growth Fund Inc. were previously offered in all of the provinces of Canada except in the Province of Saskatchewan pursuant to a long form prospectus for which a receipt was obtained pursuant to the legislation of those jurisdictions. The Class A shares of the other Predecessor Funds were only offered in the Province of Ontario. The Filer is therefore a reporting issuer in all of the provinces of Canada

except Saskatchewan. It is for this reason that the Applicants are applying to the Regulators and not just to the Principal Jurisdiction in order to receive this Decision.

7. The authorized capital of the Filer consists of an unlimited number of Class A shares, issuable in series (collectively, the "**Class A Shares**") and an unlimited number of Class B shares in the capital of the Filer (the "**Class B Shares**").

8. The Filer has nine series of Class A Shares currently issued and outstanding. Class A Shares, Series I through to Class A Shares, Series VII were issued to shareholders of the Predecessor Funds as part of the Amalgamation. Class A Shares, Series VIII and Class A Shares, Series IX (the "**Series VIII and the Series IX Shares**") were qualified for sale in November 2007. All of the issued and outstanding Class B Shares are owned by the Canadian Federal Pilots Association (the "**Sponsor**").

9. The Filer filed a final prospectus dated January 30, 2008 as amended on October 16, 2008 (the "**Prospectus**") in the Province of Ontario in connection with the proposed offering to the public of Class A Shares, Series II, Class A Shares, Series III, Class A Shares, Series VIII and Class A Shares, Series IX in the capital of the Filer, which are the only series of Class A Shares currently in distribution.

10. The Class A Shares, Series VII (the "**Series VII Shares**") and the Series VIII and Series IX Shares have only ever been offered to investors in Ontario.

11. No series of the Filer's Class A Shares are listed on an exchange.

12. The Filer is registered as a labour sponsored investment fund corporation under the *Community Small Business Investment Funds Act* (Ontario) (the "**Ontario Act**") and as a labour-sponsored venture capital corporation under the *Income Tax Act* (Canada) (the "**Tax Act**"). The Filer's investing activities are governed by such legislation (collectively, the "**LSIF Legislation**").

13. The Filer is a mutual fund as defined in the *Securities Act* (Ontario) ("**Securities Act**").

14. The Series VII Shares refer to a separate portfolio of assets, the Series VII Assets.

15. The Series VIII and Series IX Shares also refer to one separate portfolio of assets, the Series VIII and Series IX Assets.

16. As of September 30, 2008, the Filer had approximately $157 million in net assets.

17. As of September 30, 2008 the net assets of Class A Shares, Series VII and the net assets of Series VIII and Series IX Shares are approximately $10,705,000 and $8,680,000, respectively.

18. The Filer makes investments in eligible Canadian businesses as defined in the Ontario Act. The investment objective of the Series VII Shares and of the Series VIII and Series IX Shares is: (i) with respect to all series of Class A Shares, to realize long-term capital appreciation on all or part of its investment portfolio; and (ii) on the remainder of its investment portfolio, with respect to Class A Shares, Series IV – Series IX, to preserve and return an investor's initial subscription price paid for such series of Class A Shares on or about the date indicated in the original prospectus of the applicable series.

19. It is the Filer's objective to return the initial subscription price paid for the Series VII Shares on or about December 31, 2016.

20. It is the Filer's objective to return the initial subscription price paid for the Series VIII and Series IX Shares on or about December 31, 2016 or December 31, 2017, depending when those shares were purchased.

21. The net asset value of each of the Filer's series including Series VII Shares and the Series VIII and Series IX Shares is calculated on a daily basis.

22. If the Consolidation is effected, the Series VII Shares fee structure will change to mirror the Class A Shares, Series VIII fee structure. The Series IX Shares fee structure will remain unchanged. The Series VII Shareholders will either have their fees stay the same in most cases or decrease in respect of the management fee and sponsor fee that they pay.

23. The Filer has complied with Part 11 of National Instrument 81-106 *Investment Fund Continuous Disclosure* ("**NI 81-106"**) in connection with the Consolidation.

The Consolidation

24. On October 7, 2008, the Filer announced the Consolidation of the Series VII Assets with the Series VIII and Series IX Assets. The Consolidation has been approved by the board of the Filer and by its independent review committee. The Consolidation is subject to the approval of the holders of Series VII Shares (the "**Series VII Shareholders**") and the holders of Series VIII and Series IX Shares (the "**Series VIII and Series IX Shareholders**") as it involves an amendment to sections of the articles of amendment of the Filer ("**Articles**"), as well as applicable regulatory approvals.

25. On September 10, 2008, the Filer filed a notice of meeting and record date calling a special meeting of the shareholders of the Filer for November 14, 2008 (the "**Shareholders' Meeting"**), and, if approved, the Consolidation is expected to be effective on or about November 17, 2008 (the "**Effective Date"**).

26. In connection with the Shareholders' Meeting, shareholders of the Filer have been sent an information circular (the "**Circular**") which contains details of the proposed Consolidation, including income tax considerations associated with the Consolidation.

27. The Consolidation will be completed through amendments to the sections of the Articles of the Filer relating to the Series VII Shares and the Series VIII and Series IX Shares in order to effect the Consolidation of the Series VII Assets and the Series VIII and Series IX Assets forming the basis of the net asset value of such shares. The Articles of the Filer will be amended so that the Series VII Shareholders and the Series VIII and Series IX Shareholders all share in one pool of assets after the Consolidation instead of two pools of assets prior to the Consolidation.

28. The entitlement of each Series VII Shareholder and each Series VIII and Series IX Shareholder will be to their proportionate interest to the assets of the consolidated pool. The number of Class A Shares of each respective series that shareholders own will remain the same and the value of each of the Series VII Share or each Series VIII and Series IX Share immediately after the Consolidation will be the same as the value immediately prior to the filing of the amendment to the Articles and the Consolidation.

29. None of the Series VII Shares or of the Series VIII and Series IX Shares will be issued, acquired, redeemed or cancelled in order to effect the Consolidation.

30. The last scheduled pricing date for Series VII Shares and for the Series VIII and Series IX Shares before the anticipated Effective Date of the Consolidation will be one day prior to the Effective Date.

31. Shareholders of all of the series of the Filer will continue to have the right to redeem Series VII Shares, Series VIII and Series IX Shares for cash at any time up to the close of business on the business day immediately preceding the Effective Date of the Consolidation. Such redemptions may be subject to tax under the LSIF Legislation.

32. Shareholders of Series VII Shares, Series VIII and Series IX Shares of the Filer will be entitled to exercise dissent rights pursuant to and in the manner set forth in Section 190 of the *Canada Business Corporations Act* (the "**CBCA**") with respect to the resolutions to amend the Articles of the Filer. Shareholders that validly exercise these rights and do not withdraw their dissent ("**Dissenting Shareholders**") will be entitled to receive the "fair value" of the applicable series of Class A Shares as at the day before the resolution approving the amendments to the Articles of the Filer is adopted by shareholders of the Filer. Any Dissenting Shareholders of the Filer who held their Class A Shares for less than eight years will be required, in accordance with LSIF Legislation, to repay federal and provincial tax credits granted when the shares were originally purchased.

33. The Manager will continue to serve as manager for the Filer after the Consolidation.

34. All of the costs of effecting the Consolidation (consisting primarily of legal, proxy solicitation, printing, mailing and accounting costs) will be paid by the Manager.

35. Pursuant to NI 81-107 – *Independent Review Committee for Investment Funds*, the Independent Review Committee (the "**IRC**") of the Filer has reviewed the Consolidation and the process to be followed in connections with the Consolidation and has advised the Filer that, in the IRC's opinion, having reviewed the potential conflicts of interest in the Consolidation, the Consolidation achieves a fair and reasonable result for the Filer.

Approval for the Consolidation

36. Approval for the Consolidation is required because the Consolidation does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6(1) of NI 81-102 because:

    (i) the Consolidation is not a "qualifying exchange" within the meaning of section 132.2 of the Tax Act, as required by Section 5.6(1)(b) of the National Instrument; and

    (ii) the materials sent to shareholders of the Filer do not include copies of the current long form prospectuses of the Filer, or copies of the annual and interim financial statements of the Filer, as required by Section 5.6(1)(f)(ii) of NI 81-102. The Fund determined that it was not cost effective to include a long form prospectus with the meeting materials when the salient features of the Series VII Shares and Series VIII and Series IX Shares were outlined in the Circular. However, the Circular sent to the shareholders of the Filers instead:

A. includes disclosure about the Consolidation and prospectus-like disclosure concerning the series of the Filer that are involved in the Consolidation;

B. for purposes of NI 81-106 and NI 51-102, incorporates by reference the prospectus of the Filer (as permitted under NI 51-102);

C. discloses that shareholders can obtain the current copy of the Filer's Prospectus at no cost by accessing the SEDAR website at www.sedar.com, by accessing the Manager's website at www.covingtonfunds.com or by calling a toll-free telephone number (in which case the Manager will cause the requested material to be promptly mailed to the requesting shareholder); and

D. discloses that shareholders can obtain annual and interim financial statements of the Filer as at and for the period ended July 31, 2008 and any management reports of fund performance produced by the Filer at no cost by accessing the SEDAR website at www.sedar.com, by accessing the Manager's website at www.covingtonfunds.com or by calling a toll-free telephone number (in which case the Manager will cause the requested material to be promptly mailed to the requesting shareholder).

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that in connection with the Consolidation, the management information circular sent to securityholders in connection with the Consolidation provides sufficient information about the Consolidation to permit securityholders to make an informed decision about the Consolidation.

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

2.1.11 Teranet Income Fund – s. 1(10)

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions - application for an order that the issuer is not a reporting issuer.

Applicable Legislative Provisions

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

December 19, 2008

McCarthy Tétrault LLP
Box 48, Suite 5300
Toronto Dominion Bank Tower
66 Wellington Street West
Toronto, Ontario M5K 1E6

Attention: Jane Askeland

Dear Sirs/Mesdames:

Re: Teranet Income Fund (the Applicant) - application for a decision under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (the Jurisdictions) that the Applicant is not a reporting issuer

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 that the Applicant is not a reporting issuer.

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 fewer than 15 security holders in each of the jurisdictions in Canada and fewer 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 a decision that it is not 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

2.1.12 Barclays Global Investors Canada Limited

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Coordinated Review – The relief provides an exemption, subject to terms and conditions, from the dealer registration requirements in s. 25 of the Securities Act (Ontario), and equivalent provisions in the the Legislation of the various Jurisdictions, in respect of trades consisting of Marketing or Wholesaling Activities and Investor Servicing Activities or acts in furtherance of trades related to the registrant's operations as a mutual fund manager and/or portfolio manager of exchange-traded funds.

Statutes Cited

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

December 19, 2008

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

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF
APPLICATIONS IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
BARCLAYS GLOBAL INVESTORS CANADA LIMITED
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the dealer registration requirement in the Legislation not apply to the Filer or to officers or employees of the Filer (each, a **Representative**) in respect of any trades in securities of an ETF, as defined below, of which the Filer is the investment fund manager and/or portfolio manager (either, the **manager**), where:

(i) the trade consists of Marketing or Wholesaling Activities, as defined below; or

(ii) the trade consists of Investor Servicing Activities, as defined below

(the **Exemptive Relief Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a coordinated review application):

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

(b) this decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

For purposes hereof, **ETFs** means investment funds that are reporting issuers listed on a recognized stock exchange.

For purposes hereof, **Investor Servicing Activities** means any conduct with securityholders or potential securityholders, directly or indirectly, in furtherance of another trade in securities of an ETF where such other trade is a purchase or sale of securities of an ETF that is, in each case, made by or through another dealer that is registered under the Legislation of the Jurisdiction in which the other trade occurs, in a category that permits that dealer to act as a dealer in respect of the trade, or pursuant to an exemption from the dealer registration requirement.

For purposes hereof, **Marketing or Wholesaling Activities** means any act, advertisement or solicitation, directly or indirectly, in furtherance of another trade in securities of an ETF where such other trade is a purchase or sale of securities of an ETF that is, in each case, made by or through another dealer that is registered, under the Legislation of the Jurisdiction in which the other trade occurs, in a category that permits that dealer to act as a dealer in respect of the trade, or pursuant to an exemption from the dealer registration requirement.

Any other terms herein that are defined in National Instrument 14-101 *Definitions* have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is registered as an investment counsel and portfolio manager, or equivalent, in each of the Jurisdictions, as a limited market dealer in each of Ontario and Newfoundland and Labrador and as a commodity trading manager in Ontario.

2. The Filer carries on business primarily as the trustee and manager of ETFs, as the manager of investment funds that are offered pursuant to an exemption from the prospectus requirement (**Pooled Funds**) and as the manager of managed accounts that are not ETFs or Pooled Funds (**Segregated Accounts**).

3. The Filer distributes securities of the Pooled Funds directly, pursuant to its registration as a limited market dealer in Ontario and Newfoundland and Labrador and pursuant to exemptions from the dealer registration requirements in other Jurisdictions.

4. As the trustee and manager of ETFs, the Filer has an interest in the distribution of securities of ETFs. Accordingly, the Filer is involved in Marketing or Wholesaling Activities in respect of ETFs.

5. Marketing or Wholesaling Activities include, but are not limited to:

   (i) producing “sales communications”, as defined in National Instrument 81-102 *Mutual Funds*;

   (ii) meeting with registered dealers and registered advisers and their respective representatives (whether one-on-one or in a group presentation setting) to discuss ETFs and encourage such dealers and advisers to promote the purchase of ETFs by their clients;

   (iii) responding to requests from financial planners, registered dealers, registered advisers and their respective representatives for information regarding ETFs; and

   (iv) meeting with institutional clients such as pension plans and their representatives to discuss ETFs and answer any questions such potential clients may have.

6. As the trustee and manager of ETFs, the Filer is from time to time contacted by securityholders or potential securityholders of ETFs. Accordingly, the Filer must engage in Investor Servicing Activities in respect of ETFs.

7. Investor Servicing Activities include, but are not limited to, responding to requests from securityholders or potential securityholders for information regarding an ETF; provided that

   (i) any information supplied is available in the prospectus or other publicly available disclosure document relating to the ETF; and

   (ii) the Representative does not provide any investment advice in respect of the securities of the ETF.

8. Marketing or Wholesaling Activities and Investor Servicing Activities are conducted only by Representatives who are registered either as advising officers or representatives of the Filer, in its capacity as an investment counsel and portfolio manager or equivalent in any Jurisdiction, or as sales representatives of the Filer, in its capacity as a limited market dealer, in Ontario or Newfoundland and Labrador. No advice with respect to a particular trade is given by any Representative in the context of Marketing or Wholesaling Activities or Investor Servicing Activities.

9. trades in such securities are conducted through appropriately registered dealers except where the Legislation otherwise permits.

10. Without the Requested Relief, the Filer would have to be registered under the Legislation as a dealer in the category of mutual fund dealer (or equivalent category) in order to conduct Marketing or Wholesaling Activities and Investor Servicing Activities.

Decision

Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Maker under the Legislation is that the Exemptive Relief Sought is granted to the Filer provided that the Representative who is responsible for such activities is registered as an advising officer or representative of the Filer, in its capacity as an investment counsel and portfolio manager in any Jurisdiction, or is registered as a sales representative of the Filer, in its capacity as a limited market dealer, in Ontario or Newfoundland and Labrador.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"Carol S. Perry"
Commissioner
Ontario Securities Commission

2.2 Orders

2.2.1 AEGON USA Investment Management, LLC – s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario)(CFA) – Relief from the adviser registration requirements of subsection 22(1)(b) of the CFA granted to non-resident adviser in respect of advising a de minimus number of permitted clients in Ontario in connection with advising certain non-Canadian investment funds and similar investment vehicles primarily offered outside of Canada in respect of trades in commodity futures contracts and commodity futures options primarily traded on commodity futures exchanges outside Canada and primarily cleared through clearing corporations outside Canada, subject to certain terms and conditions. Relief mirrors exemption available in section 7.1 of Ontario Securities Commission Rule 35-502 – Non Resident Advisers.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1), 38(1).
Securities Act, R.S.O. 1990, c. S.5, as am. – Rule 35-502 Non Resident Advisers.

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

AND

IN THE MATTER OF
AEGON USA INVESTMENT MANAGEMENT, LLC

ORDER
(Section 80 of the CFA)

UPON the application (the **Application**) to the Ontario Securities Commission (the **Commission**) by AEGON USA Investment Management, LLC (the **Applicant**) for an order of the Commission, pursuant to section 80 of the CFA, that the Applicant (including its directors, partners, officers, employees or other individual representatives, acting on its behalf), is exempt from the adviser registration requirement in the CFA (as defined below) in connection with the Applicant acting as an adviser to one or more Related Clients (as defined below), in respect of trades in commodity futures contracts and related products trading on commodity futures exchanges (the **Futures Advisory Services**);

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

AND WHEREAS for the purposes of this Order;

(i) the following terms shall have the following meanings:

"adviser registration requirement in the CFA" means the requirement set out in paragraph 22(1)(b) of the CFA that prohibits a person or company from acting as an adviser, as defined in the CFA, unless the person or company satisfies the applicable provisions of section 22 of the CFA;

"adviser registration requirement in the OSA" means the requirement set out in paragraph 25(1)(c) of the OSA that prohibits a person or company from acting as an adviser, as defined in the OSA, unless the person or company satisfies the applicable provisions of section 25 of the OSA;

"OSA" means the *Securities Act* (Ontario);

"OSC Rule 35-502" means Ontario Securities Commission Rule 35-502 – *Non Resident Advisers*, made under the OSA; and

(ii) terms used in this Order that are defined in the OSA, and not otherwise defined in this Order or in the CFA, shall have the same meaning as in the OSA, unless the context otherwise requires;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a corporation existing under the laws of the State of Iowa and is registered as an investment adviser under the U.S. *Investment Advisers Act of 1940*, as amended.

2. The Applicant is not ordinarily resident in Ontario and is not registered in any capacity under the CFA or the OSA.

3. The Applicant advises institutional investors and as at December 31, 2007 had in excess of U.S. $98.8 billion in assets under management

4. The Applicant is part of a corporate group of financial companies headquartered in Europe known as AEGON N.V. (**AEGON**). The Applicant is a sister company of (i) AEGON Capital Management Inc., a registered adviser in Ontario under the OSA in the categories of investment counsel, portfolio manager, limited market dealer and as a commodities futures manager (**ACM**) under the CFA, and (ii) Transamerica Life Canada, a federally licensed and regulated life insurance company (**TLC**). Both ACM and TLC have their head offices in Toronto, Ontario. Accordingly, both ACM and TLC are affiliates, as defined in the OSA, of the Applicant.

5. ACM will be surrendering its registration as a commodity futures manager under the CFA as of December 31, 2008. ACM's business as a commodity futures manager is no longer active.

6. The Applicant currently provides advice to ACM (and indirectly through ACM to TLC) as a Sub-Adviser to ACM and received relief from registration pursuant to *In the Matter of the Commodities Futures Act and in the Matter of AEGON Capital Management Inc.*, an order dated January 5, 2007 (the **ACM Order**).

7. There is no requirement for a federally licensed life insurance company, nor employees of a federally licensed life insurance company, to be registered as advisers under the OSA or the CFA if trading and advice is confined to the assets of such federally licensed life insurance company. TLC does not currently employ, nor does it wish to hire, individuals to provide investment advice with respect to the portfolio assets of TLC or the use of derivatives, including futures. Instead, TLC has decided to outsource investment management and advisory functions to certain affiliates. Previously, all investment management and advisory services were outsourced to ACM (which, in the case of some mandates, in turn has sub-advisory relationships with other firms), but with the pending surrender of ACM's registration under the CFA, TLC has decided to outsource investment management and advisory services relating to the use of futures to the Applicant. Outsourcing the investment management and advisory functions is expressly permitted under the *Insurance Companies Act* (Canada) and the Office of the Superintendent of Financial Institutions' Guideline B-10 - *Outsourcing of Business Functions, Activities and Processes*.

8. Each of TLC and ACM (the **Related Clients**) are resident in Ontario and qualify as a "permitted client" (as such term is defined in OSC Rule 35-502).

9. Paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser unless the person or company is registered as an adviser under the CFA, or is registered as a representative or as a partner or an officer of a registered adviser and is acting on behalf of such registered adviser, and otherwise satisfies the applicable requirements specified in section 22 of the CFA. Under the CFA, "adviser" means a person or company engaging in or holding himself, herself or itself out as engaging in the business of advising others as to trading in "contracts", and "contracts" is defined in subsection 1(1) of the CFA to mean "commodity futures contracts" and "commodity futures options"

(with these latter terms also defined in subsection 1(1) of the CFA).

10. There is currently no rule or other regulation under the CFA that provides an exemption from the adviser registration requirement in the CFA for a person or company acting as an adviser, in respect of commodity futures options or commodity futures contracts, that corresponds to the exemption from the adviser registration requirement in the OSA for acting as an adviser, as defined in the OSA, in respect of securities, that is contained in section 7.1 of OSC Rule 35-502.

11. Section 7.1 of OSC Rule 35-502 provides that the adviser registration requirement in the OSA does not apply to a person or company, not ordinarily resident in Ontario, if

(a) it, and its affiliates or affiliated partnerships that are not ordinarily resident in Ontario, did not act as an adviser during the preceding 12 months for more than five clients in Canada;

(b) it acts as an adviser in Ontario in reliance upon the exemption provided by section 7.1 of OSC Rule 35-502 solely for permitted clients (as defined in OSC Rule 35-502), other than a fund (as defined in OSC Rule 35-502);

(c) it does not solicit clients in Ontario;

(d) its acting as an adviser in Ontario for Canadian securities is incidental to its acting as an adviser in Ontario for foreign securities (as defined in OSC Rule 35-502);

(e) before advising an Ontario client, it notifies the Ontario client that it is not registered as an adviser in Ontario; and

(f) all assets of its Ontario clients are held by persons or companies that meet the requirements of paragraph 3.7(1) or are referred to in subsection 3.7(3) of OSC Rule 35-502.

12. The Applicant, where required, is or will be appropriately registered or licensed or is, or will be, entitled to rely on appropriate exemptions from such registration or licensing requirements to provide advice to the Related Clients pursuant to the applicable legislation of its principal jurisdiction.

13. The Applicant is exempt from registration as a Commodity Trading Adviser (**CTA**) under the *U.S. Commodity Exchange Act* (**CEA**) pursuant to, *inter alia*, CEA Section 4(m)(1) and corresponding Rule 4.14(a)(10), which exempts a person from registering as a CTA if, during the course of the preceding 12 months, such person has not furnished commodity trading advice to more than 15 persons and does not hold itself out generally to the public as a CTA.

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

IT IS ORDERED, pursuant to section 80 of the CFA, that the Applicant (including its directors, partners, officers, employees or other individual representatives, acting on its behalf) is exempted from the adviser registration requirement in the CFA, for a period of five years, in connection with the Applicant acting as an adviser to one or more Related Clients in respect of the Futures Advisory Services, provided that, at the time the Applicant so acts as an adviser to one or more Related Clients:

(a) the Applicant is not ordinarily resident of Ontario;

(b) the Applicant is appropriately registered or licensed, or entitled to rely upon appropriate exemptions from registration or licensing requirements, in order to provide the Futures Advisory Services to the Related Clients pursuant to the applicable legislation of the Applicant's principal jurisdiction;

(c) the Applicant, and its affiliates or affiliated partnerships that are not ordinarily resident in Ontario, did not act as an adviser during the preceding 12 month period for more than five clients in Canada;

(d) each of the Related Clients in Ontario qualifies as a "permitted client" (as defined in OSC Rule 35-502), other than a fund (as defined in OSC Rule 35-502);

(e) the Applicant does not solicit clients in Ontario;

(f) the Applicant's acting as an adviser in Ontario for Canadian securities is incidental to its acting as an adviser in Ontario for foreign securities (as defined in OSC Rule 35-502);

(g) before advising an Ontario client, the Applicant notifies the Ontario client that it is not registered as an adviser in Ontario and: i) there may be difficulty in enforcing any legal rights against the Applicant because the Applicant is resident outside of Canada and, to the extent applicable, all of its assets are situated outside of Canada; and ii) the Applicant will not be registered under the CFA or the OSA and

as a result investor protections that might otherwise be available to clients of a registered adviser under the CFA or OSA may not be available;

(h) all assets of the Ontario clients are held by persons or companies that meet the requirements of section 3.7(1) or section 3.7(3) of OSC Rule 35-502.

December 16, 2008

"Margot C. Howard"
Commissioner
Ontario Securities Commission

"Mary G. Condon"
Commissioner
Ontario Securities Commission

2.2.2 Lyndz Pharmaceuticals Inc. et al. – s. 127(8)

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

AND

IN THE MATTER OF
LYNDZ PHARMACEUTICALS INC.,
LYNDZ PHARMA LTD., JAMES MARKETING LTD.,
MICHAEL EATCH AND RICKEY MCKENZIE

TEMPORARY ORDER
Subsection 127(8)

WHEREAS on December 4, 2008, the Ontario Securities Commission (the "Commission") ordered pursuant to subsections 127(1) , 127(5), and 127(6) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that immediately for a period of 15 days from the date thereof: (a) all trading in securities of Lyndz Pharmaceuticals Inc. ("Lyndz") shall cease; (b) all trading in securities by the Respondents shall cease; and (c) the exemptions contained in Ontario securities law do not apply to the Respondents (the "Temporary Order");

AND WHEREAS on December 8, 2008, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Act accompanied by Staff of the Commission's ("Staff") Statement of Allegations in this matter;

AND WHEREAS on December 17, 2008 a hearing was held before the Commission and was attended by Staff, but none of the respondents;

AND WHEREAS the Commission is satisfied that all of the respondents received adequate notice of the hearing from Staff;

AND UPON RECEIVING the written consent of counsel for Michael Eatch, Rickey McKenzie, Lyndz and James Marketing Ltd. to the extension of the Temporary Order;

AND UPON RECEIVING submissions from Staff at the hearing;

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

IT IS ORDERED THAT pursuant to subsection 127(8) of the Act, the Temporary Order is extended to February 13, 2009; and,

IT IS FURTHER ORDERED THAT pursuant to subsection 9(1)(b) of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended, that the Affidavit of Raymond Daubney, sworn December 8, 2008, and filed in support of the motion to extend the Temporary Order, shall be returned to Staff and redacted to remove the personal identification information of investors whose intimate

financial or personal information is contained in Exhibit 4, and shall be re-filed with the Commission within 5 days of the date of this Order;

IT IS FURTHER ORDERED THAT this matter is adjourned to February 13, 2009, at 9:00 am.

DATED at Toronto this 17th day of December, 2008.

"Wendell S. Wigle"

"Suresh Thakrar"

2.2.3 Potash Corporation of Saskatchewan Inc. – s. 104(2)(c)

Headnote

Clause 104(2)(c) – Issuer bid – relief from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act – Issuer proposes to purchase, at a discounted purchase price, approximately 4,700,000 of its common shares from two shareholders – due to discounted purchase price, proposed purchases cannot be made through TSX trading system – but for the fact that the proposed purchases cannot be made through the TSX trading system, the Issuer could otherwise acquire the subject shares in reliance upon the issuer bid exemption available under section 101.2 of the Act and in accordance with the TSX rules governing normal course issuer bid purchases – no adverse economic impact on or prejudice to issuer or public shareholders – proposed purchases exempt from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 94 to 94.8, 97 to 98.7, 104(2)(c).

December 12, 2008

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

AND

IN THE MATTER OF
POTASH CORPORATION OF
SASKATCHEWAN INC.

ORDER
(Section 104(2)(c))

UPON the application (the **Application**) of Potash Corporation of Saskatchewan Inc. (the I**ssuer**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to Section 104(2)(c) of the *Securities Act* (Ontario) (the "**Act**") exempting the Issuer from the formal issuer bid requirements of Sections 94 to 94.8 and 97 to 98.7 of the Act (the **Formal Issuer Bid Requirements**) in connection with the proposed purchases by the Issuer of approximately (and in no event greater than) 4,700,000 of its common shares (the **Subject Shares**) of its common shares (the **Common Shares**) from The Toronto-Dominion Bank and/or Bank of Montreal, and or such shareholder's affiliates (collectively, the **Selling Shareholders**);

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

AND UPON the Issuer having represented to the Commission that:

1. The Issuer is a corporation governed by the *Canada Business Corporations Act*.

2. The head office and registered office of the Issuer are located at Suite 500, 122 – 1st Avenue South, Saskatoon, Saskatchewan S7K 7G3

3. The Issuer is a reporting issuer in each of the provinces and territories of Canada and the Common Shares are listed for trading on the Toronto Stock Exchange (the **TSX**) and the New York Stock Exchange. The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The authorized share capital of the Issuer consists of an unlimited number of Common Shares, of which approximately 298,638,887 Common Shares are issued and outstanding as of December 1, 2008 and an unlimited number of first preferred shares, of which no first preferred shares have been issued.

5. Pursuant to a amended Notice of Intention to make a Normal Course Issuer Bid dated and filed with the TSX on September 15, 2008 (the **Notice**), the Issuer is permitted to make normal course issuer bid (the **Bid**) purchases for the period starting January 31, 2008 and ending on January 30, 2009 and for a maximum of 31,500,000 Common Shares. As at December 1, 2008, 19,399,200 Common Shares have been purchased under the Bid.

6. The Notice of Intention, as amended, filed with the TSX contemplates that purchases made under the Bid may be made by way of exempt offer or as otherwise permitted by the TSX.

7. The Issuer and the Selling Shareholders intend to enter into one or more agreements of purchase and sale (each, an **Agreement**), pursuant to which the Issuer will agree to acquire the Subject Shares from the Selling Shareholders by one or more purchases occurring prior to January 30, 2009 (each such purchase, a **Proposed Purchase**), for a purchase price (the **Purchase Price**) that will be negotiated at arm's length between the Issuer and the Selling Shareholder. The Purchase Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Common Shares at the time of each Proposed Purchase.

8. The purchase of Subject Shares by the Issuer pursuant to each Agreement will constitute an "issuer bid" for purposes of the Act, to which the Formal Issuer Bid Requirements would otherwise apply.

9. Because the Purchase Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Common Shares at the time of each Proposed Purchase, each trade cannot be made through the TSX trading system and, therefore, will not occur "through the facilities" of the TSX. As a result, the Issuer will be unable to acquire the Subject Shares from the Selling Shareholders in reliance upon the exemption from the Formal Issuer Bid Requirements that is available pursuant to Section 101.2(1) of the Act.

10. But for the fact that the Purchase Price will be at a discount to the prevailing market price and below the prevailing bid-ask price for the Common Shares at the time of each trade, the Issuer could otherwise acquire the Subject Shares as a "block purchase" (a **Block Purchase**) in accordance with Section 629(l)7 of Part VI of the TSX Company Manual (the **TSX Rules**) and Section 101.2(1) of the Act.

11. Each of the Selling Shareholder is at arm's length to the Issuer and is not an "insider" of the Issuer or "associate" of an "insider" of the Issuer, an "associate" or "affiliate" of the Issuer, as such terms are defined in the Act. In addition, each Selling Shareholder is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**).

12. For each Proposed Purchase, the Issuer will be able to acquire the Subject Shares from the Selling Shareholders in reliance upon the exemption from the dealer registration requirements of the Act that is available as a result of the combined effect of Section 2.16 of NI 45-106 and Section 4.1(a) of Commission Rule 45-501 *Ontario Prospectus and Registration Exemptions*.

13. The Issuer is of the view that the purchase of the Subject Shares at a lower price than the price at which the Issuer would be able to purchase the Common Shares under the Bid is an appropriate use of the Issuer's funds.

14. The purchase of the Subject Shares will not adversely affect the Issuer or the rights of any of the Issuer's securityholders and it will not materially affect control of the Issuer. The Proposed Purchases will be carried out with a minimum of cost to the Issuer.

15. The market for the Common Shares is a "liquid market" within the meaning of Section 1.2 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*. The purchase of the Subject Shares would not have any effect on the ability of other shareholder of the Issuer to sell their Common Shares in the market.

16. Other than the Purchase Price, no additional fee or other consideration will be paid in connection with the Proposed Purchases.

17. At the time that each Agreement is entered into by the Issuer and the Selling Shareholder, neither the Issuer nor the Selling Shareholder will be aware of any undisclosed "material change" or any undisclosed "material fact" (each as defined in the Act) in respect of the Issuer.

18. As at the date hereof, to the knowledge of the Issuer after reasonable inquiry, the Selling Shareholders own the Subject Shares and the Subject Shares were not acquired in anticipation of resale pursuant to the Proposed Purchases.

AND UPON the Commission being satisfied that it would not be prejudicial to the public interest for the Commission to grant the requested exemption;

IT IS ORDERED pursuant to Section 104(2)(c) of the Act that the Issuer be exempt from the Formal Issuer Bid Requirements in connection with each Proposed Purchase, provided that:

(a) the Proposed Purchases will be taken into account by the Issuer when calculating the maximum annual aggregate limit for the Bid Purchases in accordance with the TSX Rules;

(b) the Issuer will refrain from conducting a Block Purchase in accordance with the TSX Rules during the calendar week it completes each Proposed Purchase and may not make any further purchases under the Bid for the remainder of that calendar day;

(c) the Purchase Price is not higher than the last "independent trade" (as that term is used in paragraph 629(l)1 of the TSX Rules) of a board lot of Common Shares immediately prior to the execution of each Proposed Purchase;

(d) the Issuer will otherwise acquire any additional Common Shares pursuant to the Bid and in accordance with the TSX Rules;

(e) immediately following each its purchase of Subject Shares from the Selling Shareholder, the Issuer will report the purchase of such Subject Shares to the TSX;

(f) at the time that each Agreement is entered into by the Issuer and the Selling Shareholder, neither the Issuer nor the Selling Shareholder will be aware of any undisclosed "material change" or any undisclosed "material fact" (each as defined in the Act) in respect of the Issuer; and

(g) the Issuer will issue a press release in connection with the Proposed Purchases.

"Wendell S. Wigle"
Commissioner
Ontario Securities Commission

"Carol S. Perry"
Commissioner
Ontario Securities Commission

2.2.4 PilotRock Investment Partners GP, LLC – s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario) – Relief from the adviser registration requirements of paragraph 22(1)(b) of the CFA granted to sub-adviser not ordinarily resident in Ontario in respect of advice regarding trades in commodity futures contracts and commodity futures options traded on commodity futures exchanges outside of Canada and cleared through clearing corporations outside of Canada, subject to certain terms and conditions. Relief mirrors exemption available in section 7.3 of OSC Rule 35-502 – Non-Resident Advisers made under the Securities Act (Ontario).

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1)(b), 80.
Securities Act, R.S.O. 1990, c. S.5, as am. – Rule 35-502 – Non Resident Advisers.

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

AND

IN THE MATTER OF
PILOTROCK INVESTMENT PARTNERS GP, LLC

ORDER
(Section 80 of the CFA)

UPON the application (the **Application**) of PilotRock Investment Partners GP, LLC (the **Sub-Adviser**) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 80 of the CFA, that the Sub-Adviser (including its directors, officers and employees) be exempt, for a period of five years, from the requirements of paragraph 22(1)(b) of the CFA in acting as an adviser for Sigma Analysis & Management Ltd. (the **Principal Adviser**) and an investment account of Downsview Managed Account Platform Inc. (the **Investment Account**) in respect of trades in commodity futures contracts and commodity futures options traded on commodity futures exchanges outside of Canada and cleared through clearing corporations outside of Canada;

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

AND UPON the Sub-Adviser having represented to the Commission that:

1. The Sub-Adviser is a limited liability company formed under the laws of the State of Delaware.

2. The Sub-Adviser is currently registered as an investment advisor under the *Investment Advisers Act of 1940* (U.S.), as amended, and is exempted from registration as a commodity trading adviser or commodity pool operator with the U.S. Commodities Futures Trading Commission.

3. The Principal Adviser is a corporation incorporated under the laws of the Province of Ontario, and is registered under the *Securities Act* (Ontario) (the **OSA**) as investment counsel and portfolio manager and as a commodity trading counsel and commodity trading manager under the CFA.

4. Pursuant to the terms of a managed account agreement (the **Agreement**), Downsview, a corporation incorporated under the laws of the Province of Ontario, has appointed the Sub-Adviser to provide discretionary investment management services in relation to securities for the Investment Account, and has appointed the Principal Adviser to provide discretionary investment management services with respect to commodity futures contracts or commodity futures options (as defined under the CFA) for the Investment Account.

5. In providing investment advice concerning securities to the Investment Account, the Sub-Adviser will rely on the exemption from the requirement to be registered as an adviser under the OSA pursuant to section 7.1 of OSC Rule 35-502 *Non-Resident Advisers* (**Rule 35-502**).

6. Pursuant to the Agreement, the Principal Adviser has delegated to the Sub-Adviser by way of a sub-advisory agreement (the **Sub-Advisory Agreement**), all responsibilities under the Agreement regarding discretionary investment management services in relation to commodity futures contracts or commodity futures options (the

Proposed Advisory Services). As sub-adviser to the Principal Adviser, the Sub-Adviser will provide investment advice to the Investment Account with respect to Futures.

7. Paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser unless the person or company is registered as an adviser under the CFA, or is registered as a partner or an officer of a registered adviser and is acting on behalf of a registered adviser. Under the CFA, "adviser" means a person or company engaging in or holding himself, herself or itself out as engaging in the business of advising others as to trading in "contracts", and "contracts" means commodity futures contracts and commodity futures options.

8. By providing the Proposed Advisory Services, the Sub-Adviser will be acting as an adviser with respect to commodity futures contracts and commodity futures options and, in the absence of being granted the requested relief, would be required to register as an adviser under the CFA.

9. There is presently no rule under the CFA that provides an exemption from the adviser registration requirement in paragraph 22(1)(b) of the CFA for a person or company acting as an adviser in respect of commodity futures contracts and commodity futures options that is similar to the exemption from the adviser registration requirement in section 25(1)(c) of the OSA for acting as an adviser (as defined in the OSA) in respect of securities that is provided under section 7.3 of Rule 35-502.

10. As would be required under section 7.3 of Rule 35-502:

    (a) the obligations and duties of the Sub-Adviser in connection with the Proposed Advisory Services will be set out in a written agreement with the Principal Adviser;

    (b) the Principal Adviser will contractually agree with the Investment Account to be responsible for any loss that arises out of the failure of the Sub-Adviser:

        (i) to exercise the powers and discharge the duties of its office honestly, in good faith and in the best interests of the Principal Adviser and the Investment Account; or

        (ii) to exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in the circumstances (together with (i), the **Assumed Obligations**); and

    (c) the Principal Adviser cannot be relieved by the Investment Account from its responsibility for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations.

11. The Sub-Adviser is not resident of any province or territory of Canada.

12. The Sub-Adviser is appropriately registered or exempt from registration to provide advice to the Principal Adviser and Investment Account pursuant to the applicable legislation of its principal jurisdiction.

13. Prior to purchasing any securities in one or more of the Investment Accounts, all investors in the Investment Account who are Ontario residents will receive written disclosure that includes:

    (a) a statement that the Principal Adviser is responsible for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations;

    (b) a statement that there may be difficulty in enforcing any legal rights against the Sub-Adviser (or the individual representatives of the Sub-Adviser) advising the Investment Account because it is resident outside of Canada and all or substantially all of its assets are situated outside of Canada.

AND UPON being satisfied that it would not be prejudicial to the public interest for the Commission to grant the exemption requested on the basis of the terms and conditions proposed;

IT IS ORDERED pursuant to section 80 of the CFA that the Sub-Adviser (including its directors, officers or employees) is exempted from the requirements of paragraph 22(1)(b) of the CFA in respect of the Proposed Advisory Services provided to the Principal Adviser and the Investment Account, for a period of five years, provided that at the relevant time that such activities are engaged in:

(a) the Principal Adviser is registered under the CFA as an adviser in the category of commodity trading manager;

(b) the Sub-Adviser is appropriately registered or exempt from registration to provide advice to the Principal Adviser and Investment Account pursuant to the applicable legislation of its principal jurisdiction;

(c) the obligations and duties of the Sub-Adviser are set out in a written agreement with the Principal Adviser;

(d) the Principal Adviser has contractually agreed with the Investment Account to be responsible for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations;

(e) the Principal Adviser cannot be relieved by the Investment Account from its responsibility for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations; and

(f) prior to purchasing any securities in the Investment Account, all investors who are Ontario residents received written disclosure that includes:

(i) a statement that the Principal Adviser is responsible for any loss that arises out of the failure of the Sub-Adviser to meet the Assumed Obligations;

(ii) a statement that there may be difficulty in enforcing any legal rights against the Sub-Adviser (or the individual representatives of the Sub-Adviser) advising the Investment Account because it is resident outside of Canada and all or substantially all of its assets are situated outside of Canada.

December 19, 2008

"Lawrence E. Ritchie"
Commissioner
Ontario Securities Commission

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

2.2.5 Diapason Commodities Management S.A. – s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario) – Relief from the adviser registration requirements of paragraph 22(1)(b) of the CFA granted to sub-adviser not ordinarily resident in Ontario in respect of advice regarding trades in commodity futures contracts and commodity futures options traded on commodity futures exchanges and cleared through clearing corporations, subject to certain terms and conditions. Relief mirrors exemption available in section 7.3 of OSC Rule 35-502 – Non-Resident Advisers made under the Securities Act (Ontario).

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., ss. 22(1), 38(1).
Securities Act, R.S.O. 1990, c S.5, as am. - Rule 35-502 – Non Resident Advisers.

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

AND

IN THE MATTER OF
DIAPASON COMMODITIES MANAGEMENT S.A.

ORDER
(Section 80 of the CFA)

UPON the application (the **Application**) to the Ontario Securities Commission (the **Commission**) by Diapason Commodities Management S.A. (the **Sub-Adviser**) for an order of the Commission, pursuant to section 80 of the CFA, that the Sub-Adviser (including its directors, partners, officers, employees or other individual representatives, acting on its behalf), is exempt from the adviser registration requirement in the CFA in connection with the Sub-Adviser acting as an adviser to Sentry Select Capital Corp. (the **Principal Adviser**) and Sentry Select Capital Inc. (the **Successor Principal Adviser**) in respect of trades in commodity futures contracts and related products trading on commodity futures exchanges and cleared through clearing corporations;

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

AND UPON the Sub-Adviser, the Principal Adviser and the Successor Principal Adviser having represented to the Commission that:

1. The Sub-Adviser is an investment management company organized under the laws of Switzerland, with its principal place of business located in Prilly, Switzerland. The Sub-Adviser specializes in the fields of asset management, commodities markets, futures and option trading.

2. The Sub-Adviser is registered as a commodities trading adviser with the United States Commodity Futures Trading Commission (**CFTC**). The Sub-Adviser is not registered or licensed in any capacity in Switzerland as the laws of Switzerland do not require registration or licensing from any regulatory body in order to be able to provide advice or portfolio management services in connection with commodity futures. The Sub-Adviser is authorised and regulated by the Swiss banking regulatory body, the Commission Fédérale des Banques (**CFB**) and by the Financial Services Authority.

3. The Principal Adviser is a corporation incorporated under the laws of Ontario. It is registered with the Commission as a mutual fund dealer and adviser in the categories of investment counsel and portfolio manager under the *Securities Act* (Ontario) (the **OSA**) and as an adviser in the category of commodity trading manager under the CFA. The Principal Adviser acts as trustee and manager of Commodities Investment Trust (the **Trust**), an investment trust established under the laws of the Province of Ontario pursuant to a declaration of trust, and also acts as manager and trustee of Sentry Select Commodities Income Trust (**SSCIT**).

4. The Successor Principal Adviser is a corporation incorporated under the laws of Ontario. It is registered with the Commission as a mutual fund dealer and adviser in the categories of investment counsel and portfolio manager under the OSA and as an adviser in the category of commodity trading manager under the CFA. Sentry Select will, effective

on or about December 31, 2008, act as trustee and manager of the Trust and will also act as manager and trustee of SSCIT.

5. The Sub-Adviser has entered into an investment sub-advisory agreement with the Principal Adviser which sets out the obligations and duties of the Sub-Adviser, which will be assigned to the Successor Principal Adviser on or about December 31, 2008, whereby the Sub-Adviser has been appointed as the sub-adviser in respect of purchases and sales of commodity futures contracts and related products with respect to the Trust.

6. On or about December 31, 2008, as a result of a reorganization, all business activity which is "registrable" under the OSA and CFA, and all respective registered and approved individuals, will be transferred from the Principal Adviser to the Successor Principal Adviser (the **Restructuring and Transfer**).

7. A preliminary prospectus has been filed with the Commission on behalf of SSCIT. A portion of the net proceeds of the offering of units of SSCIT were used to purchase common shares of Canadian public companies (the **Common Share Portfolio**). SSCIT has entered into one or more forward purchase and sale agreements (the **Forward Agreement**) with Canadian Imperial Bank of Commerce (the **Counterparty**). Under the Forward Agreement, the Counterparty agreed to pay to SSCIT on its termination date as the purchase price for the Common Share Portfolio, an amount based upon the redemption proceeds of a specified number of units of the Trust.

8. It is possible that the Principal Adviser or the Successor Principal Adviser will also appoint the Sub-Adviser as sub-adviser for other investment portfolios (**Other Clients**) which the Principal Adviser or the Successor Principal Adviser manages. In acting as sub-adviser to the Principal Adviser or the Successor Principal Adviser with respect to Other Clients, the Principal Adviser or Successor Principal Adviser, respectively, and the Sub-Adviser will enter into written sub-advisory agreements which set out the obligations and duties of the Sub-Adviser.

9. Paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser unless the person or company is registered as an adviser under the CFA, or is registered as a partner or an officer of a registered adviser and is acting on behalf of a registered adviser. Under the CFA, "adviser" means a person or company engaging in or holding himself, herself or itself out as engaging in the business of advising others as to trading in "contracts", and "contracts" means commodity futures contracts and commodity futures options.

10. In acting as sub-adviser to the Principal Adviser or the Successor Principal Adviser with respect to the Trust and Other Clients (the **Proposed Advisory Services**), the Sub-Adviser will be acting as an adviser with respect to commodity futures contracts and commodity futures options and, in the absence of being granted the requested relief, would be required to register as an adviser under the CFA.

11. There is presently no rule under the CFA that provides an exemption from the adviser registration requirement in paragraph 22(1)(b) of the CFA for a person or company acting as an adviser in respect of commodity futures contracts and commodity futures options that is similar to the exemption from the adviser registration requirement in section 25(1)(c) of the OSA for acting as an adviser (as defined in the OSA) in respect of securities that is provided under section 7.3 of OSC Rule 35-502 – *Non Resident Advisers*.

12. As would be required under section 7.3 of Rule 35-502, the Sub-Adviser will provide the Proposed Advisory Services only if the Principal Adviser or the Successor Principal Adviser, respectively, has contractually agreed with the Trust, or Other Clients, respectively, to be responsible for any loss arising out of the failure of the Sub-Adviser to:

    (a) exercise its powers and discharge its duties honestly, in good faith and in the best interests of the Principal Adviser or the Successor Principal Adviser, respectively, and the Trust, or Other Clients, as the case may be; or

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

    (collectively the **Standard of Care**);

    and the Principal Adviser or the Successor Principal Adviser, respectively, cannot be relieved by the Trust or Other Clients from their responsibility for such loss.

13. As there will be no offering documents for the Trust, the annual information form for SSCIT, and the offering documents for any other product for which the Proposed Advisory Services are applicable, will disclose that:

    (a) the Principal Adviser or the Successor Principal Adviser, respectively, will be responsible for any investment advice given or portfolio management services provided by the Sub-Adviser; and

(b) to the extent applicable, there may be difficulty in enforcing any legal rights against the Sub-Adviser because it is resident outside Canada and all or a substantial portion of its assets are situated outside Canada.

14. The Sub-Adviser will provide the Proposed Advisory Services only while the Principal Adviser or the Successor Principal Adviser, respectively, is registered as a commodity trading manager under the CFA.

AND UPON the Commission being satisfied that it would not be prejudicial to the public interest for the Commission to grant the exemption requested on the basis of the terms and conditions proposed;

IT IS ORDERED, pursuant to section 80 of the CFA, that the Sub-Adviser (including its directors, officers and employees) is exempted from the requirements of paragraph 22(1)(b) of the CFA, in respect of the Proposed Advisory Services provided to the Principal Adviser prior to the Restructuring and Transfer, and to the Successor Principal Adviser after the Restructuring and Transfer, for a period of five years, provided that trades in commodity futures contracts and related products are traded on commodity futures exchanges and cleared through clearing corporations, and at the relevant time that such activities are engaged in:

a. the Principal Adviser or the Successor Principal Adviser, respectively, is registered under the CFA as an adviser in the category of commodity trading manager;

b. the Sub-Adviser is appropriately registered or licensed, is not required to be registered or licensed, or is entitled to rely on appropriate exemptions from such registrations or licences, to provide advice to the Trust or Other Clients pursuant to the applicable legislation of its principal jurisdiction;

c. the duties and obligations of the Sub-Adviser are set out in a written agreement with the Principal Adviser or Successor Principal Adviser, respectively;

d. the Principal Adviser or Successor Principal Adviser, respectively, has contractually agreed with the Trust or Other Clients to be responsible for any loss that arises out of any failure of the Sub-Adviser to meet the Standard of Care;

e. the Principal Adviser or the Successor Principal Adviser, respectively, cannot be relieved by the Trust or Other Clients or their respective securityholders from their responsibility for any loss that arises out of the failure of the Sub-Adviser to meet the Standard of Care; and

f. the Sub-Adviser will provide the Proposed Advisory Services only where the annual information form for SSCIT, and the offering document for any other product for which the Proposed Advisory Services are applicable, disclose that:

    (i) the Principal Adviser or Successor Principal Adviser, respectively, is responsible for any loss that arises out of the failure of the Sub-Adviser to meet the Standard of Care;

    (ii) the Principal Adviser or the Successor Principal Adviser, respectively, is responsible for any investment advice given or portfolio management services provided by the Sub-Adviser; and

    (iii) there may be difficulty in enforcing any legal rights against the Sub-Adviser (or the individual representatives of the Sub-Adviser) because it is resident outside Canada and all or a substantial portion of its assets are situated outside Canada.

December 19, 2008

“Lawrence E. Ritchie”
Commissioner
Ontario Securities Commission

“Wendell S. Wigle”
Commissioner
Ontario Securities Commission

2.2.6 WesternZagros Resources Ltd. – s. 1(11)(b)

Headnote

Section 1(11)(b) – Order that the issuer is a reporting issuer for the purposes of Ontario securities law – Issuer already a reporting issuer in nine other provinces – Issuer's securities listed for trading on the TSX Venture Exchange – Continuous disclosure requirements in nine other provinces substantially the same as those in Ontario - Issuer has a significant connection to Ontario.

Statutes Cited

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

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

AND

IN THE MATTER OF
WESTERNZAGROS RESOURCES LTD.

ORDER
(Clause 1(11)(b))

UPON the application of WesternZagros Resources Ltd. (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 recommendation 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 under the *Business Corporations Act* (Alberta) on August 22, 2007.

2. The head office of the Applicant is located at 600, 400 - 2nd Avenue SW, Calgary, Alberta, T2P 5E9 and the registered office of the Applicant is located at 3700, 400 - 3rd Avenue SW, Calgary, Alberta, T2P 4H2.

3. The authorized share capital of the Applicant consists of an unlimited number common shares, an unlimited number of Class A preferred shares and an unlimited number of Class B preferred shares, all without par value.

4. As at September 30, 2008, 207,464,320 common shares of the Applicant were issued and outstanding and no preferred shares were issued or outstanding.

5. The Applicant became a reporting issuer or reporting issuer equivalent on October 18, 2007 in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the Other Jurisdictions) as a result of a plan of arrangement completed on such date involving Western Oil Sands Inc. (now Marathon Oil Canada Corporation) (Western), the shareholders of Western, the Applicant, Marathon Oil Corporation, WesternZagros Resources Inc. and 1339971 Alberta Ltd.

6. The Applicant is not noted in default on the list of reporting issuers maintained by the securities regulatory authority or regulator in each of the provinces of Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick and Nova Scotia. The Applicant is not on the list of defaulting reporting issuers maintained by the securities regulatory authority or regulator in any of British Columbia, Prince Edward Island or Newfoundland and Labrador. The Applicant is not in default of any of its obligations under the securities legislation in each of the Other Jurisdictions.

7. The Applicant is not a reporting issuer or the equivalent in any jurisdiction in Canada other than the Other Jurisdictions.

8. The continuous disclosure requirements under the securities legislation in each of the Other Jurisdictions, are substantially the same as the requirements under the Act.

9. The continuous disclosure materials filed by the Applicant under the securities legislation in each of the Other Jurisdictions, are available on the System for Electronic Document Analysis and Retrieval.

10. The common shares of the Applicant are listed and posted for trading on the TSX Venture Exchange (the TSX-V) under the symbol "WZR". The Applicant is not in default of any of the rules, regulations or policies of the TSX-V. The Applicant is not designated a capital pool company under the policies of the TSX-V. The Applicant's securities are not traded on any other stock exchange or trading or quotation system.

11. Neither the Applicant nor, to the knowledge of the Applicant, its officers or directors, has:

    (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;

    (b) entered into a settlement agreement with a Canadian securities regulatory authority; or

(c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

12. Neither the Applicant nor, to the knowledge of the Applicant, its officers or directors, is or has been subject to:

(a) any known ongoing or concluded investigation by (i) a Canadian securities regulatory authority, or (ii) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or

(b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the preceding 10 years.

13. To the knowledge of the Applicant, none of its officers and directors, is or has been 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 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.

14. The Applicant does not have a shareholder which holds sufficient securities of the Applicant to affect materially the control of the Applicant.

15. The Applicant has a significant connection to Ontario since more than 10% of the total number of common shares of the Applicant are owned by registered and beneficial holders resident in Ontario.

16. The Applicant will remit all participation fees due and payable by it pursuant to OSC Rule 13-502 *Fees* by no later than two business days from the date of this order.

AND UPON the Director under the Act being satisfied that to do so is in 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 this 19th day of December, 2008.

"Margo Paul"
Director, Corporate Finance
Ontario Securities Commission

2.2.7 Hahn Investment Stewards & Co. Inc.

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

AND

IN THE MATTER OF
HAHN INVESTMENTS STEWARDS & CO. INC.

AND

IN THE MATTER OF
A DECISION OF THE INVESTMENT INDUSTRY
REGULATORY ORGANIZATION OF CANADA.

ORDER

WHEREAS TSX Inc. has filed a motion in writing for an order granting it full intervenor status in the above-noted proceedings and for an order abridging the time for bringing said motion;

AND WHEREAS all parties to these proceedings have consented to the order sought by TSX Inc.;

IT IS HEREBY ORDERED THAT:

(a) the time for bringing the motion is hereby abridged; and

(b) TSX Inc. shall have full standing as an Intervenor in the hearing of this matter.

DATED at Toronto this 22nd day of December, 2008.

“Wendell S. Wigle”

“Paul K. Bates”

2.2.8 Credit Suisse Securities (USA) LLC – s. 38

Headnote

The Applicant will offer to certain of its clients in Ontario (Institutional Clients) the ability to trade in futures contracts that trade on exchanges located outside Canada through the Applicant. The Institutional Clients are the same as "designated institutions" as that term is defined in section 204(1) of Ont. Reg. 1015 – General Regulation made under the Securities Act (Ontario) (OSA).

Relief granted to permit the Applicant to execute trades in exchange-traded futures for its own account as well as those placed by its Institutional Clients in Ontario on a basis that it is exempt from registration, except that the Applicant is, and will continue to be, registered as an international dealer under the OSA.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20, as am., s. 38.

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. C. 20
(the Act)

AND

IN THE MATTER OF
CREDIT SUISSE SECURITIES (USA) LLC

ORDER
(Section 38 of the Act)

UPON the application (the **Application**) of Credit Suisse Securities (USA) LLC (the Applicant) to the Ontario Securities Commission (the **Commission**), for an order of the Commission, pursuant to section 38 of the Act (the **Order**), that the Applicant be exempted from the dealer registration requirements in the Act in connection with trades (**Futures Trades**) in contracts (as defined below) for its own account and by certain of its clients who are institutional clients (as defined below);

AND WHEREAS for the purposes of the Order:

(i) the following terms shall have the following meanings:

"CFTC" means the United States Commodity Futures Trading Commission;

"contract" means a commodity futures contract or a commodity futures option that trades on one or more organized exchanges located outside of Canada and cleared through one or more clearing corporations located outside of Canada;

"dealer registration requirement in the Act" means the provisions of section 22 of the Act that prohibit a person or company from trading in a contract unless the person or company satisfies the applicable provisions of section 22 of the Act;

"institutional client" means a client that falls within the category of investors listed in Appendix I to the Order;

"FINRA" means the Financial Industry Regulatory Authority in the United States;

"NFA" means the National Futures Association in the United States;

"OSA" means the *Securities Act* (Ontario);

"SEC" means the United States Securities and Exchange Commission; and

(ii) terms used in the Order that are defined in the OSA, and not otherwise defined in the Order or in the Act, shall have the same meaning as in the OSA, unless the context otherwise requires; and

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

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

1. The Applicant is a corporation incorporated under the laws of the State of New York. Its head office is located at 11 Madison Avenue, New York, NY 10010.

2. The Applicant is a wholly owned subsidiary of Credit Suisse (USA), Inc.

3. The Applicant is registered as a securities broker-dealer with the SEC, and is a member of FINRA. The Applicant is a member of major securities exchanges, including the American Stock Exchange, the Boston Stock Exchange, the Chicago Stock Exchange, the New York Stock Exchange, and the Philadelphia Stock Exchange.

4. The Applicant is registered as a Futures Commission Merchant with the CFTC, and is a member of the NFA. Pursuant to these registrations, the Applicant is authorized to handle customer orders and receive and hold customer margin deposits, and otherwise act as a futures broker, in the U.S. Rules of the CFTC and the NFA require the Applicant to maintain adequate capital levels, make and keep specified types of records relating to customer accounts and transactions, and comply with other forms of customer protection rules.

5. The Applicant is a Foreign Approved Participant of the Montreal Exchange and a Registered Futures Commission Merchant of ICE Futures Canada, Inc. The Applicant is also a member of the CME Group (including the Chicago Board of Trade), ICE Futures U.S., Inc., the New York Mercantile Exchange (including COMEX) and other principal U.S. commodity exchanges, and trades through affiliated or unaffiliated member firms on all other exchanges, including exchanges in Canada, France, Italy, Japan, Singapore, Spain, Taiwan, Mexico, Korea and the United Kingdom.

6. The Applicant is registered as an international dealer, international adviser and limited market dealer in Ontario.

7. The Applicant proposes to (a) trade in contracts for its own account, (b) offer institutional clients in Ontario the ability to trade in contracts through the Applicant, and (c) conduct execution and clearing services with respect to contracts for institutional clients resident in Ontario.

8. The Applicant will solicit business only from persons in Ontario who qualify as institutional clients.

9. The Applicant will only offer institutional clients the ability to trade contracts that trade on exchanges located outside Canada (the Recognized Exchanges), unless such Futures Trades in contracts are routed through an agent that is a dealer registered in Ontario under the Act.

10. The Applicant may execute a client's order on the relevant Recognized Exchange in accordance with the rules and customary practices of the exchange, or engage another broker to assist in the execution of orders. The Applicant will remain responsible for the execution of each such trade.

11. The Applicant may perform both execution and clearing functions for Futures Trades in contracts or may direct that a trade executed by it be cleared through a clearing broker if the Applicant is not a member of the Recognized Exchange or clearing house on which the trade is executed and cleared. Alternatively, the client will be able to direct that trades executed by the Applicant be cleared through clearing brokers not affiliated with the Applicant (each, a **Non-CSSU Clearing Broker**).

12. If the Applicant performs only the execution of a client's contract order and "gives-up" the transaction for clearance to a Non-CSSU Clearing Broker, such clearing broker will also be required to comply with the rules of the exchanges and clearing houses of which it is a member and any relevant regulatory requirements, including requirements under any applicable legislation. Each such Non-CSSU Clearing Broker will represent to the Applicant in a give-up agreement that it will perform its obligations in accordance with applicable laws, governmental, regulatory, self-regulatory, exchange and clearing house rules and the customs and usages of the exchange or clearing house on which the relevant client's Futures Contract orders will be executed and cleared. The Applicant will not enter into a give-up agreement with any Non-CSSU Clearing Broker located in the United States unless such clearing broker is registered with the CFTC and/or the SEC, as applicable.

13. Clients that direct the Applicant to give up transactions in contracts for clearance and settlement by Non-CSSU Clearing Brokers will execute the give-up agreements.

14. Clients will pay commissions for trades to the Applicant or the Non-CSSU Clearing Broker or such commissions may be shared with the Non-CSSU Clearing Broker.

AND UPON the Commission being satisfied that it would not be prejudicial to the public interest to grant the order requested;

IT IS ORDERED pursuant to section 38 of the Act, that the Applicant be exempted from the dealer registration requirements in the Act in connection with Futures Trades in contracts for its own account and by certain of its clients who are institutional clients, provided that:

(a) at the relevant time that trading activity are engaged in:

(i) the Applicant is registered with the SEC as a securities broker-dealer and with the CFTC as futures commission merchant and is a member of FINRA and the NFA in good standing; and

(ii) the Applicant is registered under the OSA as a dealer in the categories of international dealer and limited market dealer;

(b) each client in Ontario effecting Futures Trades in contracts is an institutional client and, if using a Non-CSSU Clearing Broker, has represented and covenanted that the broker is or will be appropriately registered or exempt from registration under applicable legislation;

(c) the Applicant only executes Futures Trades in contracts for Ontario clients on exchanges located outside Canada, unless such Futures Trades in contracts are routed through an agent that is a dealer registered in Ontario under the Act; and

(d) each client in Ontario effecting Futures Trades in contracts receives disclosure upon entering into the agreement by which it establishes an account with the Applicant that includes:

(i) a statement that there may be difficulty in enforcing any legal rights against the Applicant or any of its directors, officers or employees because they are resident outside of Canada and all or substantially all of their assets are situated outside of Canada; and

(ii) a statement that the Applicant is not registered under Ontario commodity futures legislation and, accordingly, the protection available to clients of a dealer registered under such commodity futures legislation will not be available to clients of the Applicant.

December 19, 2008

"Lawerence E. Ritchie"
Commissioner
Ontario Securities Commission

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

Appendix I

INSTITUTIONAL CLIENTS

In this Order, "Institutional Client" means:

a) a financial intermediary;

b) the Federal Business Development Bank;

c) a subsidiary of any company referred to in clause (a) or (b), where the company beneficially owns all of the voting securities of the subsidiary;

d) the Government of Canada or any province or territory of Canada;

e) any municipal corporation or public board or commission in Canada;

f) a mutual fund, other than a private mutual fund, having net assets of at least $5,000,000;

g) a trusteed pension plan or fund sponsored by an employer for the benefit of its employees and having net assets of at least $5,000,000;

h) a registered dealer;

i) a company or person, other than an individual, that is an accredited investor as defined in section 1.1 of National Instrument 45-106 *Prospectus and Registration Exemptions*; and

j) a person or company deemed to be a "designated institution" under subsection 204(2) of Ont. Reg. 1015 – *General Regulation* made under the *Securities Act* (Ontario).

2.3 Rulings

2.3.1 DHLP Management Inc. – s. 74(1)

Headnote

Trades by applicant or licensed real estate agents in residential condominium units included in a rental pool program are not subject to section 25 or 53 provided that purchasers receive certain disclosure prior to entering into an agreement of purchase and sale.

Statutes Cited

Securities Act, R.S.O. 1990, as am., ss. 25, 53, 74(1).
Condominium Act, R.S.O. 1990, as am.
Real Estate and Business Brokers Act, R.S.O. 1990, as am.
Securities Act, R.S.B.C. 1996, as am.

Rules Cited

Ontario Securities Commission Rule 14-501 Definitions.
National Instrument 51-102 Continuous Disclosure Obligations.
British Columbia Instrument 45-512 Real Estate Securities.
B.C. Form 45-906F Offering Memorandum – Real Estate Securities.

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

AND

IN THE MATTER OF
DHLP MANAGEMENT INC.

RULING
(Subsection 74(1))

UPON the application of DHLP Management Inc. (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") for a ruling pursuant to subsection 74(1) of the Act that the sale by the Applicant of residential condominium units within a certain condominium project being built by the Applicant on a site located at 19-27 John Street South, Hamilton, Ontario, will not be subject to sections 25 and 53 of the Act;

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

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

1. The Applicant was established by articles of incorporation under the *Business Corporations Act* (Ontario) (the "**OBCA**") as Stinson Real Estate Corporation, on November 9, 2007, as amended by articles of amendment dated January 25, 2008.

2. The Applicant is in the business of developing a condominium and mixed-use real estate project on the lands municipally known as 19-27 John Street South, Hamilton, Ontario (the "**Lands**").

3. The registered head office of the Applicant is located at 5 Bull's Lane, Hamilton, Ontario, L9A 1C7.

4. The Applicant is not a reporting issuer under the Act or under any other securities legislation in Canada and has no present intention of becoming a reporting issuer under the Act or any other securities legislation in Canada.

5. The Applicant has undertaken to develop the Lands by constructing a six (6) story condominium building, which will consist of approximately eighty (80) residential dwelling condominium units (the "**Residential Units**") and other various common areas and common facilities.

6. Each Residential Unit will be sold as a fully furnished suite, all of which will provide roughly equivalent accommodations, including with respect to size and layout.

7. In addition to his, her or its Residential Unit, each owner of a Residential Unit will be entitled to a proportionate share of the common property and common facilities and all other assets of the residential condominium corporation (the "**Residential Condominium**") that will be created pursuant to the *Condominium Act*, S.O. 1998, c.19 (the "**Condo Act**").

8. Certain amenities of the Project, including dedicated recycling and housekeeping facilities, an entrance lobby, concierge desk service area, a dedicated service elevator and offices for a general manager, will form part of the common property and common facilities of a separate commercial condominium corporation (the "**Commercial Condominium**") that will also be created pursuant to the Condo Act. The Commercial Condominium will also include additional leasable units, which are intended to be leased for the purposes of a bar, café and convenience food market.

9. In accordance with the Condo Act, each owner of a Residential Unit will be responsible for expenses related to his, her or its Residential Unit, including real property taxes directly attributable to the Residential Unit. Each owner of a Residential Unit will also be responsible for his, her or its proportionate share of certain utilities and other expenses related to the common property of the Residential Condominium.

10. The Applicant will cause the Residential Condominium to enter into a permanent property management agreement (the "**Property Manage-**

ment Agreement") with CDHO Corp. (the "**Property Manager**"). The Property Manager will manage and administer the common property of the Residential Condominium and will be paid a management fee for its services. The Property Management Agreement will be terminable on sixty (60) days prior notice by the board of directors of the Residential Condominium, which will be elected by the owners of the Residential Units.

11. In addition, the Applicant will cause the Residential Condominium to enter into a lease and operating agreement with the Commercial Condominium, pursuant to which the Commercial Condominium is *inter alia* appointed the exclusive leasing agent for the Residential Unit owners for the purpose of engaging in the permitted leasing of the Residential Unit. The lease and operating agreement shall be for a term of fifty (50) years and shall be terminable by the Residential Condominium, in addition to any other remedies, upon:

    a) a default by the Condominium Corporation which continues for at least 45 days following notice of default, unless default is not capable of being cured within 45 days and the Condominium Corporation diligently and continuously attempts to cure such default; or

    b) the Rental Manager (as defined below) making an assignment of its property for the benefit of its creditors.

12. Each owner of a Residential Unit will be entitled, but not required, to enter into a rental management agreement (the "**Rental Management Agreement**") with the Commercial Condominium or such other manager as may be appointed by the Commercial Condominium (in such capacity, the "**Rental Manager**"). By entering into a Rental Management Agreement, the owners of the Residential Units will become entitled to participate in a rental management program (the "**Rental Program**"). It is anticipated that most owners of the Residential Units will participate in the Rental Program.

13. It is anticipated that the Commercial Condominium shall appoint the Property Manager to also act as the Rental Manager.

14. As currently proposed, the Rental Program is an arrangement whereby the revenues derived from:

    a) the rental of the Residential Units by the Rental Manager;

    b) food and beverage revenues generated by the bar and café, or lease revenue in the event that the operations are leased to a third party operator;

    c) parking revenues from the parking spaces located in the basement of the Project, which are not owned by owners of Residential Units not participating in the Rental Program, and/or offsite and/or valet parking arrangements, or lease revenue in the event that the operations are leased to a third party operator;

    d) room service and any similar guest services;

    e) in-suite entertainment, international telephone calls and any other technology-related revenue streams;

    f) rental or other income, if any, derived from the units within the Commercial Condominium (or leasing and a percentage of gross operating revenues if such facilities are sub-contracted); and

    g) spa services, if offered (or leasing and a percentage of gross operating revenues if such a facility is sub-contracted),

    shall be pooled and all such revenues (the "**Aggregate Revenues**") then allocated to the owners of the Residential Units on an entirely equal basis. Each owner of a Residential Unit shall be paid his, her or its share of the Aggregate Revenues, less the operating expenses incurred by the Rental Manger to operate the Rental Program and a fixed administration fee per Residential Unit representing compensation to the Rental Manager. Aggregate Revenues and applicable expenses and fees will be calculated and paid on a monthly basis.

15. The Rental Manager will determine the rental rates for the Residential Units; coordinate the rental of Residential Units, collect all rental payments and charges; deposit the gross Rental Program revenues into a trust account or accounts under the exclusive control of the Rental Manager; and generally to operate, supervise, manage, clean and maintain the Residential Units.

16. The Rental Manager will be responsible for all operating costs of the Residential Condominium other than certain fees, charges and expenses listed in the Rental Management Agreement (the "**Fees, Charges and Expenses**") that are to be borne by the owners of the Residential Units and payable to third parties in connection with the earning of revenues for the Residential Condominium. The Rental Manager will be entitled to deduct the Fees, Charges and Expenses from the Aggregate Revenues on behalf of the owners of Residential Units. In the

event that the Aggregate Revenues do not cover the full amount of the Fees, Charges and Expenses, then the Rental Manager will be responsible for any deficiency.

17. Following deduction of the Fees, Charges and Expenses from the Aggregate Revenues, the remaining balance (the "**Adjusted Revenues**") will be allocated between the Rental Manager and the owners of the Residential Units who are participating in the Rental Program as follows:

    a) as compensation for the services which the Rental Manager will provide, the Rental Manager will be entitled to the payment of a management fee equal to 10% of the Adjusted Revenues; and

    b) the remaining 90% of the Adjusted Revenues (the "**Net Revenues**") is payable, *pro rata*, to each owner of a Residential Unit, to the extent of his, her or its participation in the Rental Program, net of certain fees and charges that are payable by the owners of Residential Units, as described below.

18. Common expenses and all repair reserve funds in respect of the common elements of the Residential Condominium will be determined by the Residential Condominium and are payable by each owner of a Residential Unit based on the square footage of his, her or its Residential Unit. If the allocation of the Net Revenues of a particular owner of a Residential Unit is insufficient to cover that owner's share of the common expenses and reserve fund contribution, then the Residential Condominium will reasonably require that such owner pay any amount outstanding.

19. Maintenance fees and repair costs for each individual Residential Unit, which participates in the Rental Program, including charges for annual deep cleaning, furniture and appliance repair and normal "wear-and-tear'" will be payable by the owner of the Residential Unit. In the event that a Residential Unit is damaged by a guest who rents that Residential Unit, the owner will be ultimately responsible for the repair costs, but the Rental Manager and the owner will co-operate in recovering such costs from the guest. Individual expenses incurred in connection with an owner's personal use of his, her or its Residential Unit, including such items as room service charges and telephone bills, shall be paid after each period of personal use by the owner. The Rental Manager will deduct any unpaid individual expenses incurred by an owner from that owner's remaining allocation of Net Revenues. Each owner of a Residential Unit will be responsible to the Rental Manager for any shortfall between the owner's remaining allocation of Net Revenues and any of the costs associated with the owner's Residential Unit. The owner of a Residential Unit is not responsible for personal use charges incurred by guests of the Rental Manager.

20. The Rental Management Agreement will list the fees and charges payable by the owner of a Residential Unit, including a description of how such costs associated with the operation and maintenance of the Residential Units and the Residential Condominium will be allocated between the Rental Manager and the owners of the Residential Units. Each owner of a Residential Unit will give the Rental Manager permission to make additional deductions from the Adjusted Revenues, if and to the extent that the deductions are necessary, to ensure that the Residential Condominium continues to operate hotel standards set forth in the Rental Management Agreement.

21. The Disclosure Statement (as defined in paragraph 24 below) and the Rental Management Disclosure Memorandum (as defined in paragraph 29 below) will contain the following risk factor: "*Each owner of a Residential Unit will be responsible for a number of costs and charges associated with the ongoing operation of the Residential Condominium. These costs will be deducted from the owner's share of Adjusted Revenues (if such owner is participating in the Renal Program) and there is no guarantee that the amount of the owner's share of the Adjusted Revenues will be sufficient to cover such costs. In the event that an owner's share of the Adjusted Revenues is insufficient to cover the costs owed by the owner, the owner may have to pay additional amounts to the Rental Manager (as defined in the Rental Management Agreement). An owner will, for example, be responsible for the repair, replacement and upkeep costs for that owner's Residential Unit, including replacement of furniture and annual cleaning costs. Owners of Residential Units will also be responsible for covering the cost of any damage to a Residential Unit as a result of the rental of the Residential Unit to a third party by the Rental Manager. For complete information on all costs and charges to be levied against owners of Residential Units, prospective purchasers should carefully read the Rental Management Agreement*".

22. The Residential Units are being offered for sale in Ontario through Judy Marsales Real Estate Ltd., an agent of the Applicant licensed under the *Real Estate and Business Brokers Act*, R.S.O. 1990, c. R.5. The Applicant, through Judy Marsales Real Estate Ltd., will actively market the Residential Units for sale, including by advertisements published in print media as well as on television, radio and on the internet.

23. To date, no marketing activities have commenced with respect to the Project and Rental Program.

24. The Applicant shall cause a disclosure statement (the "**Disclosure Statement**") to be delivered to each person who enters into an agreement for the purchase of a Residential Unit (an "**Agreement of Purchase and Sale**"). The Disclosure Statement will comply with the requirements of the Condo Act.

25. Pursuant to Section 52(3) of the Condo Act, any initial purchaser (an "**Initial Purchaser**") who enters into an Agreement of Purchase and Sale with the Applicant for the purchase of a Residential Unit, shall be entitled to rescind his, her or its Agreement of Purchase and Sale by notice to the Applicant given within ten (10) days after the Initial Purchaser receives a copy of the Disclosure Statement or any material amendment to the Disclosure Statement. Pursuant to the Condo Act, such rescission may be exercised by giving written notice to the Applicant or the Applicant's solicitors at their respective address for service noted in the Agreement of Purchase and Sale.

26. None of the advertisements or other marketing materials for the sale of the Residential Units shall make reference to the Rental Program, save for:

    a) the references made in the Disclosure Statement; and

    b) information disclosing the existence of the Rental Program and its benefits for the efficient operation of the Residential Condominium for owners and guests.

27. Prospective purchasers of Residential Units will not be provided with any form of rental, cash flow or deficiency guarantees or any other form of financial commitment or projection by or on behalf of the Applicant respecting the Rental Program, other than:

    a) examples of financial calculations solely for the purpose of better explaining to prospective purchasers of Residential Units how the revenue pooling proceeds are calculated, which sample calculations will be included in the Rental Management Disclosure Memorandum described in paragraphs 29 and 30, below; and

    b) the budget required to be delivered to an Initial Purchaser of a Residential Unit pursuant to the Condo Act.

28. The purchase price for which the Applicant shall offer the Residential Units for sale to Initial Purchasers is not derived from the existence of the Rental Program such that there will not be a premium or discount to the sale price of the Residential Units as a result of the Rental Program.

29. In addition to the delivery of the Disclosure Statement pursuant to the Condo Act, the Applicant will deliver to each prospective Initial Purchaser, prior to entering into an Agreement of Purchase and Sale with any such prospective Initial Purchaser subsequent to the date of this Ruling, a disclosure memorandum (the "**Rental Management Disclosure Memorandum**") certified by the Applicant and the Rental Manager in the form of the certificate required pursuant to item 19 of B.C. Form 45-906F of the *Securities Act* (R.S.B.C. 1996, c. 418, as amended) ("Form 45-906F").

30. The Rental Management Disclosure Memorandum will include the following information relating to the Rental Program prepared substantially in accordance with the form and content requirements of the following sections of Form 45-906F:

    a) items 1, 3(1), 5, 7, 9(1), 9(2), 9(3), 9(4), 10(b) and 16 (including the reporting obligations of the Rental Manager to purchasers as more particularly described in paragraphs 33 and 34 below), modified as necessary to reflect the operations of the Rental Program; and

    b) items 12(2), 12(3) and 12(4) of Form 45-906F with respect to the Applicant and the Rental Manager, as applicable, modified so that the period of disclosure runs from the date of the certificate attached to the date of the Rental Management Disclosure Memorandum.

    c) a description of the Residential Condominium, the Rental Program and the offering of Residential Units;

    d) a description of Residential Unit resale restrictions;

    e) a summary of the material features of the Rental Management Agreement to be entered into between a purchaser of a Residential Unit and the Rental Manager;

    f) a description of the continuous reporting obligations of the Applicant to owners of the Residential Units, as more particularly set forth in paragraphs 33 and 34, below;

    g) a description of the risk factors that make the offering of Residential Units a risk or speculative;

h) a description of the contractual right of action available to purchasers of a Residential Unit as more particularly described in paragraphs 31 and 32, below; and

i) a certificate signed by the President of the Applicant in the following form:

"*The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to prevent a statement that is made from being false or misleading in the circumstances in which its was made.*"

31. Initial Purchasers of Residential Units and each subsequent purchaser of a Residential Unit will be provided with a contractual right of action as defined in Ontario Securities Commission Rule 14-501 *Definitions* with respect to the disclosure contained in the Rental Management Disclosure Memorandum, save and except only that such right of action shall:

a) be for damages and not include a right of action for rescission; and

c) be exercisable on notice against the certifying entity not later than 180 days after the earlier of the date the purchaser closes his, her or its purchase transaction or takes possession of its Residential Unit.

32. The Rental Management Disclosure Memorandum shall describe the contractual right of action, including any defences available to the certifying entity, the limitation periods applicable to the exercise of the contractual right of action, and will indicate that the contractual right of action is in addition to any other right or remedy available to the purchaser.

33. The Rental Management Agreement shall impose an irrevocable obligation on the Rental Manager to deliver to each owner of a Residential Unit participating in the Rental Program:

a) audited annual financial statements for the Rental Program that have been prepared in accordance with generally accepted accounting principles and otherwise made up, certified and delivered in accordance with the applicable provisions of the Act as if the Rental Program was a reporting issuer for the purposes of the Act; and

b) interim unaudited financial statements for the Rental Program that have been prepared in accordance with generally accepted accounting principles and otherwise made up, certified and delivered in accordance with the applicable provisions of the Act as if the Rental Program was a reporting issuer for the purposes of the Act.

34. The Rental Management Agreement shall impose an irrevocable obligation on the Rental Manager to deliver to a prospective subsequent purchaser (a "**Subsequent Purchaser**"), upon reasonable notice of an intended sale by the owner of a Residential Unit participating in the Rental Program, and before an Agreement of Purchase and Sale is entered into with a Subsequent Purchaser:

a) the most recent audited annual financial statements (which include financial statements for the prior comparative year, if applicable) and, if applicable, the then most recent interim unaudited financial statements for the Rental Program (the "**Financial Information**");

b) the Rental Management Disclosure Memorandum certified by the Rental Manager in the form of the certificate required pursuant to item 19 of Form 45-906F; and

c) the Disclosure Statement or a summary thereof.

35. The Rental Management Agreement shall impose an irrevocable obligation on each owner of a Residential Unit participating in the Rental Program to provide:

a) the Rental Manager with reasonable notice of a proposed sale of his, her or its Residential Unit; and

b) a Subsequent Purchaser of a Residential Unit with notice of his, her or its right to obtain from the Rental Manager, the Financial Information and the Rental Management Disclosure Memorandum.

36. The Rental Management Agreement will not require an owner of a Residential Unit to give any person an assignment of any of his, her or its right to vote in accordance with the Condo Act or condominium corporation by-laws, or to waive notice of meetings of the Residential Condominium.

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

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

1. The distribution of a Residential Unit by the Applicant, Judy Marsales Real Estate Ltd., or another licensed agent who is licensed under the *Real Estate and Business Brokers Act* R.S.O. 1990, c. R.5, is exempt from sections 25 and 53 of the Act, provided that:

   a) every Initial Purchaser and every Subsequent Purchaser receives all of the documents and information referred to in paragraphs 24, 29 and 34 above, and a copy of this Ruling, prior to entering into an Agreement of Purchase and Sale; and

   b) every Initial Purchaser receives the ten (10) day "cooling off" for rescission set out in paragraph 25 above.

2. Any subsequent trade of a Residential Unit shall be a "distribution" for the purposes of the Act, unless:

   i. the seller of the subject Residential Unit is not a developer or an agent acting on such developer's behalf;

   ii. the seller of the subject Residential Unit provides written notice to the Rental Manager of his, her or its intention to sell his, her or its Residential Unit;

   iii. the seller or the subject Residential Unit provides the prospective purchaser of such Residential Unit, prior to completion of the purchase and sale transaction, all of the documents and information referred to in paragraphs 33 and 34 above; and

   iv. the seller, or an agent acting on the seller's behalf, does not advertise, market, promise or otherwise represent any projected economic benefits of the Rental Program to any prospective purchaser of Residential Units.

DATED at Toronto, this 23rd day of December, 2008.

"Wendell Wigle"
Commissioner
Ontario Securities Commission

"Margot C. Howard"
Commissioner
Ontario Securities Commission

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Sextant Capital Management Inc. et al. – ss. 126(1), 126(7)

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

AND

IN THE MATTER OF
SEXTANT CAPITAL MANAGEMENT INC.,
SEXTANT CAPITAL GP INC.,
SEXTANT STRATEGIC OPPORTUNITIES
HEDGE FUND L.P., OTTO SPORK,
ROBERT LEVACK AND NATALIE SPORK

REASONS AND DECISION
(Subsections 126(1) and (7) of the Act)

Hearing:	December 19, 2008		
Decision:	December 23, 2008		
Panel:	Wendell S. Wigle	–	Commissioner and Chair of the Panel
	James E. A. Turner	–	Vice-Chair
Counsel:	Susan Kushneryk Matthew Britton	–	For the Ontario Securities Commission
	Joseph Groia Kevin Richard	–	For Otto Spork and Sextant Capital Management A Islandi EHF

REASONS AND DECISION

I. Background and History of the Commission Proceeding

[1] On December 8, 2008, a Statement of Allegations and Notice of Hearing were issued (the "Commission Proceeding") with respect to Sextant Capital Management Inc. ("SCMI"), Sextant Capital GP Inc., Sextant Strategic Opportunities Hedge Fund L.P. (the "Sextant Fund"), Otto Spork ("O. Spork"), Robert Levack and Natalie Spork (collectively, the "Respondents").

[2] On that same day, the Ontario Securities Commission (the "Commission") issued:

a) a temporary cease trade order (the "TCTO") pursuant to subsections 127(1) and (5) of the *Securities Act,* R.S.O. 1990, c. S.5, as amended (the "Act"); and

b) directions pursuant to paragraph (a) of subsection 126(1) of the Act: 1) to the Royal Bank of Canada with respect to funds, securities and property of SCMI, Sextant Capital GP Inc. and the Sextant Fund; and 2) to Newedge Canada Inc. with respect to funds, securities and property of the Sextant Fund (the "Freeze Directions").

[3] On December 15, 2008, the Ontario Superior Court of Justice extended the two Freeze Directions dated December 8, 2008 until the final resolution of this matter by the Commission or further order of the Court.

[4] On December 16, 2008, the Commission extended the TCTO until March 17, 2009 to permit Staff of the Commission ("Staff") to continue their investigation and to permit the Respondents to respond to the Statement of Allegations.

[5] There is a civil class action brought by the Squirrel Trust No. 1 against various parties (the "Civil Proceeding"), including the Sextant Strategic Hybrid2 Hedge Resource Fund Offshore Ltd. and Sextant Strategic Global Water Fund Offshore Ltd. (together, the "Offshore Sextant Funds") and Sextant Capital Management A Islandi EHF ("Sextant EHF"). On December 17, 2008, Justice Mesbur of the Ontario Superior Court refused a motion by the Squirrel Trust No. 1 for a Mareva injunction against the various parties, but did grant an adjournment until January 7 and 8, 2009 on a number of conditions. The Commission is not a party to the civil class action and did not participate in the proceedings, although Staff was present during some of the time.

[6] On December 17, 2008, a few hours after Justice Mesbur issued her endorsement, the Commission issued another direction in the Commission Proceeding (which is a separate and distinct regulatory proceeding from the Civil Proceeding) to Newedge Canada Inc. pursuant to paragraph (a) of subsection 126(1) of the Act (the "December 17 Direction"). This direction provides that Newedge Canada Inc. retain any funds, securities or property that they may have on deposit, under their control or for safekeeping in the name of the Offshore Sextant Funds.

[7] On December 18, 2008, a motion was brought by O. Spork and Sextant EHF (collectively, the "Moving Parties") for an order revoking or varying the December 17 Direction (the "Motion"). Pursuant to subsection 126(7) of the Act, a person or company directly affected by a direction may apply to the Commission for clarification or to have the direction varied or revoked. Accordingly, any person or company, even if they are not a respondent may apply for such an order, such as Sextant EHF.

[8] The Commission heard the Motion on December 19, 2008. Oral and written submissions were provided by the Moving Parties and Staff. We have considered all the submissions and material before us and these are the Reasons to our Decision to dismiss the Motion.

II. Analysis

a) The Relevance of Justice Mesbur's Decision to the Commission Proceeding

[9] The Moving Parties take the position that the December 17 Direction should be revoked on the basis that Justice Mesbur did not see it appropriate to grant the Mareva injunction affecting the funds and assets of the Offshore Sextant Funds and Sextant EHF. Counsel for the Moving Parties cautioned that the Commission could not and should not be seen to impose a direction that would effectively contradict the decision of Justice Mesbur.

[10] Staff takes the position that Justice Mesbur's decision was made in connection with an unrelated Civil Proceeding and that the Commission is neither a party nor an intervenor in that litigation. The plaintiffs in the Civil Proceeding sought a Mareva injunction against the assets of the Sextant Offshore Funds in the context of a civil class action. In contrast, Staff seeks the December 17 Direction for a different purpose.

[11] We agree that the Commission Proceeding is separate and distinct from the Civil Proceeding. The December 17 Direction was issued in the context of the Commission's mandate, which is established under section 1.1 of the Act to provide protection to investors from unfair, improper or fraudulent practices; and to foster fair and efficient capital markets and confidence in the capital markets. These are public interest concerns that are not necessarily engaged in the context of private civil litigation. Although the civil litigation involves the interests of investors, the Commission's public interest mandate is much broader. As submitted by Staff, there are multiple contraventions of the Act involving self-dealing of a mutual fund in Ontario and the potential inaccuracy of the valuation of the Sextant Fund alleged under sections 111 and 127 of the Act.

[12] In *Ontario Securities Commission v. New Life Capital Corp.*, [2008] O.J. No. 4775 at para. 15, the Court stated that there is "a significant distinction between a Mareva injunction and a Direction of an appointed body in respect of the public securities markets", which includes a direction made pursuant to subsection 126(1) of the Act. The Commission must take into consideration the due administration of Ontario securities law and the regulation of Ontario's capital markets.

[13] Accordingly, in our view, the issuance of the December 17 Direction does not contradict or override the decision of Justice Mesbur because it was made in the context of a separate and distinct regulatory proceeding under the Act, and not in the context of private civil litigation.

b) The Materials in Support of the December 17 Direction

[14] Counsel for the Moving Parties also questioned whether the Chair of the Commission (the "Chair"), who signed the December 17 Direction, had knowledge of Justice Mesbur's decision. In addition, it was submitted that the Moving Parties were entitled to the information the Chair relied on in coming to his decision to issue the December 17 Direction.

[15] With respect to the argument that the Moving Parties did not have access to the information relied on by the Chair, Staff explained that within two days of the December 17 Direction, the Moving Parties were provided with this material.

[16] In any event, when an *ex parte* direction is made, an appearance must be held within 7 days of the issuance of the direction before the Ontario Superior Court, pursuant to subsection 126(5) of the Act. In fact, Staff submitted that they are appearing before the Ontario Superior Court on December 24, 2008 to argue for the continuation of the December 17 Direction. At this time, the materials in support of the initial direction would be reviewed by the Superior Court of Justice.

c) The Issuance of the December 17 Direction was Justified

[17] Once the Commission issues a direction under subsection 126(1), the Commission only has the power to clarify, vary or revoke the direction pursuant to subsection 126(7) of the Act. Only the Superior Court is granted the power pursuant to subsection 126(5) of the Act to continue the direction against any affected individuals.

[18] In the case before us, we were not provided with sufficient information from the Moving Parties to vary or revoke the December 17 Direction prior to the appearance before the Superior Court on Wednesday, December 24, 2008.

[19] According to Staff's motion record before us, the Chair had reasonable grounds upon which to issue the December 17 Direction freezing the assets, funds and property of the Offshore Sextant Funds. We are not satisfied that there are sufficient grounds or evidence before us to interfere with that decision. In this case, the public interest favours preserving the assets for the benefit of investors particularly when the matter will be considered by the Court next Wednesday.

[20] Staff also emphasized its concerns that more than $90 million is unaccounted for and a combined total of only about $7.6 million is in the custodial accounts of the Sextant Fund and the Sextant Offshore Funds. A large sum of the funds cannot be accounted for and it is appropriate and in the public interest to preserve and freeze the funds that can be traced and are available, and this is why such directions are necessary. This also prevents situations where there is a risk that funds can be transferred offshore and dissipated.

[21] We are not comfortable in relying only on the conditions imposed by Justice Mesbur to ensure the preservation of the assets particularly when we do not know what redemptions have already been requested. We do not believe that the fact that the Court refused the injunction should limit or restrict Staff and the Chair from taking action they consider to be in the public interest in a separate regulatory proceeding.

III. Order

[22] For the reasons provided above, it is hereby ordered that the Motion is dismissed.

Dated on this 23rd day of December, 2008.

"Wendell S. Wigle"

"James E. A. Turner"

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
GSI Group Inc.	09 Dec 08	23 Dec 08		23 Dec 08
Ateba Resources Inc. (formerly Ateba Technology & Environmental Inc.)	23 May 03	04 June 03		17 Dec 08
Peace Arch Entertainment Group, Inc.	04 Dec 08	18 Dec 08	18 Dec 08	
Bioxel Pharma Inc.	05 Dec 08	19 Dec 08		19 Dec 08
Rage Energy Inc.	09 Dec 08	23 Dec 08	23 Dec 08	
1608557 Ontario Inc.	10 Dec 08	24 Dec 08	24 Dec 08	

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
High River Gold Mines Ltd.	02 Dec 08	16 Dec 08	16 Dec 08	23 Dec 08	
High River Gold Mines Ltd.	19 Nov 08	03 Dec 08	03 Dec 08	23 Dec 08	

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
CoolBrands International Inc.	30 Nov 06	13 Dec 06	13 Dec 06		
Hip Interactive Corp.	04 July 05	15 July 05	15 July 05		
Toxin Alert Inc.	30 Oct 08	12 Nov 08	12 Nov 08		
Argenta Oil & Gas Inc.	05 Nov 08	18 Nov 08	18 Nov 08		
Cybersurf Corp.	11 Nov 08	24 Nov 08	25 Nov 08		
High River Gold Mines Ltd.	19 Nov 08	03 Dec 08	03 Dec 08	23 Dec 08	
Constellation Copper Corporation	20 Nov 08	04 Dec 08	04 Dec 08		
High River Gold Mines Ltd.	02 Dec 08	16 Dec 08	16 Dec 08	23 Dec 08	
Rutter Inc.	02 Dec 08	16 Dec 08	16 Dec 08		

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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 SecuritiesScource (see www.carswell.com).

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
12/01/2008 to 12/04/2008	5	473 Albert Street Office Limited Partnership - Limited Partnership Units	656,009.00	656,009.00
01/01/2008 to 06/01/2008	34	Altairis Investments - Limited Partnership Units	6,012,017.62	13,845.15
11/27/2008 to 12/02/2008	4	Ammonite Energy Ltd. - Flow-Through Shares	178,749.75	238,333.00
12/09/2008 to 12/12/2008	6	Ammonite Energy Ltd. - Flow-Through Shares	3,388,725.00	4,518,300.00
12/18/2008	44	Angle Energy Inc. - Common Shares	10,006,347.00	1,888,000.00
12/17/2008	7	Anglo Swiss Resources Inc. - Flow-Through Units	547,000.00	5,470,000.00
12/10/2008	2	ASG Clairtrell North Limited Partnership - Limited Partnership Units	50,000.00	50.00
12/11/2008	62	Baffinland Iron Mines Corporation - Flow-Through Shares	14,797,609.05	70,464,805.00
12/05/2008	7	Bedford Capital IVC, L.P. - Limited Partnership Units	71,500,000.00	71,500.00
11/03/2008	1	Blind Creek Resources Ltd. - Common Shares	147,278.50	294,557.00
12/05/2008	1	Bullion Management Group Inc. - Common Shares	50,000.00	33,333.00
07/29/2007	1	Castle Rock Research Corp. - Debentures	1,000,000.00	1,000.00
12/05/2008	6	Champion Minerals Inc. - Flow-Through Units	1,450,000.00	3,625,000.00
12/06/2008 to 12/16/2008	12	CMC Markets UK plc - Contracts for Differences	83,200.00	12.00
12/17/2008	1	Currie Rose Resources Inc. - Common Shares	150,000.00	833,333.00
12/16/2008	2	Decade Resources Ltd. - Flow-Through Units	484,999.80	2,852,940.00
12/08/2008	1	Donner Metals Ltd. - Common Shares	300,000.00	3,750,000.00
12/08/2008	9	Donner Metals Ltd. - Units	716,000.00	2,800,000.00
12/02/2008	1	Echologics Engineering Inc. - Debentures	500,000.00	500,000.00
12/11/2008	6	EnGlobe Corp. - Preferred Shares	17,770,000.00	188,362,000.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
09/01/2008	3	Epic Energy Fund (Canada) LP - Limited Partnership Interest	750,000.00	750,000.00
02/01/2007 to 12/01/2008	16	Epic Income Fund - Trust Units	2,844,413.96	306,916.00
12/09/2008	69	Exshaw Oil Corp. - Common Shares	13,002,000.00	3,940,000.00
12/03/2008	3	Fuel Transfer Technologies Inc. - Preferred Shares	45,266.00	12,928.00
12/10/2008	10	Gold Wheaton Gold Corp. - Common Shares	NA	10,000,000.00
12/11/2008	24	Grasslands Entertainment Inc. - Units	221,368.00	4,427,360.00
12/10/2008	4	Hallstone Developments Inc. - Common Shares	250,250.00	250.00
12/08/2008 to 12/15/2008	7	IGW Real Estate Investment Trust - Trust Units	272,838.14	245,479.69
12/02/2008 to 12/05/2008	20	IGW Real Estate Investment Trust - Units	834,647.46	751,248.02
11/06/2008	1	Kensington Private Equity Co-Investment Fund (2008), L.P. - Limited Partnership Interest	1,000,000.00	1,000.00
12/03/2008	3	Liquid Computing Corporation - Debentures	852,278.96	852,278.96
12/03/2008	6	Liquid Computing, Inc. - Debentures	863,620.61	863,620.61
12/05/2008	8	Lounor Exploration inc. - Flow-Through Shares	290,000.00	4,142,857.00
12/01/2008	3	Magenta II Mortgage Investment Corporation - Common Shares	18,000.00	18,000.00
12/01/2008	1	Magenta Mortgage Investment Corporation - Common Shares	200,000.00	200,000.00
12/16/2008	5	Maple Leaf Foods Inc. - Units	69,999,999.50	7,368,421.00
12/12/2008	1	Mill City Gold Corp. - Common Shares	102,500.00	250,000.00
12/09/2008	1	Moss Lake Gold Mines Ltd. - Note	300,000.00	1.00
12/08/2008	1	New Solutions Financial (II) Corporation - Debentures	375,000.00	2.00
12/08/2008	2	New Solutions Financial (II) Corporation - Debentures	150,000.00	2.00
12/01/2008	3	North American Financial Group Inc. - Debt	70,000.00	3.00
12/12/2008	6	Northern Hemisphere Development Corp. - Units	180,000.00	1,800,000.00
12/10/2008	1	NWM Mining Corporation - Common Shares	100,000.00	2,000,000.00
12/04/2008	1	OMISA Inc. - Preferred Shares	750,000.00	960,784.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
12/11/2008	6	Ontex Resources Limited - Flow-Through Shares	1,500,000.00	7,500,000.00
12/18/2008	3	Pele Mountain Resources Inc. - Units	499,999.92	4,166,666.00
12/10/2008	28	Petrostar Petroleum Corporation - Units	527,128.65	3,514,191.00
07/28/2008	7	Quorum Oil and Gas Technology Fund Limited - Preferred Shares	436,127.55	1,864,406.00
12/05/2008	1	Rainy River Resources Ltd. - Common Shares	130,000.00	200,000.00
12/01/2008	12	Raymor Industries Inc. - Units	818,699.80	4,551,110.00
12/16/2008	31	Resin Systems Inc. - Units	7,181,000.00	7,181.00
12/12/2008	1	Silvore Fox Minerals Corp. - Units	200,000.00	2,000,000.00
12/12/2008	1	Skyharbour Resources Ltd. - Common Shares	6,500.00	50,000.00
12/01/2008 to 12/12/2008	14	Skyline Apartment Real Estate Investment Trust - Units	1,477,113.00	134,283.00
12/04/2008	1	Spectrum Equity Investors VI, L.P. - Limited Partnership Interest	12,540,000.00	1.00
12/05/2008	5	Standard Chartered PLC - Rights	NA	1,442,003.00
12/12/2008	3	Storage Appliance Corporation - Common Shares	562,499.00	170,714.00
12/09/2008	17	Suroco Energy Inc. - Common Shares	2,030,363.75	9,228,928.00
12/01/2008	1	TenXc Wireless Inc. - Debentures	222,153.55	179,489.01
12/01/2008	3	TenXc Wireless (Delaware) Inc. - Debentures	256,797.88	207,479.91
11/28/2008	3	The McElvaine Investment Trust - Trust Units	31,637.38	5,207.28
12/01/2008	14	Timbercreek Mortgage Investment Corporation - Common Shares	4,230,000.00	423,000.00
12/17/2008	89	Tourmaline Oil Corp. - Common Shares	25,000,000.00	2,500,000.00
07/09/2008	2	Trez Capital Corporation - Mortgage	300,000.00	300,000.00
11/06/2008	3	Triton Fund III L.P. - Common Shares	489,905,000.00	489,905,000.00
12/19/2008	8	Vencan Gold Corporation - Units	100,000.00	2,000,000.00
12/04/2008	30	Walton GA Arcade Meadows 1 Investment Corporation - Common Shares	807,100.00	80,710.00
12/04/2008	3	Walton GA Arcade Meadows Limited Partnership 1 - Units	1,069,585.11	86,236.00

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Chapter 11

IPOs, New Issues and Secondary Financings

THERE IS NO REPORT FOR THIS WEEK.

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender of Registration	Retirement Option Group Inc.	Investment Dealer	December 17, 2008
New Registration	RARE Infrastructure Limited	International Adviser (Investment Counsel & Portfolio Manager)	December 18, 2008
Surrender of Registration (Suspension following Rule 33-501)	Kyoto Planet Asset Management Inc.	Limited Market Dealer & Investment Counsel & Portfolio Manager	December 22, 2008

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Reschedules Next Appearance Date for the Hearing Regarding Domenic Fanelli and Michele Torchia

NEWS RELEASE
For immediate release

MFDA RESCHEDULES NEXT APPEARANCE DATE FOR THE HEARING REGARDING DOMENIC FANELLI AND MICHELE TORCHIA

December 18, 2008 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Domenic Fanelli and Michele Torchia by Notice of Hearing dated June 13, 2008.

The appearance in this matter originally scheduled for December 17, 2008 has been rescheduled to Wednesday, January 28, 2009 at 10:00 a.m. (Eastern) in the Hearing Room located at the offices of the MFDA at 121 King Street West, Suite 1000, Toronto, Ontario, or as soon thereafter as the hearing can be held. This appearance will take place by teleconference and will be open to the public, except as may be required for the protection of confidential matters.

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

The MFDA is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 154 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Yvette MacDougall
Hearings Coordinator
416-943-4606 or ymacdougall@mfda.ca

13.1.2 MFDA Hearing Panel Approves Settlement Agreement with Manulife Securities Investment Services Inc.

NEWS RELEASE
For immediate release

MFDA HEARING PANEL APPROVES SETTLEMENT AGREEMENT WITH MANULIFE SECURITIES INVESTMENT SERVICES INC.

December 22, 2008 (Toronto, Ontario) – A Settlement Hearing in the matter of Manulife Securities Investment Services Inc. was held today before a Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA"). The Hearing Panel approved the Settlement Agreement between the MFDA and Manulife Securities Investment Services Inc.. The following is a summary of the Orders made by the Hearing Panel:

Manulife Securities Investment Services Inc. shall pay:

- a fine in the amount of $200,000; and
- costs in the amount of $50,000.

The Hearing Panel advised that it would issue written reasons for its decision in due course.

A copy of the Settlement Agreement is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 154 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 Issues Notice of Settlement Hearing Regarding Professional Investments (Kingston) Inc.

NEWS RELEASE
For immediate release

MFDA ISSUES NOTICE OF SETTLEMENT HEARING REGARDING PROFESSIONAL INVESTMENTS (KINGSTON) INC.

December 22, 2008 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") today announced that it has issued a Notice of Settlement Hearing regarding the presentation, review and consideration of a proposed settlement agreement by a hearing panel of the MFDA's Central Regional Council.

The settlement agreement will be between staff of the MFDA and Professional Investments (Kingston) Inc. (the "Respondent") and involves matters for which the Respondent may be disciplined by the hearing panel pursuant to MFDA By-laws.

The subject matter of the proposed settlement agreement concerns allegations that prior to March 2008 the Respondent failed to establish, implement and maintain an adequate two-tier compliance structure and maintain adequate records of trade supervision, contrary to MFDA Rules 2.2.1 and 2.5 and MFDA Policy No. 2.

The settlement hearing is scheduled to commence at 10:00 a.m. (Eastern) on Friday, January 23, 2009 in the hearing room located at 121 King Street West, Suite 1000, Toronto, Ontario. The hearing is open to the public except as may be required for the protection of confidential matters. A copy of the Notice of Settlement Hearing is available on the MFDA website at www.mfda.ca.

The MFDA is the self-regulatory organization for Canadian mutual fund dealers. The MFDA regulates the operations, standards of practice and business conduct of its 154 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 Investment Industry Regulatory Organization of Canada (IIROC) − Amendments to the Notes and Instructions to Schedule 5 of Form 1 of the Dealer Member Rules Relating to Approved Inter-Dealer Bond Brokers

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC) −
AMENDMENTS TO THE NOTES AND INSTRUCTIONS TO
SCHEDULE 5 OF FORM 1 OF THE DEALER MEMBER RULES
RELATING TO APPROVED INTER-DEALER BOND BROKERS

I OVERVIEW

A Current Rules

Note 7 of the Notes and Instructions to Schedule 5 of Form 1 lists inter-dealer bond brokers with which Dealer Members may transact with on a value for value basis for customer account margin purposes. As the list changes, a specific rule amendment must be drafted and approved by the board on a periodic basis to reflect the necessary addition and deletion of inter-dealer bond broker names.

B The Issue

It is not an efficient use of time to require the IIROC Board of Directors to pass a rule change to update the list of approved list of inter-dealer bond brokers. Rather, a more efficient approach (adopted previously by the Investment Dealers Association of Canada for the lists “Basle Accord Countries” and “regulated entities”) would be to allow Corporation staff to produce a list of approved inter-dealer bond brokers on a periodic basis through the issuance of a Rules Notice.

C Objective

The objective of the proposed amendments is to adopt a more efficient approach for updating the list of approved inter-dealer bond brokers. The specific proposal is to delete the list of inter-dealer bond broker names set out in Note 7 of the Notes and Instructions to Schedule 5 of Form 1 and instead refer to a list of approved inter-dealer bond brokers that will be published from time to time by Corporation and Bourse de Montreal staff through the issuance of a Rules Notice.

D Effect of Proposed Rules

Adoption of the attached proposed amendments will enable more efficient updating of approved list of inter-dealer bond brokers. These amendments are housekeeping in nature and, as a result, will have no impacts in terms of capital market structure, member versus non-member level playing field, competition generally, costs of compliance and conformity with other rules.

II DETAILED ANALYSIS

A Present Rules, Relevant History and Proposed Policy

The current use of the approved list of inter-dealer bond brokers, its relevant history and the proposed amendments to the approach to be taken to update this list, have already been adequately addressed above. As these proposed amendments are housekeeping in nature, a detailed discussion of the proposed amendments was considered unnecessary.

B Issues and Alternatives Considered

No alternatives were considered.

C Comparison with Similar Provisions

As this amendment is considered to be housekeeping in nature it has not been compared to the requirements of other regulators.

D Systems Impact of Rule

There are no system impacts associated with this proposed amendment. The Bourse de Montreal has also passed this amendment. Implementation of this amendment will therefore take place once both the Corporation and the Bourse de Montréal have received approval to do so from their respective recognizing regulators.

E Classification of Proposed Amendment

IIROC has determined that the proposed amendment is a Housekeeping Rule.

According to the Joint Rule Review Protocol for IIROC (the “Protocol), forming part of the Memorandum of Understanding regarding oversight of IIROC, the Corporation must determine that a proposed amendment(s) to a Rule of Form “has no material

impact on investors, issuers, members, registrants or the capital markets in any province or territory of Canada" to be classified as a Housekeeping Rule. Further, the proposed amendment(s) to a Rule or Form must qualify under one of the Housekeeping Rule categories set our in the protocol. IIROC has determined that the proposed amendment has no material impact on any parties or the Canadian capital markets and that proposed amendment "makes other changes of an editorial nature" and therefore has designated the proposed amendment as a Housekeeping Rule.

F Anticipated Effective Date

IIROC anticipates that the proposed Rule will be made effective on a date determined by IIROC staff after receipt by IIROC of approval by the requisite provincial securities commissions that allows for an appropriate Rule implementation period.

III COMMENTARY

A Filing in Other Jurisdictions

The proposed amendment will be filed with each of IIROC's Recognizing Regulators, in accordance with s.3 of the Protocol.

B Effectiveness

As indicated in the previous sections the amendment is of this Housekeeping Rule will be effective in addressing the issues discussed above.

C Process

The proposed amendment was developed and recommended for approval by the FAS Capital Formula Subcommittee and recommended for approval by the FAS Executive Committee and the Financial Administrators Section.

IV SOURCES

References:

- IIROC Dealer Member Rules, Form 1, Schedule 5

V REQUIREMENT TO PUBLISH FOR COMMENT

The Corporation has determined that the entry into force of these proposed amendments is housekeeping in nature. As a result, a determination has been made that these proposed rule amendments need not be published for comment.

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

AMENDMENTS TO THE NOTES AND INSTRUCTIONS TO SCHEDULE 5 OF FORM 1 OF THE DEALER MEMBER RULES RELATING TO APPROVED INTER-DEALER BOND BROKERS

BOARD RESOLUTION

THE BOARD OF DIRECTORS of the Industry Regulatory Organization of Canada hereby makes the following amendments to the Rules and Forms of the Corporation:

1. Note 7 of the Notes and Instructions to Schedule 5 of Form 1 is amended by deleting the words "The following are approved:" and list of inter-dealer bond broker and replacing these words with:

   "Approved inter-dealer bond brokers are those inter-dealer bond dealers that are approved by IIROC and Bourse de Montréal Inc. The list of approved inter-dealer bond brokers will be published from time to time through the issuance of a regulatory notice."

2. Note 8 of the Notes and Instructions to Schedule 5 of Form 1 is amended by deleting the words "approved list above." and replacing them with the words "list of approved inter-dealer bond brokers."

BE IT RESOLVED that the Board of Directors adopt, on this 16th day of July, 2008, the English and French versions of these amendments. The Board of Directors also authorizes IIROC Staff to make the minor changes that shall be required from time to time by the securities administrators with jurisdiction. These amendments shall take effect on the date determined by IIROC Staff.

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

AMENDMENTS TO THE NOTES AND INSTRUCTIONS TO SCHEDULE 5 OF FORM 1 OF THE DEALER MEMBER RULES RELATING TO APPROVED INTER-DEALER BOND BROKERS

CLEAN COPY

7. **Line 4(a)** − All balances must be margined in the same way as accounts of Acceptable Counterparties (see Schedule 4 Notes and Instructions). Balances, or portions thereof, arising from trading transactions such as futures, options and short sale deposits should also be reported on this line. This line should also include balances with approved inter-dealer bond brokers. Approved inter-dealer bond brokers are those inter-dealer bond dealers that are approved by IIROC and Bourse de Montréal Inc. The list of approved inter-dealer bond brokers will be published from time to time through the issuance of a regulatory notice.

8. **Line 4(b)** − All balances must be margined in the same way as regular clients' accounts (see Schedule 4 Notes and Instructions). Balances, or portions thereof, arising from trading transactions such as futures, options and short sale deposits should also be reported on this line. This line should also include balances with inter-dealer bond brokers which are not on the list of approved inter-dealer bond brokers.

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

AMENDMENTS TO THE NOTES AND INSTRUCTIONS TO SCHEDULE 5 OF FORM 1 OF THE DEALER MEMBER RULES RELATING TO APPROVED INTER-DEALER BOND BROKERS

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7. **Line 4(a)** − All balances must be margined in the same way as accounts of Acceptable Counterparties (see Schedule 4 Notes and Instructions). Balances, or portions thereof, arising from trading transactions such as futures, options and short sale deposits should also be reported on this line. This line should also include balances with approved inter-dealer bond brokers. ~~The following are approved:~~

~~• Cantor Fitzgerald Partners~~
~~• Cowen & Company~~
~~• Euro Brokers Canada Ltd.~~
~~• Exco Shorcan Limited~~
~~• Freedom International Brokerage Inc.~~
~~• Garban Canada~~
~~• M.W. Marshall Securities (Canada) Limited~~
~~• Prebon Yamane (Canada) Limited~~
~~• Tullet & Tokyo Securities (Canada) Limited~~

Approved inter-dealer bond brokers are those inter-dealer bond dealers that are approved by IIROC and Bourse de Montréal Inc. The list of approved inter-dealer bond brokers will be published from time to time through the issuance of a regulatory notice.

8. **Line 4(b)** − All balances must be margined in the same way as regular clients' accounts (see Schedule 4 Notes and Instructions). Balances, or portions thereof, arising from trading transactions such as futures, options and short sale deposits should also be reported on this line. This line should also include balances with inter-dealer bond brokers which are not on the ~~approved list above~~list of approved inter-dealer bond brokers.

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