The Ontario Securities Commission

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July 31, 2009

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

The Ontario Securities Commission
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Toronto, Ontario
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Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

JULY 31, 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
Cadillac Fairview Tower
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Paulette L. Kennedy	—	PLK
David L. Knight, FCA	—	DLK
Patrick J. LeSage	—	PJL
Carol S. Perry	—	CSP

SCHEDULED OSC HEARINGS

August 4, 2009	**Shane Suman and Monie Rahman**
2:00 p.m.	s. 127 and 127(1)
August 5-7, August 11-14, August 21, 2009	C. Price in attendance for Staff
9:00 a.m.	Panel: JEAT/PLK
August 10, 2009 August 17, 2009	
1:00 p.m.	
August 5, 2009	**Hillcorp International Services, Hillcorp Wealth Management, 1621852 Ontario Limited, Steven John Hill, John C. McArthur, Daryl Renneberg and Danny De Melo**
11:00 a.m.	s. 127
	A. Clark in attendance for Staff
	Panel: CSP/KJK
August 10, 2009	**Berkshire Capital Limited, GP Berkshire Capital Limited, Panama Opportunity Fund and Ernest Anderson**
10:00 a.m.	s. 127
	E. Cole in attendance for Staff
	Panel: JEAT
August 18, 2009	**Paul Iannicca**
2:30 p.m.	s. 127
	H. Craig in attendance for Staff
	Panel: LER
August 18, 2009	**Tulsiani Investments Inc. and Sunil Tulsiani**
2:30 p.m.	s. 127
	A.Sonnen in attendance for Staff
	Panel: JEAT

August 18, 2009 3:30 p.m.	**Prosporex Investments Inc., Prosporex Forex SPV Trust, Anthony Diamond, Diamond+Diamond, and Diamond+Diamond Merchant Banking Bank** s. 127 H. Daley in attendance for Staff Panel: MGC/CSP
August 19, 2009 10:00 a.m.	**Lehman Cohort Global Group Inc., Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry Hehlsinger** s. 127 H. Craig in attendance for Staff Panel: TBA
August 19, 2009 11:00 a.m.	**Andrew Keith Lech** s. 127(10) J. Feasby in attendance for Staff Panel: TBA
August 20, 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
August 20, 2009 10:00 a.m.	**Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmoney, Harmoney Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale** s. 127 H. Craig in attendance for Staff Panel: TBA
August 31, 2009 10:00 a.m.	**Peter Sabourin, W. Jeffrey Haver, Greg Irwin, Patrick Keaveney, Shane Smith, Andrew Lloyd, Sandra Delahaye, Sabourin and Sun Inc., Sabourin and Sun (BVI) Inc., Sabourin and Sun Group of Companies Inc., Camdeton Trading Ltd. and Camdeton Trading S.A.** s. 127 and 127.1 Y. Chisholm in attendance for Staff Panel: JEAT/DLK/CSP
September 1, 2009 2:30 p.m.	**Teodosio Vincent Pangia** s. 127 J. Feasby in attendance for Staff Panel: TBA
September 3, 4, and 9, 2009 9:30 a.m.	**MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric** s. 127 and 127(1) D. Ferris in attendance for Staff Panel: PJL/CSP
September 3, 2009 10:00 a.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: TBA
September 8-11, 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 J. Feasby in attendance for Staff Panel: MGC/MCH

September 9, 2009 10:00 a.m.	**Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang** s. 127 and 127.1 M. Britton in attendance for Staff Panel: TBA
September 10, 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
September 10, 2009 10:30 a.m.	**Abel Da Silva** s. 127 M. Boswell in attendance for Staff Panel: DLK
September 11, 2009 10:00 a.m.	**M P Global Financial Ltd., and Joe Feng Deng** s. 127(1) M. Britton in attendance for Staff Panel: JEAT
September 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: JEAT
September 21-28, September 30 – October 2, 2009 10:00 a.m.	**Goldpoint Resources Corporation, Lino Novielli, Brian Moloney, Evanna Tomeli, Robert Black, Richard Wylie and Jack Anderson** s. 127(1) and 127(5) M. Boswell in attendance for Staff Panel: TBA
September 29, 2009 2:30 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/A. Sonnen in attendance for Staff Panel: TBA
September 29, 2009 2:30 p.m.	**Paladin Capital Markets Inc., John David Culp and Claudio Fernando Maya** s. 127 C. Price in attendance for Staff Panel: TBA
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
October 6, 2009 2:30 p.m.	**Nest Acquisitions and Mergers and Caroline Frayssignes** s 127(1) and 127(8) C. Price in attendance for Staff Panel: TBA
October 6, 2009 2:30 p.m.	**IMG International Inc., Investors Marketing Group International Inc., and Michael Smith** s. 127 C. Price in attendance for Staff Panel: TBA
October 8, 2009 10:00 a.m.	**Global Energy Group, Ltd. and New Gold Limited Partnerships** s. 127 H. Craig in attendance for Staff Panel: DLK

October 8, 2009 09:30 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: TBA
October 14, 2009 10:00 a.m.	**Axcess Automation LLC, Axcess Management, LLC, Axcess Fund, L.P., Gordon Alan Driver and David Rutledge** s. 127 M. Adams in attendance for Staff Panel: TBA
October 19 – November 10; November 12-13, 2009 10:00 a.m.	**Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiaints 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 and 127.1 H. Craig in attendance for Staff Panel: TBA
October 20, 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
November 16, 2009 10:00 a.m.	**Maple Leaf Investment Fund Corp. and Joe Henry Chau** s. 127 A. Sonnen 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 and 127.1 M. Britton in attendance for Staff Panel: TBA

November 24, 2009 2:30 p.m.	**W.J.N. Holdings Inc., MSI Canada Inc., 360 Degree Financial Services Inc., Dominion Investments Club Inc., Leveragepro Inc., Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex ltd., Prosporex Inc., Networth Financial Group Inc., Networth Marketing Solutions, Dominion Royal Credit Union, Dominion Royal Financial Inc., Wilton John Neale, Ezra Douse, Albert James, Elnonieth "Noni" James, David Whitely, Carlton Ivanhoe Lewis, Mark Anthony Scott, Sedwick Hill, Trudy Huynh, Dorlan Francis, Vincent Arthur, Christian Yeboah, Azucena Garcia and Angela Curry** s. 127 H. Daley in attendance for Staff Panel: TBA
November 30, 2009 2:00 p.m.	**Uranium308 Resources Inc., Uranium308 Resources PLC., Michael Friedman, George Schwartz, Peter Robinson, Alan Marsh Shuman and Innovative Gifting Inc.** s. 127 M. Boswell 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	**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: TBA
TBA	**Gregory Galanis** s. 127 P. Foy in attendance for Staff Panel: TBA

TBA

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

s. 127

C. Price in attendance for Staff

Panel: TBA

TBA

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: TBA

TBA

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

TBA

FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun

s. 127

A. Sonnen in attendance for Staff

Panel: TBA

TBA.

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

TBA

Goldbridge Financial Inc., Wesley Wayne Weber and Shawn C. Lesperance

s. 127

J. Feasby in attendance for Staff

Panel: TBA

TBA

Lyndz Pharmaceuticals Inc., Lyndz Pharma Ltd., James Marketing Ltd., Michael Eatch and Rickey McKenzie

s. 127(1) and (5)

J. Feasby in attendance for Staff

Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

S. B. McLaughlin

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

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

ADJOURNED SINE DIE

Global Petroleum Strategies, LLC, Petroleum Unlimited, LLC, Aurora Escrow Services, LLC, John Andrew, Vincent Cataldi, Charlotte Chambers, Carl Dylan, James Eulo, Richard Garcia, Troy Gray, Jim Kaufman, Timothy Kaufman, Chris Harris, Morgan Kimmel, Roger A. Kimmel, Jr., Erik Luna, Mitch Malizio, Adam Mills, Jenna Pelusio, Rosemary Salveggi, Stephen J. Shore and Chris Spinler

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

1.2 Notices of Hearing

1.2.1 Hillcorp International Services et al. – ss. 127(7), 127(8)

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

AND

IN THE MATTER OF
HILLCORP INTERNATIONAL SERVICES,
HILLCORP WEALTH MANAGEMENT,
1621852 ONTARIO LIMITED,
STEVEN JOHN HILL, JOHN C. MCARTHUR,
DARYL RENNEBERG AND DANNY DE MELO

NOTICE OF HEARING
Sections 127(7) & 127(8)

WHEREAS on July 21, 2009 the Ontario Securities Commission (the "Commission") issued a temporary cease trade order pursuant to sections 127(1) and 127(5) (the "Temporary Order") of the *Securities Act*, R.S.O. 1990, c S.5. as amended (the "Act") ordering the following:

1. that all trading in any securities by Hillcorp International Services ("Hillcorp International"), Hillcorp Wealth Management ("Hillcorp Wealth") and 1621852 Ontario Limited ("162 Limited") or their agents or employees shall cease;

2. that all trading in securities by Steven John Hill ("Hill"), John C. McArthur ("McArthur"), Daryl Renneberg ("Renneberg") and Danny De Melo ("De Melo") shall cease;

3. that the exemptions contained in Ontario securities law do not apply to Hillcorp International, Hillcorp Wealth and 162 Limited or their agents or employees; and

4. that the exemptions contained in Ontario securities law do not apply to Hill, McArthur, Renneberg and De Melo.

TAKE NOTICE THAT the Commission will hold a hearing pursuant to subsections 127(7) and 127(8) of the Act at the offices of the Commission, 17th Floor, 20 Queen Street West, Toronto, commencing on August 5, 2009 at 11:00 am or as soon thereafter as the hearing can be held;

TO CONSIDER whether it is in the public interest for the Commission:

1. To extend the Temporary Order pursuant to subsections 127(7) and 127(8) of the Act until the conclusion of the hearing or until such further time as considered necessary by the Commision; and

2. To make such further orders as the Commission considers appropriate;

BY REASON OF the facts recited in the Temporary Order and of such allegations and evidence as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to further notice of the proceeding.

Dated at Toronto this 21st day of July, 2009

"Daisy G. Aranha"
per: John Stevenson
Secretary

1.2.2 Swift Trade Inc. and Peter Beck – ss. 127, 127.1

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

AND

IN THE MATTER OF
SWIFT TRADE INC. AND PETER BECK

NOTICE OF HEARING
(Sections 127 and 127.1)

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, at the offices of the Commission, 20 Queen Street West, 17th Floor, Toronto on July 28, 2009 at 10:00 am or as soon thereafter as the hearing can be held.

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve the settlement of the proceeding entered into between Staff of the Commission and the Respondents.

BY REASON OF the allegations set out in the Statement of Allegations dated December 7, 2007 and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceedings may be represented by counsel at the hearing; and

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

DATED at Toronto this 23rd day of July, 2009

"John Stevenson"

1.2.3 Prosporex Investments Inc. et al. – s. 127

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

AND

IN THE MATTER OF
PROSPOREX INVESTMENTS INC.,
PROSPOREX FOREX SPV TRUST,
ANTHONY DIAMOND, DIAMOND + DIAMOND,
AND DIAMOND + DIAMOND
MERCHANT BANKING BANK

NOTICE OF HEARING
(Section 127)

TAKE NOTICE THAT the Ontario Securities Commission will hold a hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c.S.5, as amended, in the Large Hearing Room on the 17th Floor, 20 Queen Street West, Toronto, Ontario on July 28, 2009 commencing at 11:30 a.m., or as soon thereafter as the hearing can be held.

TO CONSIDER whether, pursuant to section 127 of the Act, it is in the public interest for the Commission:

a. pursuant to s. 127(7), to continue the Commission's order made July 13, 2009 (the "Temporary Order") until the final disposition of this matter or until the Commission considers appropriate; and

b. to make such other order as the Commission considers appropriate.

BY REASON OF the allegations recited in the Temporary Order and by reason of such allegations and evidence as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing;

AND TAKE FURTHER NOTICE that upon the failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

DATED at Toronto this 23rd day of July, 2009.

"John Stevenson"
Secretary to the Commission

1.4 Notices from the Office of the Secretary

1.4.1 Teodosio Vincent Pangia

FOR IMMEDIATE RELEASE
July 23, 2009

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

AND

IN THE MATTER OF
TEODOSIO VINCENT PANGIA

TORONTO – Following a hearing held today, the Commission issued an order which provides that this matter is adjourned until September 1, 2009 at 2:30 pm. or such other time as the Secretary's office may advise.

A copy of the Order dated July 23, 2009 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 416-595-8913
	Carolyn Shaw-Rimmington Assistant Manager, Public Affairs 416-593-2361
For investor inquiries:	OSC Contact Centre 416-593-8314 1-877-785-1555 (Toll Free)

1.4.2 Hillcorp International Services et al.

FOR IMMEDIATE RELEASE
July 23, 2009

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

AND

IN THE MATTER OF
HILLCORP INTERNATIONAL SERVICES,
HILLCORP WEALTH MANAGEMENT,
1621852 ONTARIO LIMITED,
STEVEN JOHN HILL, JOHN C. MCARTHUR,
DARYL RENNEBERG AND DANNY DE MELO

TORONTO – The Office of the Secretary issued a Notice of Hearing on July 21, 2009 setting the matter down to be heard on August 5, 2009 at 11:00 a.m. to consider whether it is in the public interest for the Commission:

(1) to extend the Temporary Order pursuant to subsections 127(7) and (8) of the Act until the conclusion of the hearing, or until such further time as considered necessary by the Commission; and

(2) to make such further orders as the Commission considers appropriate.

A copy of the Notice of Hearing dated July 21, 2009 and Temporary Order dated July 21, 2009 are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.3 W.J.N. Holdings Inc. et al.

FOR IMMEDIATE RELEASE
July 24, 2009

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

AND

IN THE MATTER OF
W.J.N. HOLDINGS INC., MSI CANADA INC.,
360 DEGREE FINANCIAL SERVICES INC.,
DOMINION INVESTMENTS CLUB INC.,
LEVERAGEPRO INC.,
PROSPOREX INVESTMENT CLUB INC.,
PROSPOREX INVESTMENTS INC.,
PROSPOREX LTD., PROSPOREX INC.,
NETWORTH FINANCIAL GROUP INC.,
NETWORTH MARKETING SOLUTIONS,
DOMINION ROYAL CREDIT UNION,
DOMINION ROYAL FINANCIAL INC.,
WILTON JOHN NEALE, EZRA DOUSE,
ALBERT JAMES, ELNONIETH "NONI" JAMES,
DAVID WHITELY, CARLTON IVANHOE LEWIS,
MARK ANTHONY SCOTT, SEDWICK HILL,
TRUDY HUYNH, DORLAN FRANCIS,
VINCENT ARTHUR, CHRISTIAN YEBOAH,
AZUCENA GARCIA, AND ANGELA CURRY

TORONTO – The Commission issued an Order in the above matter which provides that Staff's Motion is adjourned to August 14, 2009 at 10:00 a.m. for a hearing in camera.

A copy of the Order dated July 23, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.4 W.J.N. Holdings Inc. et al.

FOR IMMEDIATE RELEASE
July 24, 2009

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

AND

IN THE MATTER OF
W.J.N. HOLDINGS INC., MSI CANADA INC.,
360 DEGREE FINANCIAL SERVICES INC.,
DOMINION INVESTMENTS CLUB INC.,
LEVERAGEPRO INC.,
PROSPOREX INVESTMENT CLUB INC.,
PROSPOREX INVESTMENTS INC.,
PROSPOREX LTD., PROSPOREX INC.,
NETWORTH FINANCIAL GROUP INC.,
NETWORTH MARKETING SOLUTIONS,
DOMINION ROYAL CREDIT UNION,
DOMINION ROYAL FINANCIAL INC.,
WILTON JOHN NEALE, EZRA DOUSE,
ALBERT JAMES, ELNONIETH "NONI" JAMES,
DAVID WHITELY, CARLTON IVANHOE LEWIS,
MARK ANTHONY SCOTT, SEDWICK HILL,
TRUDY HUYNH, DORLAN FRANCIS,
VINCENT ARTHUR, CHRISTIAN YEBOAH,
AZUCENA GARCIA, AND ANGELA CURRY

TORONTO – The Commission issued an Order in the above matter which provides that the hearing is adjourned to November 24, 2009 at 2:30 p.m. or such other date as the Office of the Secretary may advise, and that the Temporary Order is extended to November 25, 2009 unless extended or varied by further order of the Commission.

A copy of the Order dated July 23, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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416-593-8314
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1.4.5 Swift Trade Inc. and Peter Beck

FOR IMMEDIATE RELEASE
July 24, 2009

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

AND

IN THE MATTER OF
SWIFT TRADE INC. AND PETER BECK

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and the Respondents. The hearing will be held on July 28, 2009 at 10:00 a.m. in Hearing Room C on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated July 23, 2009 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.6 Prosporex Investments Inc. et al.

FOR IMMEDIATE RELEASE
July 24, 2009

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

AND

IN THE MATTER OF
PROSPOREX INVESTMENTS INC.,
PROSPOREX FOREX SPV TRUST,
ANTHONY DIAMOND, DIAMOND + DIAMOND,
AND DIAMOND + DIAMOND
MERCHANT BANKING BANK

TORONTO – The Office of the Secretary issued a Notice of Hearing on July 23, 2009 setting the matter down to be heard on July 28, 2009 at 11:30 a.m. to consider whether it is in the public interest for the Commission:

(1) to extend the Temporary Order pursuant to subsections 127(7) and (8) of the Act until the conclusion of the hearing, or until such further time as considered necessary by the Commission; and

(2) to make such further orders as the Commission considers appropriate.

A copy of the Notice of Hearing dated July 23, 2009 and Temporary Order dated July 13, 2009 are available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
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1.4.7 Andrew Keith Lech

FOR IMMEDIATE RELEASE
July 24, 2009

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

AND

IN THE MATTER OF
ANDREW KEITH LECH

TORONTO – The Commission issued an Order in the above matter adjourning the hearing on the merits, on a peremptory basis, to August 19, 2009, at 11:00 a.m.

A copy of the Order dated July 22, 2009 is available at **www.osc.gov.on.ca**.

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1.4.8 AGF Funds Inc. et al.

FOR IMMEDIATE RELEASE
July 24, 2009

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

AND

IN THE MATTER OF
AGF FUNDS INC.
I.G. INVESTMENT MANAGEMENT, LTD.
CI INVESTMENTS INC.
FRANKLIN TEMPLETON INVESTMENTS CORP.
AIC LIMITED

TORONTO – The Commission issued an Order amending its original order of December 16, 2004 between the Ontario Securities Commission and AGF Funds Inc., I.G. Investment Management, Ltd., CI Investments Inc., Franklin Templeton Investments Corp. and AIC Limited respectively.

A copy of the Amendment to Settlement Approval Orders dated July 22, 2009 for AGF Funds Inc., I.G. Investment Management, Ltd., CI Investments Inc., Franklin Templeton Investments Corp. and AIC Limited respectively are available at **www.osc.gov.on.ca**.

For media inquiries: Wendy Dey
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1.4.9 Shallow Oil & Gas Inc. et al.

FOR IMMEDIATE RELEASE
July 27, 2009

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

AND

IN THE MATTER OF
SHALLOW OIL & GAS INC., ERIC O'BRIEN,
ABEL DA SILVA, GURDIP SINGH GAHUNIA
also known as MICHAEL GAHUNIA,
ABRAHAM HERBERT GROSSMAN also known
as ALLEN GROSSMAN, MARCO DIADAMO,
GORD McQUARRIE, KEVIN WASH,
and WILLIAM MANKOFSKY

Re: WILLIAM MANKOFSKY

TORONTO – The Commission issued an Order approving the Settlement Agreement reached between Staff of the Commission and William Mankofsky.

A copy of the Order dated July 24, 2009 and Settlement Agreement dated July 17, 2009 are available at **www.osc.gov.on.ca**.

For media inquiries: Wendy Dey
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1.4.10 Interim Orders, Pre-Hearing Conferences and Interlocutory Motions

NOTICE FROM THE OFFICE OF THE SECRETARY
Re: Interim Orders, Pre-Hearing Conferences and Interlocutory Motions

Tuesday, July 28, 2009

On July 21, 2009, the Ontario Securities Commission (the "Commission") approved the adoption of changes to the Commission's current case management procedures. The Commission's case load and adjudicative sitting days have considerably increased over the years, with much of the increase being attributable to the substantial rise in the number and complexity of procedural and other interlocutory matters. The Commission, therefore, has determined that its current case management procedures should be amended in order to ensure that the Commission can continue to resolve matters fairly, cost-effectively and expeditiously.

The new case management procedures, as outlined in this Notice, are intended to enhance the early identification and resolution of preliminary matters to: (i) ensure that adjudicative proceedings can be brought on for final resolution more rapidly and more cost effectively; (ii) enhance the flexibility of the hearings schedule; and (iii) reduce the demands on the time and resources of both the parties and the Commission.

Effective as of the date of this Notice, the Commission will implement a practice of assigning a single commissioner (the "designated commissioner"), where practicable, to each adjudicative matter at its commencement to preside over and to hear and determine all matters other than the hearing on the merits and approval of any settlement agreement. The designated commissioner will be authorized to hear and make orders on any case management and interlocutory matters such as applications for interim orders[1] and motions pursuant to the *Ontario Securities Commission Rules of Procedure* (the "Rules")[2] or the *Ontario Securities Commission Rules of Practice* (the "Rules of Practice")[3].

The designated commissioner will be selected from the list of commissioners named in the Commission's Authorization Order pursuant to subsection 3.5(3) of the Act.[4]

The designated commissioner will be assigned to a matter once a Notice of Hearing has been issued,[5] or when an interim order has been issued by the Commission pursuant to subsections 127(1)1, 127(1)2, 127(1)3, 127(1)(5)ii, and/or 127(5) of the Act prior to the issuance of a Notice of Hearing, as deemed appropriate in the circumstances.

Although it is anticipated that a designated commissioner will normally preside alone to hear and determine matters in order to effectively manage the hearing process until the commencement of the hearing on the merits, the designated commissioner will retain his or her discretion to request that another commissioner or, as the case may be, two other commissioners, sit with him or her as a full panel of the Commission to assist in hearing and determining any issue.

Although it is intended that the designated commissioner will be a panel member on the hearing on the merits, there may be circumstances when the designated commissioner may decide not to do so, for reasons of availability or otherwise.

The designated commissioner will not participate in any panel on a hearing to approve a settlement agreement in connection with any matter in which he or she has acted as the designated commissioner. The designated commissioner may, however, in the context of managing the case, assist parties in exploring the resolution of any or all matters, including, on consent of the parties, referring the parties to another commissioner to assist in settlement discussions. The Commission is currently reviewing its procedures and Rules governing hearings to approve settlement agreements and will engage in a consultation process later this year prior to proposing any changes.

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1 Interim orders include temporary cease trade orders issued by the Commission pursuant to subsections 127(1)1,127(1)2, 127(1)3,127(1)5ii, and/or 127(5) of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") prior to the issuance of a Notice of Hearing but exclude matters heard under Part VI of the Act.

2 The *Ontario Securities Commission Rules of Procedure* (2009), 32 O.S.C.B. 1991, made under the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22 (the "SPPA") are available at http://www.osc.gov.on.ca/Enforcement/RulesPractice/rp_20090306_rules-procedure.jsp. The Rules apply to all proceedings before the Commission where the Commission is required under the Act, the *Commodity Futures Act*, R.S.O. 1990, c. C.20 or otherwise by law to hold a hearing or to afford to the parties to the proceeding an opportunity for a hearing before making a decision. The Rules apply to all proceedings before the Commission commenced on or after April 1, 2009.

3 (1997), 20 O.S.C.B. 1947 effective July 1, 1997. The Commission's *Rules of Practice* will, however, continue to apply to all proceedings commenced on or prior to March 31, 2009.

4 Subsection 3.5(3) of the Act authorizes one member of the Commission to exercise any of the powers and perform any of the duties of the Commission, except the power to conduct contested hearings on the merits.

5 Once a Notice of hearing has been issued, hearings of the Ontario Securities Commission are conducted under the authority SPPA.

Issues that may be heard and determined by a designated commissioner include, but are not limited to, the following:

a) Interim cease trade orders issued pursuant sections 127(1)1, 127(1)2, 127(1)3, 127(1)(5)ii, and/or 127(5) of the Act;

b) Extension of a cease trade order pursuant to sections 127(7) and/or 127(8) of the Act;

c) Interlocutory issues arising at any hearing conducted following the filing of a Statement of Allegations by Staff and issuance of a Notice of Hearing by the Office of the Secretary pursuant to section 6 of the SPPA (e.g. appearances);

d) Issues raised at a Pre-hearing Conference conducted pursuant to Rules 6 of Rules or Rule 2 of the Rules of Practice;

e) Motion(s) brought pursuant to Rule 3 of the Rules or Rule 6 of the Rules of Practice.

For more information, please contact:
John P. Stevenson
Secretary to the Commission
jstevenson@osc.gov.on.ca

1.4.11 Swift Trade Inc. and Peter Beck

FOR IMMEDIATE RELEASE
July 28, 2009

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

AND

IN THE MATTER OF
SWIFT TRADE INC. AND PETER BECK

TORONTO – Following a hearing held today, the Commission issued an Order approving the Settlement Agreement reached between Staff of the Commission and the Respondents.

A copy of the Order dated July 28, 2009 and Settlement Agreement dated July 21, 2009 are available at **www.osc.gov.on.ca**.

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1.4.12 Prosporex Investments Inc. et al.

FOR IMMEDIATE RELEASE
July 28, 2009

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

AND

IN THE MATTER OF
PROSPOREX INVESTMENTS INC.,
PROSPOREX FOREX SPV TRUST,
ANTHONY DIAMOND, DIAMOND + DIAMOND,
AND DIAMOND + DIAMOND
MERCHANT BANKING BANK

TORONTO – Following a hearing held today, the Commission issued an Order in the above named matter which provides that (1) the Temporary Order is extended to August 18, 2009, unless extended or varied by further order of the Commission; and (2) a hearing to consider whether to extend the Temporary Order shall be held on Tuesday, August 18, 2009 at 3:30 p.m.

A copy of the Order dated July 28, 2009 is available at **www.osc.gov.on.ca**.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Manulife Financial Capital Trust II et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions– capital trust established by insurance company to issue capital trust securities as cost-effective means of raising capital for Canadian insurance regulatory purposes exempted from eligibility requirements to file a short form prospectus, certain form requirements and permitted to abridge 10-day notice requirement – insurance company is exempt from requirements to file certain disclosure documents as long as its parent files required disclosure – parent has guaranteed certain obligations of the insurance company – relief granted as disclosure regarding the insurance company and parent is more relevant – relief subject to conditions – National Instrument 44-101 Short Form Prospectus Distributions – relief also granted for temporary confidentiality of decision

Applicable Legislative Provisions

National Instrument 44-101 Short Form Prospectus Distributions, ss. 2.3, 2.8.
Form 44-101F1 Short Form Prospectus, items 6 and 11.

June 10, 2009

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
MANULIFE FINANCIAL CAPITAL TRUST II
(the "Trust"), THE MANUFACTURERS LIFE
INSURANCE COMPANY ("MLI") AND
MANULIFE FINANCIAL CORPORATION ("MFC" and,
together with the Trust and MLI, the "Filers")

DECISION

Background

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

1. the Trust be exempted from the following requirements of the Legislation in connection with offerings by the Trust from time to time of Notes (as defined herein):

   (a) the qualification requirements (the "**Qualification Requirements**") of Part 2 of National Instrument 44-101 – *Short Form Prospectus Distributions* ("**NI 44-101**"), such that the Trust is qualified to file a prospectus in the form of a short form prospectus; and

   (b) the disclosure requirements (the "**Disclosure Requirements**") in Item 6 (Earnings Coverage Ratios) and Item 11 (Documents Incorporated By Reference), with the exception of Item 11.1(1)(5), of Form 44-101F1 – *Short Form Prospectus* of NI 44-101 in respect of the Trust, as applicable;

2. the Application and this decision documents be held in confidence by the principal regulator, subject to certain conditions.

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 the provinces and territories other than 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.

Representations

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

MFC

1. MFC was incorporated under the *Insurance Companies Act* (Canada) (the "**ICA**") on April 26, 1999. On September 23, 1999, in connection with the demutualization of MLI, MFC became the sole shareholder of MLI. MFC's head office is located at 200 Bloor Street East, Toronto, Ontario, M4W 1E5.

2. The authorized share capital of MFC consists of: (i) an unlimited number of common shares; (ii) an unlimited number of Class A Shares, issuable in series; (iii) an unlimited number of Class 1 Shares, issuable in series; and (iv) an unlimited number of Class B Shares, issuable in series.

3. MFC is a publicly traded company on the Toronto Stock Exchange, the New York Stock Exchange, the Stock Exchange of Hong Kong Limited and the Philippine Stock Exchange.

4. MFC is a reporting issuer in each province and territory of Canada and is not, to its knowledge, in default of its reporting issuer obligations under the securities legislation of any of the provinces or territories of Canada.

5. MFC is qualified to use the short form prospectus system provided by NI 44-101.

MLI

6. MLI is an insurance company under the ICA and is regulated by the Superintendent of Financial Institutions (Canada) (the "**Superintendent**"). The head office of MLI is located at 200 Bloor Street East, Toronto, Ontario, M4W 1E5.

7. The authorized share capital of MLI consists of: (i) an unlimited number of common shares; (ii) an unlimited number of Class A Shares, issuable in series; (iii) an unlimited number of Class 1 Shares, issuable in series; and (iv) an unlimited number of Class B Shares, issuable in series. MFC holds all of the issued and outstanding shares of MLI.

8. MLI is a reporting issuer in each of the provinces and territories of Canada and is not, to its knowledge, in default of its reporting issuer obligations under the securities legislation of any of the provinces or territories of Canada.

9. MFC has guaranteed certain obligations of MLI in order to rationalize the securities reporting obligations of MFC and MLI (the "**MFC Guarantees**"). The MFC Guarantees included: (i) a subordinated guarantee of MLI's Class A Shares, Class 1 Shares and Class B Shares (the "**MFC Preferred Share Guarantee**"); (ii) a full and unconditional subordinated guarantee of MLI's $550 million of outstanding 6.24% subordinated debentures due February 16, 2016; and (iii) a full and unconditional guarantee of MLI's obligations under the annuities which provided the cash flows to service the $200 million of 5.390% annuity-backed notes due March 12, 2007 and the $200 million of 4.551% annuity-backed notes due November 12, 2008 issued by Maritime Life Canadian Funding. The annuity-backed notes were repaid on maturity.

10. As a result of the MFC Guarantees, MLI received an exemption dated January 22, 2007 (the "**2007 MLI Order**") from the securities regulatory authority in each province and territory other than Yukon, Northwest Territories, Nunavut and Prince Edward Island from the requirements to file certain continuous disclosure materials. For so long as the terms and conditions of the 2007 MLI Order are satisfied, MLI is not required to file interim financial statements or annual or interim management's discussion and analysis. MLI prepares and files annual financial statements prepared in accordance with Canadian generally accepted accounting principles and certain comparative financial information of MLI is filed by MFC on a quarterly basis. MFC makes available to holders of MLI securities on an ongoing basis MFC's audited annual financial statements and unaudited interim financial statements (including management's discussion and analysis thereon) and other MFC continuous disclosure materials.

11. MLI satisfies each of the basic qualification criteria listed in section 2.2 of NI 44-101 other than sections 2.2(d) and (e) and is deemed, pursuant to section 2.8(4) of NI 44-101, to have filed a notice of intention to be qualified to file a short form prospectus. MLI does not satisfy the requirements under sections 2.2(d) because it is exempt from filing interim financial statements, annual and interim management's discussion and analysis and annual information forms for so long as the terms and conditions of the 2007 MLI Order are satisfied, and it does not satisfy the requirement under section 2.2(e) because it is a wholly-owned subsidiary of MFC, so its equity securities are not listed on any exchange.

The Trust

12. The Trust will be a trust established under the laws of Ontario pursuant to a declaration of trust prior to the filing of a preliminary prospectus by the Trust, MLI and MFC.

13. The Trust is proposing to conduct an initial public offering (the "**Offering**") of one or more series of subordinated notes (the "**Notes**") in each of the provinces and territories of Canada and may, from time to time, issue further series of Notes. It is currently anticipated that the first series of Notes will be designated as Manulife Financial Capital Securities II - Series 1 (the "**MaCS II Notes**"). The Trust will be a newly-formed entity and, as such,

will have no prior operating history. As a result of the Offering, the capital of the Trust will consist of the Notes issued pursuant to the Offering and voting trust units, issuable in series (the "**Voting Trust Units**" and collectively with the Notes, the "**Trust Securities**"). All of the Voting Trust Units will be held by MLI.

14. The Trust will be a single purpose vehicle to be established for the purpose of effecting offerings of Trust Securities in order to provide MLI with a cost effective means of raising capital for Canadian insurance regulatory purposes by means of: (i) creating and selling the Trust Securities; and (ii) acquiring and holding assets, which will consist primarily of one or more senior unsecured debentures of MLI and other eligible assets to be specified in the prospectus for the Offering (the "**Prospectus**") ((i) and (ii) collectively, the "**Trust Assets**"). The Trust Assets will generate income for distribution to holders of Trust Securities. The Trust will not carry on any operating activity other than in connection with offerings of Trust Securities and in connection with the Trust Assets.

15. As a result of the Offering, it is expected the Trust will become a reporting issuer in each of the provinces and territories of Canada.

MaCS II Notes

16. The MaCS II Notes will pay a fixed rate of interest on such date(s) (each, an "**Interest Payment Date**") as may be described in the Prospectus until such date as described in the Prospectus, following which the interest will be reset every five years (each such interest reset date, an "**Interest Reset Date**") until maturity at the Government of Canada Yield (as defined in the Prospectus) plus a spread to be described in the Prospectus.

17. Under agreements to be entered into among MLI, MFC, the Trust and a party acting as trustee, MLI and MFC will agree, for the benefit of the holders of each series of MaCS II Notes, that if, in respect of a series of MaCS II Notes, (i) MLI elects, at its sole option, prior to the commencement of the interest period ending on the day preceding the relevant Interest Payment Date, that holders of that series of MaCS II Notes invest interest payable in cash thereon on such Interest Payment Date in a new series of Class 1 Shares of MLI (the "**MLI Deferral Preferred Shares**"), or (ii) for whatever reason, interest is not paid in full in cash on that series of MaCS II Notes on any Interest Payment Date (in either case, an "**Other Deferral Event**"), (a) MLI will not declare or pay cash dividends on any MLI Public Preferred Shares (as defined below), or (b) if no MLI Public Preferred Shares are outstanding, MFC will not declare or pay cash dividends on any of its preferred shares or common shares (collectively, the "**MFC Dividend Restricted Shares**"), until a period of time specified in the Prospectus has elapsed (the "**Dividend Stopper Undertaking**"). Accordingly, it is in the interest of MLI and MFC to ensure, to the extent within their control, that the Trust pays the interest on the MaCS II Notes in cash on each Interest Payment Date so as to avoid triggering the Dividend Stopper Undertaking. "**MLI Public Preferred Shares**" means, at any time, preferred shares of MLI which, at that time: (i) have been issued to the public (excluding any preferred shares of MLI held beneficially by affiliates of MLI); (ii) are listed on a recognized stock exchange; and (iii) have an aggregate liquidation entitlement of at least $200 million, provided, however, if, at any time, there is more than one class of MLI Public Preferred Shares outstanding, then the most senior class or classes of outstanding MLI Public Preferred Shares shall, for all purposes, be the MLI Public Preferred Shares.

18. On each Interest Payment Date on which a Deferral Event (as defined below) has occurred in respect of a series of MaCS II Notes, holders of MaCS II Notes of that series will be required to invest interest payable on such MaCS II Notes in MLI Deferral Preferred Shares. A "**Deferral Event**" means: (i) an Other Deferral Event, or (ii) MLI has failed to declare cash dividends on its Class A Shares Series 1 or, if there are MLI Public Preferred Shares outstanding, MLI has failed to declare cash dividends on any of its MLI Public Preferred Shares in accordance with their respective terms in the last 90 days preceding the commencement of the interest period ending on the day preceding the relevant Interest Payment Date.

19. The MaCS II Notes will be automatically exchanged, without the consent of the holder, for a new series of Class 1 Shares of MLI upon the occurrence of certain stated events relating to the solvency of MLI or actions taken by the Superintendent in respect of MLI (an "**Automatic Exchange**").

20. The MFC Preferred Share Guarantee will apply to the Class 1 Shares of MLI issuable upon a Deferral Event or an Automatic Exchange. In circumstances where MFC is not the subject of a winding-up order, the MFC Preferred Share Guarantee will entitle the holder to receive payment from MFC within 15 days of any failure by MLI to pay a declared dividend or to pay the redemption price for such shares and, in the case of any amount remaining unpaid with respect to the preference of the preferred shares of MLI upon a winding-up of MLI, within 15 days of the later of the date of the final distribution of property of MLI to its creditors and the date of the final distribution of surplus of MLI, if any, to its shareholders. In circumstances where MFC is the subject of a winding-up order, the MFC Preferred

Share Guarantee will entitle the holder to receive payment from MFC within 15 days of the determination of the final distribution of surplus of MFC, if any, to MFC's shareholders. Claims under the MFC Preferred Share Guarantee will be subordinate to all outstanding indebtedness and liabilities of MFC unless otherwise provided by the terms of the instrument creating or evidencing any such liability. In the event that a failure to pay declared dividends, the redemption price or the liquidation preference occurs at a time when MFC is subject to a winding-up order, the MFC Preferred Share Guarantee has been structured so that the amount payable by MFC under the MFC Preferred Share Guarantee will be subject to reduction such that the claims of holders of the respective class of preferred shares of MLI under the MFC Preferred Share Guarantee will, in effect, rank equally with the claims of holders of the respective class of preferred shares of MFC to any surplus assets of MFC remaining for distribution. Otherwise the MFC Preferred Share Guarantee would negatively impact the capital treatment of preferred shares of MLI for insurance regulatory purposes.

21. MLI will covenant that MLI will maintain ownership of 100% of the outstanding Voting Trust Units. Subject to regulatory approval, the MaCS II Notes will constitute Tier 1 capital of MLI.

22. The MaCS II Notes will be non-voting and will be unsecured obligations of the Trust ranking at least equally with other subordinated indebtedness of the Trust from time to time issued and outstanding. On a liquidation or winding-up of the Trust, the indebtedness evidenced by the MaCS II Notes will be subordinate in right of payment to the prior payment in full of all other liabilities of the Trust except liabilities which by their terms rank in right of payment equally with or subordinate to the indebtedness evidenced by the MaCS II Notes. Apart from the rights to receive the interest described herein, holders of MaCS II Notes have no further right in the income of the Trust. The holders of MaCS II Notes will not be entitled to initiate proceedings for the termination of the Trust.

23. Pursuant to an administration agreement to be entered into between the trustee of Trust (the "**Trustee**") and MLI, the Trustee will delegate to MLI certain of its duties in relation to the administration of the Trust. MLI, as administrative agent, will provide advice and counsel with respect to management of the assets of the Trust and other matters as may be requested by the Trustee from time to time and will administer the day-to-day operations of the Trust.

24. The Trust may, from time to time (including pursuant to the Offering), issue further series of Notes which qualify as Tier 1 capital of MLI for regulatory purposes, the proceeds of which would be used to acquire additional Trust Assets.

25. Because of the terms of the Notes and the various covenants of MLI and MFC, and given that the MFC Preferred Share Guarantee will apply to the Class 1 Shares of MLI issuable upon the occurrence of an Automatic Exchange or Deferral Event and that MLI is exempt from making most continuous disclosure filings, information about the affairs and financial performance of MLI and MFC, as opposed to that of the Trust, is meaningful to holders of Notes.

26. It is expected that the MaCS II Notes will receive an approved rating from an approved rating organization, as defined in National Instrument 41-101.

27. At the time of the filing of any prospectus in connection with offerings of Notes (including the Offering):

    (a) the prospectus will be prepared in accordance with the short form prospectus requirements of NI 44-101 other than the Disclosure Requirements, except as permitted by the Legislation;

    (b) the Trust will comply with all of the filing requirements and procedures set out in NI 44-101 other than the Qualification Requirements, except as permitted by the Legislation;

    (c) MFC and MLI continue to be regulated by the Superintendent;

    (d) MFC continues to be the direct or indirect beneficial owner of all of the issued and outstanding voting securities (as defined in the Legislation) of MLI;

    (e) MFC and MLI are reporting issuers or the equivalent thereof under the Legislation;

    (f) MFC continues to provide the MFC Preferred Share Guarantee;

    (g) the prospectus will incorporate by reference the documents of MFC set forth under Item 11.1 of Form 44-101F1, and MLI's annual financial statements;

    (h) the prospectus disclosure required by Item 11 (other than 11.1(1)(5) of Form 44-101F1 in respect of the Trust) will be addressed by incorporating by reference MFC's public disclosure documents referred to in paragraph 27(g) above, and MLI's annual financial statements; and

(i) MFC will satisfy all of the criteria in section 2.2 of NI 44-101 and MLI will satisfy the criteria in section 2.2 of NI 44-101 other than sections 2.2(c), (d) and (e).

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:

(i) the Trust, MLI and MFC, as applicable, comply with paragraph 27 above;

(ii) MLI remains the direct owner of all of the outstanding Voting Trust Units;

(iii) MLI, as holder of the Voting Trust Units, will not propose changes to the terms and conditions of any outstanding Notes offered and sold pursuant to a short form prospectus of the Trust filed under this decision that would result in such Notes being exchangeable for securities other than Class 1 Shares of MLI;

(iv) the Trust has minimal assets, operations, revenues or cash flows other than those related to the issuance, administration and repayment of the Trust Securities or the administration of the Trust Assets;

(v) the Trust issues a news release and files a material change report in accordance with Part 7 of National Instrument 51-102 — Continuous Disclosure Obligations, as amended, supplemented or replaced from time to time, in respect of any material change in the affairs of the Trust that is not also a material change in the affairs of MFC or MLI;

(vi) the Trust becomes, on or before the filing of a preliminary short form prospectus in connection with the Offering and thereafter remains an electronic filer under National Instrument 13-101 — System for Electronic Document Analysis and Retrieval (SEDAR);

(vii) following the Offering, the Trust is a reporting issuer in at least one jurisdiction in Canada;

(viii) following the Offering, the Trust files with the securities regulatory authorities in each jurisdiction in which it becomes a reporting issuer all periodic and timely disclosure documents that it is required to have filed in that jurisdiction: (a) under all applicable securities legislation; (b) pursuant to an order issued by the securities regulatory authority; or (c) pursuant to an undertaking to the securities regulatory authority;

(ix) the securities to be distributed: (a) have received an approved rating on a provisional basis; (b) are not the subject of an announcement by an approved rating organization, of which the Trust is or ought reasonably to be aware, that the approved rating given by the organization may be downgraded to a rating category that would not be an approved rating; and (c) have not received a provisional or final rating lower than an approved rating from any approved rating organization; and

(x) the Trust files a notice declaring its intention pursuant to section 2.8 of NI 44-101 prior to or concurrently with the filing of the preliminary short form prospectus for the Offering.

The further decision of the principal regulator is that the application of the Filers and this decision shall be held in confidence by the principal regulator until the earlier of (i) the date that a preliminary prospectus has been filed in respect of the Offering and (ii) the date that is 90 days after the date of this decision document.

"Michael Brown"
Assistant Manager, Corporate Finance

2.1.2 0848818 B.C. Ltd. – 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.

Ontario Statutes

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

July 22, 2009

0848818 B.C. Ltd.
#1650 - 701 West Georgia Street
Vancouver, BC V7Y 1C6

Dear Sirs/Mesdames:

Re: 0848818 B.C. Ltd. (the Applicant) – application for a decision under the securities legislation of Alberta, Manitoba 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

2.1.3 7167911 Canada Ltd. – 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.

Ontario Statutes

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

July 23, 2009

7167911 Canada Ltd.
c/o Lawson Lundell LLP
1600 Cathedral Place
925 West Georgia Street
Vancouver, BC V6C 3L2

Dear Sirs/Mesdames:

Re: 7167911 Canada Ltd. (the Applicant) – application for a decision under the securities legislation of Alberta, Ontario and Nova Scotia (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.

"Michael Brown"
Assistant Manager, Corporate Finance
Ontario Securities Commission

2.1.4 Cobalt Energy Ltd. – 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.

Ontario Statutes

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

July 22, 2009

Borden Ladner Gervais LLP
1000 Canterra Tower
400 - 3 Avenue SW
Calgary, AB T2P 4H2

Attention: Jonathan Doll

Dear Sir:

Re: Cobalt Energy Ltd. (the Applicant) - Application for a decision under the securities legislation of Alberta, Saskatchewan 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 to be deemed to have ceased to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by 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 deemed to have ceased to be a reporting issuer and that the Applicant's status as a reporting issuer is revoked.

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

2.1.5 Gold Participation and Income Fund

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from National Instrument 81-106 Investment Fund Continuous Disclosure to permit an investment fund that uses specified derivatives to calculate its NAV on a weekly basis subject to certain conditions – relief required from the requirement that an investment fund that uses specified derivatives calculate its NAV daily.

Applicable Legislative Provisions

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

July 23, 2009

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
GOLD PARTICIPATION AND INCOME FUND
(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 of the principal regulator (the **Legislation**) for relief from Section 14.2(3)(b) of National Instrument 81-106 – *Investment Fund Continuous Disclosure* (**NI 81-106**), which requires that the net asset value of an investment fund that uses specified derivatives (as defined in National Instrument 81-102 – *Mutual Funds*) be calculated at least once every business day (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 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 British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Prince Edward Island, Nova Scotia, and Newfoundland and Labrador.

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.

Representations

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

1. The Filer is a non-redeemable investment fund to be established under the laws of the Province of Ontario.

2. A preliminary prospectus for the Filer was filed in each of the provinces of Canada on June 5, 2009 (SEDAR Project No. 1434750).

3. Mulvihill Capital Management Inc. (**MCM**) is the promoter and investment manager of the Filer.

4. Mulvihill Fund Services Inc. (the **Manager**), a wholly-owned subsidiary of MCM, is the manager of the Filer and will perform administrative services on behalf of the Filer. The head office of the Manager is located at 121 King Street West, Standard Life Centre, Suite 2600, Toronto, Ontario, M5H 3T9.

5. The Filer is authorized to issue Combined Units of the Fund (**Combined Units**), where each Combined Unit consists of one transferable, redeemable Unit (referred to herein as the **Unit**) and one transferable Warrant for one Unit (referred to herein as the **Warrant**).

6. Each Warrant for one Unit entitles the holder to purchase one Unit at a subscription price of $12.00 on the first Friday of the third, sixth, ninth and twelfth month following the closing of the Offering (the **Exercise Date**). Warrants may be tendered for exercise during the two-week period up to and including the Exercise Date. Warrants for Units not exercised by the Exercise Date will be void and of no value.

7. The Filer is designed to provide investors with Canadian-dollar exposure to the long-term performance of gold bullion and gold equity securities, while providing a monthly distribution stream and mitigating downside risk.

8. The Filer will seek to achieve its objectives by investing 100% of its net assets in the gold sector – initially 50% in Shares of SPDR Gold Trust, an exchange-traded fund that seeks to track the price of gold by investing directly in gold bullion, and 50% in a portfolio (the **Managed Gold Portfolio**) of equity securities in the S&P/TSX Global Gold

Index, a dynamic international benchmark of the world's leading gold companies.

9. The Filer intends to write covered call options on approximately 25% of its portfolio securities in order to mitigate downside risk for holders of its Units (**Unitholders**) and to generate additional returns above the distribution income earned on its portfolio.

10. As a result of its holdings of U.S.-dollar denominated securities, the Filer will be exposed to changes in the value of the U.S. dollar against the Canadian dollar. The Filer will hedge substantially all of the Filer's foreign currency exposure back to the Canadian dollar.

11. The Filer's investment objectives are: (a) to maximize total returns for Unitholders including both long-term appreciation in net asset value (**NAV**) per Unit and distributions; and (b) to pay Unitholders monthly distributions in an amount targeted to be 6.5% per annum on the NAV of the Filer.

12. Although the Filer will be a mutual fund trust for the purposes of the *Income Tax Act* (Canada), it will not be a mutual fund for the purposes of Canadian securities legislation.

13. The operations of the Filer will differ in some respects from those of a conventional mutual fund, including the following:

    (a) the Filer does not intend to continuously offer its Units once it is out of primary distribution; and

    (b) the Units are expected to be listed and posted for trading on the Toronto Stock Exchange (**TSX**). Because the Units will be listed for trading on the TSX, Unitholders will not have to rely solely on the redemption features of the Units to provide liquidity for their investment.

14. Units may be surrendered at any time for redemption by the Filer. Units will be redeemable at the option of a Unitholder on a monthly basis at a price determined by reference to the market price of the Units. Commencing in January 2011, Units will also be redeemable annually at a price determined by reference to the NAV of the Filer.

15. For the period up to the Exercise Date of the Warrants,

    (a) the Filer will compute a basic NAV per Unit;

    (b) the Filer will compute a diluted NAV per Unit if the basic NAV per Unit exceeds $11.70; and

    (c) for purposes of reporting compliance with the targeted monthly distribution rate (as specified in the investment objective section of the Fund's prospectus), the basic NAV per Unit will be used (and not the diluted NAV per Unit).

16. The Fund will calculate and publish its basic and, as required, diluted NAV per Unit on a weekly basis.

17. As disclosed in the Preliminary Prospectus, the basic NAV per Unit and, as required, the diluted NAV per Unit will be provided to Unitholders at no cost on a weekly basis on a website established for such purpose and on request by contacting the Manager.

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 relating to investment fund continuous disclosure is granted provided that:

a) the net asset value calculation is available to the public upon request; and

b) the public has access to a website for this purpose;

for so long as:

c) the Units are listed on the TSX; and

d) the Filer calculates its net asset value at least weekly.

"Darren McKall"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.6 Toronto-Dominion Bank and TD Capital Trust IV

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption granted to a trust from continuous disclosure requirements under National Instrument 51-102 Continuous Disclosure Obligations and certification obligations under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, subject to certain conditions – Trust established for purpose of effecting offerings of trust securities in order to provide bank with a cost-effective means of raising capital for Canadian bank regulatory purposes – Trust became reporting issuer upon filing a prospectus offering trust securities – Without relief, trust would have to comply with continuous disclosure and certification requirements – Given the nature, terms and conditions of the trust securities and various covenants of the bank in connection with the prospectus offering, the meaningful information to public holders of trust securities is information with respect to the bank, rather than the trust.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations.
National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.

May 14, 2009

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 TORONTO-DOMINION BANK (the "Bank")
AND TD CAPITAL TRUST IV (the "Trust" and,
together with the Bank, the "Filers")

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the "**Application**") from the Filers for a decision (the "**Requested Relief**") under the securities legislation of the Jurisdiction (the "**Legislation**") that the requirements contained in the Legislation to:

(a) (i) file interim financial statements and audited annual financial statements and deliver same to the security holders of the Trust, pursuant to sections 4.1, 4.3 and 4.6 of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**"),

(ii) file interim and annual management's discussion and analysis ("**MD&A**") and deliver same to the security holders of the Trust pursuant to sections 5.1 and 5.6 of NI 51-102,

(iii) file an annual information form pursuant to section 6.1 of NI 51-102, and

(iv) comply with any other provisions of NI 51-102,

(collectively, the "**Continuous Disclosure Obligations**"); and

(b) file interim and annual certificates (collectively the "**Officers' Certificates**") pursuant to Parts 4, 5 and 6 of National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* ("**NI 52-109**") (the "**Certification Obligations**");

shall not apply to the Trust.

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

(a) the Ontario Securities Commission (the "**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 the provinces and territories of Canada other than Ontario.

Interpretation

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

"Bank Act" means the Bank Act (Canada);

"Prospectus" means the short form prospectus of the Bank and the Trust dated January 15, 2009 in respect of the Offering (as defined below); and

"Tax Act" means the Income Tax Act (Canada).

Representations

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

The Bank

1. The Bank is a Schedule 1 chartered bank subject to the provisions of the Bank Act. The head office of the Bank is located at P.O. Box 1, Toronto-Dominion Centre, Toronto, Ontario M5K 1A2.

2. The authorized share capital of the Bank consists of an unlimited number of: (i) common shares ("**Bank Common Shares**"); and (ii) Class A First Preferred Shares ("**Bank Preferred Shares**"), issuable in series.

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

4. The Bank is a reporting issuer in each province and territory of Canada and is not, to the best of its knowledge, in default of any requirement of the securities legislation in such jurisdictions.

The Trust

5. The Trust is a trust established under the laws of the Province of Ontario pursuant to an amended and restated declaration of trust dated as of January 26, 2009, as may be amended, restated or supplemented from time to time. The Trust's head and registered office is located at c/o The Toronto-Dominion Bank, Toronto Dominion Bank Tower, Toronto-Dominion Centre, Toronto, Ontario, M5K 1A2.

6. The Trust completed an initial public offering (the "**Offering**") of two series of subordinated notes of the Trust (the "**Notes**") in each of the provinces and territories of Canada on January 26, 2009 and may, from time to time, issue further series of Notes. The first series of Notes were designated as 9.523% TD Capital Trust IV Notes – Series 1 Due June 30, 2108 (the "**TD CaTS IV – Series 1**") and the second series of Notes were designated as 10.00% TD Capital Trust IV Notes – Series 2 Due June 30, 2108 (the "T**D CaTS IV – Series 2**" and collectively with the TD CaTS IV – Series 1, the "**TD CaTS IV Notes**"). The capital of the Trust consists of the TD CaTS IV Notes issued pursuant to the Offering and voting trust units, issuable in series (the "**Voting Trust Units**" and, collectively with the Notes, the "**Trust Securities**"). All of the Voting Trust Units are held by the Bank.

7. The Trust has been established for the purpose of effecting offerings of Trust Securities in order to provide the Bank with a cost effective means of raising capital for Canadian bank regulatory purposes by means of: (i) creating and selling the Trust Securities; and (ii) acquiring and holding assets, which will consist primarily of one or more senior unsecured deposit notes of the Bank (each, a "**Bank Deposit Note**") and certain other eligible assets (as described in the Prospectus) (collectively, the "**Trust Assets**"). The Trust Assets will generate income for distribution to holders of Trust Securities. The Trust does not and will not carry on any operating activity other than in connection with offerings of Trust Securities and in connection with the Trust Assets.

8. As a result of the Offering, the Trust became a reporting issuer in each of the provinces and territories of Canada (the "**Reporting Jurisdictions**"). The Trust is not, to the best of its knowledge, in default of any requirement of the securities legislation in the Reporting Jurisdictions.

TD CaTS IV Notes

9. Each series of TD CaTS IV Notes will pay a fixed rate of interest on the last day of June and December in each year (each, an "**Interest Payment Date**") as described in the Prospectus until (i) June 30, 2019 in the case of the TD CaTS IV – Series 1, and (ii) June 30, 2039 in the case of TD CaTS IV – Series 2, following which the interest rate will be reset every 5 years (each such interest reset date, an "**Interest Reset Date**") until maturity at a Government of Canada Yield (as defined in the Prospectus) plus a spread as described in the Prospectus.

10. Under an assignment, set-off and trust agreement entered into in respect of each series of TD CaTS IV Notes between the Bank, the Trust and Computershare Trust Company of Canada ("**Computershare**") acting as trustee, the Bank has agreed, for the benefit of the holders of TD CaTS IV Notes (the "**Dividend Stopper Undertaking**"), that in the event that (i) the Bank elects prior to the commencement of the interest period for the TD CaTS IV Notes ending on the day preceding the relevant Interest Payment Date to require holders of TD CaTS IV Notes to invest interest paid thereon on such Interest Payment Date in a new series of Bank Deferral Preferred Shares (as defined herein); or (ii) for whatever other reason, interest is not paid in full in cash on the TD CaTS IV Notes on an Interest Payment Date (or the next following business day if the relevant Interest Payment Date is not a business day), the Bank will not declare dividends of any kind on the Bank Preferred Shares or the Bank Common Shares (collectively, the "**Dividend Restricted Shares**") until the sixth month following the relevant Interest Payment Date (such six-month period, the "**Dividend Restricted Period**"). Accordingly, it is in the interest of the Bank to ensure, to the extent within its control, that the Trust pays the interest in cash on each Interest Payment Date so as to avoid triggering the Dividend Stopper Undertaking.

11. The TD CaTS IV Notes will be automatically exchanged, without the consent of the holder, for a new series of newly-issued Bank Preferred

Shares upon the occurrence of certain stated events relating to the solvency of the Bank or actions taken by the Superintendent of Financial Institutions (the "**Superintendent**") in respect of the Bank (an "**Automatic Exchange**").

12. The Trust may, subject to regulatory approval, at its option, on or after June 30, 2014, redeem the TD CaTS IV Notes without the consent of the holders thereof. The price payable per $1,000 principal amount of TD CaTS IV Notes so redeemed will be: (i) par, if redeemed on an Interest Reset Date; and (ii) the greater of par and a Canada Yield Price (as described in the Prospectus) if redeemed on a day other than an Interest Reset Date, together, in each case, with accrued and unpaid interest to, but excluding, the date fixed for redemption (in either case, the "**Redemption Price**").

13. Upon the occurrence of certain regulatory or tax events affecting the Bank or the Trust (each a "**Special Event**"), the Trust may, at its option, without the consent of holders of the TD CaTS IV Notes but subject to regulatory approval, redeem all but not less than all of the TD CaTS IV Notes at a price equal to par plus accrued and unpaid interest to, but excluding, the date fixed for redemption.

14. The Bank has covenanted that it will maintain direct or indirect ownership of 100% of the outstanding Voting Trust Units.

15. As long as any TD CaTS IV Notes are outstanding and are held by any person other than the Bank, or an affiliate of the Bank, the Trust may only be terminated with the approval of the Bank as the holder, directly or indirectly, of the Voting Trust Units and with the approval of the Superintendent: (i) upon the occurrence of a Special Event prior to June 30, 2014; or (ii) for any reason on or after June 30, 2014. As long as any TD CaTS IV Notes are outstanding and held by any person other than the Bank, or an affiliate thereof, the Bank will not approve the termination of the Trust unless the Trust has sufficient funds to pay the Redemption Price.

16. On each Interest Payment Date in respect of which a Deferral Event has occurred, holders of TD CaTS IV Notes will be required to invest interest paid on such TD CaTS IV Notes in a new series of Bank Preferred Shares (the "**Bank Deferral Preferred Shares**"). A "**Deferral Event**" will occur in circumstances where: (i) the Bank has failed to declare cash dividends on all of the outstanding Bank Preferred Shares or, if no Bank Preferred Shares are then outstanding, on all of the outstanding Bank Common Shares (other than a failure to declare dividends on such shares during a Dividend Restricted Period) in accordance with the Bank's ordinary dividend practice in the last 90 days preceding the commencement of the interest period for the TD CaTS IV Notes ending on the day preceding the relevant Interest Payment Date; (ii) the Bank elects prior to the commencement of the interest period for the TD CaTS IV Notes ending on the day preceding the relevant Interest Payment Date to require holders of TD CaTS IV Notes to invest interest paid thereon on such Interest Payment Date in Bank Deferral Preferred Shares; or (iii) for whatever other reason, interest is not paid in full in cash on the TD CaTS IV Notes on an Interest Payment Date (or the next following business day if the relevant Interest Payment Date is not a business day). All such Bank Deferral Preferred Shares so issued will be held in escrow by Computershare on behalf of holders of each applicable series of TD CaTS IV Notes until the next following Interest Payment Date which is not subject to a Deferral Event, upon which such shares will be released from escrow to holders of the applicable TD CaTS IV Notes, unless an Automatic Exchange, redemption or maturity of such series of TD CaTS IV Notes shall have occurred prior thereto, in which case the shares will be released upon the Automatic Exchange, redemption or maturity, as the case may be.

17. The TD CaTS IV Notes are non-voting and are direct unsecured obligations of the Trust ranking at least equally with other subordinated indebtedness of the Trust from time to time issued and outstanding. On a liquidation or winding-up of the Trust, the indebtedness evidenced by the TD CaTS IV Notes will be subordinate in right of payment to the prior payment in full of all other liabilities of the Trust except liabilities which by their terms rank in right of payment equally with or subordinate to the indebtedness represented by the TD CaTS IV Notes. Apart from the rights to receive the interest described herein, holders of TD CaTS IV Notes have no further right in the income of the Trust. The holders of TD CaTS IV Notes will not be entitled to initiate proceedings for the termination of the Trust.

18. Pursuant to an amended and restated administration agreement dated as of January 26, 2009, between Montreal Trust Company of Canada, as trustee of the Trust (the "**Trustee**") and the Bank, the Trustee has delegated to the Bank certain of its duties in relation to the administration of the Trust. The Bank, as administrative agent, provides advice and counsel with respect to management of the assets of the Trust and other matters as may be requested by the Trustee from time to time and administers the day-to-day operations of the Trust.

19. The Trust may, from time to time issue further series of Notes which qualify as Tier 1 capital of the Bank for regulatory purposes, the proceeds of

which would be used to acquire additional Trust Assets.

20. Because of the terms of the Notes and the various covenants of the Bank, information about the affairs and financial performance of the Bank, as opposed to that of the Trust, is meaningful to holders of Notes. The Bank's filings will provide holders of Trust Securities and the general investing public with all information required in order to make an informed decision relating to an investment in TD CaTS IV Notes and any other Trust Securities that the Trust may issue from time to time. Information regarding the Bank is relevant both to an investor's expectation of being paid principal, interest and the Redemption Price, if any, and any other amounts on the Trust Securities when due and payable.

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:

1. in respect of the Continuous Disclosure Obligations:

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

   (b) the Bank files with the securities regulatory authority or regulator in each Reporting Jurisdiction, in electronic format under the Trust's SEDAR profile, the continuous disclosure documents referred to in paragraph 1(a) above, at the same time as those documents are required under the Legislation to be filed by the Bank;

   (c) the Trust pays all filing fees that would otherwise be payable by the Trust in connection with the filing of continuous disclosure documents under NI 51-102;

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

   (e) all outstanding securities of the Trust are either TD CaTS IV Notes, additional series of Notes having terms substantially similar to the TD CaTS IV Notes (the holders of which will have rights and obligations that are the same in all material respects as the rights and obligations of the holders of the TD CaTS IV Notes, with the exception of specific economic terms such as the amount of interest payable by the Trust and redemption dates and prices) or Voting Trust Units;

   (f) the Bank is, directly or indirectly, the beneficial owner of all issued and outstanding voting securities of the Trust, including the Voting Trust Units;

   (g) the Trust does not carry on any operating activity other than in connection with offerings of its securities and in connection with the Trust Assets and the Trust has minimal assets, operations, revenues or cash flows other than those related to the issuance, administration and repayment of the Trust Securities or the administration of the Trust Assets;

   (h) the Bank, as holder of the Voting Trust Units, will not propose changes to the terms and conditions of any outstanding Notes that would result in such Notes being exchangeable for securities other than Bank Preferred Shares;

   (i) the Trust issues a news release and files a material change report in accordance with Part 7 of NI 51-102 as amended, supplemented or replaced from time to time, in respect of any material change in the affairs of the Trust that is not also a material change in the affairs of the Bank;

   (j) in any circumstances where the TD CaTS IV Notes (or any additional series of Notes having terms substantially similar to the TD CaTS IV Notes) are voting, the Trust will comply with Part 9 of NI 51-102; and

   (k) the Trust complies with Parts 4A, 4B, 11 and 12 of NI 51-102.

2. in respect of the Certification Obligations:

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

   (b) the Trust is and continues to be exempted from the Continuous Disclosure Obligations and the Bank and the Trust are in compliance with the

conditions set out in paragraph 1 above; and

(c) the Bank files with the securities regulatory authority or regulator in each Reporting Jurisdiction, in electronic format under the Trust's SEDAR profile, the Officers' Certificates of the Bank at the same time as those documents are required under the Legislation to be filed by the Bank.

3. this decision shall expire 30 days after the date a material adverse change occurs in the representations of the Trust in this decision.

"Jo-Anne Matear"
Assistant Manager
Corporate Finance Branch

2.1.7 Goodman & Company, Investment Counsel Ltd. et al.

Headnote

National Policy 11-203 – Existing and future mutual funds granted exemption to invest in an exchange traded fund that is listed on the London Stock Exchange as if the exchange traded fund was an index participation unit – relief is subject to certain conditions and requirements.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.5(2) and 2.5(3).

July 23, 2009

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

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

AND

IN THE MATTER OF
GOODMAN & COMPANY, INVESTMENT
COUNSEL LTD.

AND

IN THE MATTER OF
DYNAMIC GLOBAL VALUE FUND; DYNAMIC
EUROPEAN VALUE FUND; DYNAMIC FAR EAST
VALUE FUND; DYNAMIC EAFE VALUE CLASS;
AND DYNAMIC GLOBAL VALUE CLASS

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of Dynamic Global Value Fund, Dynamic European Value Fund, Dynamic Far East Value Fund, Dynamic EAFE Value Class and Dynamic Global Value Class and such other funds as the Filer may establish in the future that have similar investment objectives and are operated on a similar basis to the Funds (collectively, the **Funds**) for a decision (the **Exemption Sought**) under the securities legislation of the Jurisdiction of the principal regulator (the Legislation) exempting the Funds from the prohibition in subsection 2.5(2) of National Instrument 81,102 – *Mutual Funds* (**NI 81-102**) to permit the Funds to invest in securities of the Deutsche Bank db x-trackers FTSE Vietnam ETF (the **ETF**) as if the securities of the ETF were "index participation units" (**IPUs**) within the meaning of NI 81-102.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

(a) the Ontario Securities Commission is the principal regulator for the 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 relief upon in all of the provinces and territories of Canada other than Ontario (together with Ontario, the Jurisdictions).

Representations

The Manager and the Funds

1. The Filer is a corporation incorporated under the laws of the Province of Ontario, and holds a registration in the categories of "investment counsel" and "portfolio manager" in Ontario. The Filer also holds a registration in the categories of "investment counsel" and "portfolio manager", or the equivalent, in British Columbia, Alberta, Manitoba, Quebec, New Brunswick, and Nova Scotia.

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

3. The Filer acts, or will act, as trustee and/or manager, principal distributor, and registrar of each of the Funds.

4. Each Fund is, or will be, a mutual fund trust governed by the laws of Ontario and a reporting issuer under the laws of all of the Jurisdictions.

5. Neither the Filer nor the Funds are in default of securities legislation in any of the Jurisdictions.

6. Each Fund is, or will be, governed by NI 81-102, subject to exemptive relief granted by the securities regulatory authorities.

7. The investment objective of each of the Funds is to provide long-term capital growth through investment in a broadly diversified portfolio consisting primarily of equity securities of businesses based outside of Canada.

8. In order to achieve its investment objective, each Fund may, among other things, (i) invest in equity securities, warrants and derivatives (such as options, forward contracts, futures contracts and swaps) and (ii) engage in short selling. It is expected that any new Funds will use similar investment strategies.

9. The investment objective of each Fund, as well as its investment strategy, will be disclosed on an ongoing basis in the prospectus of each Fund.

The ETF

10. The ETF is a sub-fund of the db x-trackers SICAV (the **Company**), an umbrella investment company with variable capital domiciled in Luxembourg, which has issued a prospectus (the **db x-trackers Prospectus**) dated February 16, 2009. Securities of the ETF are offered in the primary market pursuant to a simplified prospectus (the **Simplified Prospectus**) dated February 16, 2009.

11. The Company is registered in the Grand-Duchy of Luxembourg as an undertaking for collective investment pursuant to Part I of the Luxembourg law of 20 December 2002 relating to undertakings for collective investment, as amended. The Company qualifies as an undertaking for collective investment in transferable securities (**UCITS**) under article 1(2) of the Council Directive 85/611/EEC of 20 December 1985 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities as amended (amongst others) by the directives 2001/107/EC and 2001/108/EC (the **UCITS Directive**) and may therefore be offered for sale in each member state of the European Union, subject to registration.

12. Securities of the ETF are listed on the London Stock Exchange (the **LSE**). The LSE is subject to regulatory oversight by the UK Listing Authority, which is part of the Financial Services Authority of the United Kingdom (the **FSA**). Securities of the ETF are also listed on the following stock exchanges: XETRA, Borsa Italiana, SIX Swiss Exchange and SGX-ST.

13. The ETF is a "mutual fund" within the meaning of applicable Canadian securities legislation.

14. Securities of the ETF would be "index participation units" within the meaning of NI 81-102 but for the fact that they are not traded on a stock exchange in Canada or the United States.

15. The investment objective of the ETF is to track the performance of the FTSE Vietnam Index (the **Index**). The Index, as further described in both the db x-trackers Prospectus and the Simplified Prospectus, is part of the FTSE Vietnam All-Share Index and comprises those companies (approximately 20) that have sufficient foreign ownership availability. The Index is a "permitted index" within the meaning of NI 81-102.

16. The ETF is an "index mutual fund" within the meaning of NI 81-102, which tracks an index in markets and asset classes which the Funds do not track. The Filer considers that investments in the ETF would provide a very cost effective way to obtain exposure to the markets and asset classes in which the ETF invests.

17. Deutsche Bank acts as the promoter of the ETF.

18. State Street Bank (**State Street**) acts as the following with respect to the ETF:

    (a) investment manager;

    (b) administrative agent, paying agent, domiciliary agent and listing agent;

    (c) registrar and transfer agent; and

    (d) custodian.

19. Pursuant to subsection 2.5(2) of NI 81-102, a Fund is not permitted to invest in securities of the ETF unless the requirements of subsections 2.5(2) and (3) are satisfied.

20. If the securities of the ETF were "index participation units" within the meaning of NI 81-102, a Fund would be permitted under the requirements of NI 81-102 to invest in such securities.

21. But for the requirement in the definition of index participation unit that a security be traded on a stock exchange in Canada or the United States, securities of the ETF would be index participation units.

22. It is the Filer's understanding that the regulatory regime, administration, operation, investment objectives and restrictions applicable to the ETF are as rigorous as those applicable to similar Canadian funds.

23. It is the Filer's understanding that the LSE is subject to equivalent regulatory oversight to securities exchanges in Canada and the United States.

24. It is the Filer's understanding that the listing requirements to be complied with by the ETF are consistent with the TSX listing requirements.

25. The Filer considers that investments in the ETF provide a cost effective way for the Funds to obtain exposure to the markets and asset classes in which the ETF invests.

26. Investment by the Funds in the ETF meets, or will meet, the investment objectives of the Funds.

27. The Fund, together with all related mutual funds, will not hold more than 20% of the voting rights attached to all the voting securities of the ETF.

28. The Fund will not invest in the ETF if as a result of the investment the Fund would have more than 10% of its net assets (taken at market value at the time of the transaction) invested, directly or indirectly, in the ETF.

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:

(a) the ETF is:

    (i) a sub-fund of the db x-trackers SICAV, an investment company incorporated with limited liability domiciled in Luxembourg, which qualifies as a UCITS under the UCITS Directive;

    (ii) an index mutual fund;

    (iii) operated in a manner substantially similar to the manner described above;

(b) the securities of the ETF purchased by a Fund are:

    (i) listed on the LSE;

    (ii) securities which, but for the requirement that securities be traded on a stock exchange in Canada or the United States, would be IPUs; and

(c) the other provisions of subsections 2.5(2) and 2.5(3) and of other sections of NI 81-102 that apply to an investment in securities of a mutual fund that are IPUs apply in respect of an investment in securities of the ETF.

Vera Nunes
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.8 EnerVest Funds Management Inc.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from the illiquid investment restriction in 2.4(1) of NI 81-102 so that the mutual fund can acquire illiquid assets from flow through LPs (LPs), provided that no more than 15% of the fund's NAV, taken at the market value at the time of transaction, would be invested in illiquid assets. The LPs were not restricted from investing and holding illiquid assets.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.4(1), 19.1.

Citation: EnerVest Natural Resource Fund Ltd., Re, 2009 ABASC 300.

June 25, 2009

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

AND

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

AND

IN THE MATTER OF
ENERVEST FUNDS MANAGEMENT INC. (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**) for an exemption from the restriction contained in section 2.4(1) of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) with respect to the purchase of illiquid assets by EnerVest Natural Resource Fund Ltd. (the **Fund**) from EnerVest FTS Limited Partnership 2007 (**FTS 2007 LP**) and EnerVest FTS Limited Partnership 2007 II (**FTS 2007 II LP**) (collectively, the **2007 FTS LPs**) (the **Exemption 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 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 British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Nunavut and Northwest Territories, 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 they are otherwise defined.

Representations

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

1. The Filer is a corporation incorporated under the laws of the Province of Alberta. The Fund is a mutual fund corporation incorporated under the laws of Alberta. The Filer is the manager of the Fund.

2. The securities of the Fund are sold pursuant to a prospectus filed in each of the provinces and territories of Canada. The Fund is a reporting issuer in each of the Jurisdictions where such status exists and is not in default of its obligations as a reporting issuer.

3. The Filer is the manager of the Fund and holds all of the issued common shares of the Fund. The head office of the Filer is located in Alberta.

4. The investment objective of the Fund is to provide superior capital appreciation by investing primarily in equity securities of Canadian companies engaged in exploration, development or production of natural resources or companies which support those industries or activities.

5. The Filer is a wholly-owned subsidiary of EnerVest Management Ltd. (**EML**). EML is the promoter of certain flow-through limited partnerships, including the 2007 FTS LPs and EnerVest FTS Limited Partnership 2008 (collectively, the **Current EnerVest LPs**), and may be the promoter of future limited partnerships established by the Filer or its affiliates (together with the Current EnerVest LPs, the **EnerVest LPs**) the securities of which have been and will be sold to investors resident in various Canadian jurisdictions pursuant to a prospectus filed with applicable securities regulatory authorities in the applicable jurisdiction(s). The EnerVest LPs are established for a fixed term. There is no market for the securities of the EnerVest LPs.

6. In general, the investment objective of each EnerVest LP is or will be to provide limited partners with a tax-assisted investment in a diversified portfolio of common shares and warrants convertible into common shares of resources companies involved in oil and gas or mineral exploration, development and/or production in Canada or certain energy production that may incur Canadian renewable and conservation expense with a view to achieving capital appreciation for limited partners.

7. The Fund participates in transactions which involve a transfer of the investment portfolio of the EnerVest LPs to the Fund on a tax-deferred basis in exchange for redeemable mutual fund shares of the Fund (a **Rollover Transaction**). Upon completion of a Rollover Transaction and the subsequent dissolution of the EnerVest LP, the redeemable mutual fund shares of the Fund received by the EnerVest LP in exchange for the investment portfolio of the EnerVest LP are distributed to limited partners of the EnerVest LP on a pro rata basis and the limited partners become shareholders of the Fund. The Rollover Transactions are intended to provide investors in the EnerVest LPs with enhanced liquidity and the potential for long-term growth of capital.

8. The respective Rollover Transactions involving the 2007 FTS LPs are each anticipated to occur on or about June 30, 2009 (the **Pending Rollover Transactions**).

9. Certain of the investments made by the EnerVest LPs will, by their nature, be “illiquid assets”, as defined by NI 81-102, because the EnerVest LPs are permitted to invest up to 20% of their net assets in private companies and other illiquid investments. As a result, upon the completion of a Rollover Transaction by an EnerVest LP to the Fund, the Fund will hold the illiquid assets formerly held by such EnerVest LP.

10. In the absence of the requested relief, the Fund would be prohibited from purchasing the illiquid assets from the 2007 FTS LPs in connection with the Pending Rollover Transactions because after the purchase more than 10% of the net assets of the Fund, taken at market value at the time of the purchase, would consist of illiquid assets.

11. The 2007 EnerVest LPs intend to transfer all of their illiquid assets to the Fund as there is no reasonable probability of selling these securities at full market value immediately prior to the Pending Rollover Transactions, and due to market conditions they have been unable to do so as intended prior to the date of this Decision.

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 Exemption Sought is granted to the Fund, provided that not more than 15% of the net assets of the Fund, taken at market value at the time of the purchase, would consist of illiquid assets.

Agnes Lau, CA
Associate Director, Corporate Finance

2.1.9 Newgrowth Corp. and Scotia Captial Inc.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – subdivided offering – the prohibitions contained in the Legislation against trading in portfolio shares by persons or companies having information concerning the trading programs of mutual funds shall not apply to administrator with respect to certain principal trades with the issuer in securities comprising the Issuer's portfolio.

Applicable Legislative Provisions

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

June 25, 2009

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

AND

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

AND

IN THE MATTER OF
NEWGROWTH CORP.
(the "Filer")

AND

SCOTIA CAPITAL INC.
("Scotia Capital")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions ("**Decision Makers**") has received an application from the Filer and Scotia Capital under the securities legislation of the Jurisdiction (the "**Legislation**") for a decision that the prohibition in the Legislation prohibiting trading in portfolio shares by persons or companies having information concerning the trading programs of mutual funds (the "**Principal Trading Prohibitions**") shall not apply to Scotia Capital in connection with Principal Sales and Principal Purchases (each defined below) with respect to the public offering (the "**Offering**") of Class B Preferred Shares, Series 2 (the "**Series 2 Preferred Shares**") of the Filer (the "**Exemption 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:

The Filer

1. The Filer was incorporated under the *Business Corporations Act* (Ontario) on June 27, 1991 and became a reporting issuer under the OSA by filing a final prospectus dated June 26, 1992 relating to an initial public offering of capital shares and equity dividend shares.

2. The Filer filed articles of amendment on March 24, 1998 in connection with a share capital reorganization (the "**1998 Reorganization**") approved by its shareholders on March 16, 1998. Pursuant to the 1998 Reorganization, the outstanding capital shares of the Company were exchanged for Class A Capital Shares, the outstanding equity dividend shares were redeemed and, in order to maintain the leveraged "split share" structure of the Company, a new class of preferred shares (the "**Preferred Shares**") was issued pursuant to a final prospectus dated June 16, 1998.

3. The Filer filed articles of amendment on May 11, 2004 in connection with a share capital reorganization (the "**2004 Reorganization**") approved by its shareholders on April 29, 2004. Pursuant to the 2004 Reorganization, 823,105 Class A Capital Shares were redeemed under the Special Retraction Right and all of the outstanding Preferred Shares were redeemed on June 25, 2004 in accordance with their terms. In order to maintain the leveraged "split share" structure of the Filer, Class B Preferred Shares, Series 1 ("**Series 1 Preferred Shares**") were issued pursuant to a prospectus dated June 17, 2004.

4. On May 11, 2009, holders of Class A Capital Shares approved a share capital reorganization (the "**2009 Reorganization**"). The 2009 Reorganization will permit holders of Class A

Capital Shares to extend their investment in the Filer beyond the redemption date of June 26, 2009 for up to an additional 5 years. The 2009 Reorganization also provides holders of Class A Capital Shares with a special right of retraction (the "**Special Retraction Right**") to replace the originally scheduled final redemption. Under the 2009 Reorganization, holders of Class A Capital Shares who do not wish to extend their investment may choose to have their shares redeemed on June 26, 2009. If the 2009 Reorganization is not implemented, the Special Retraction Right will not become effective and the Class A Capital Shares will be redeemed by the Filer on June 26, 2009 in accordance with their terms.

5. The authorized capital of the Filer consists of an unlimited number of Class A Capital Shares, an unlimited number of preferred shares, an unlimited number of Class B preferred shares issuable in series, 1,000 Class B Shares and an unlimited number of Class C Shares. As of the date hereof, there are 2,327,407 Class A Capital Shares, 2,327,407 Series 1 Preferred Shares, 1,000 Class B Shares and 100 Class C Shares issued and outstanding. All of the Series 1 Preferred Shares will be redeemed by the Filer on June 26, 2009 in accordance with their terms and the Class A Capital Shares whose holders have elected to exercise the Special Retraction Right will also be redeemed.

6. The Series 2 Preferred Shares are being offered in order to maintain the leveraged "split share" structure of the Filer and will be issued on or about June 26, 2009 (the "**Offering**") such that there will be an equal number of Class A Capital Shares and Series 2 Preferred Shares outstanding on and after the expected closing date of June 26, 2009.

7. The Filer filed the Preliminary Prospectus in each of the provinces of Canada on May 22, 2009 (SEDAR Project No. 1425465).

8. The Filer will make the Offering to the public pursuant to a final prospectus (the "**Final Prospectus**").

9. The Class A Capital Shares will continue to be listed and posted for trading on The Toronto Stock Exchange (the "**TSX**") and it is expected that the Series 2 Preferred Shares will be listed and posted for trading on the TSX. An application requesting conditional listing approval has been made by the Filer to the TSX.

10. The Class B Shares are the only voting shares in the capital of the Filer. There are currently, and will be at the time of filing the Final Prospectus relating to the Offering, 1,000 Class B Shares issued and outstanding. All of the issued and outstanding Class B Shares are owned by a former director and officer of the Filer. On or about the date of closing of the Offering, NG Split Holdings Corp. will become the sole owner of all of the issued and outstanding Class B Shares and one-third of the common shares of NG Split Holdings Corp. are expected to be owned by each of the three independent directors of the Filer.

11. The Class A Capital Shares and Series 2 Preferred Shares may be surrendered for retraction at any time in the manner described in the Preliminary Prospectus.

12. The Filer has a board of directors (the "**Board of Directors**") which currently consists of six directors, three of which are independent directors who are not employees of Scotia Capital. Also, the offices of President/Chief Executive Officer and Chief Financial Officer/Secretary of the Filer are held by employees of Scotia Capital.

13. The primary undertaking of the Filer is to invest in a portfolio of common shares (the "**Portfolio Shares**") of selected Canadian chartered banks, telecommunication, utility and pipeline companies in order to generate fixed cumulative preferential distributions for the holders of the Filer's Series 2 Preferred Shares and to enable the holders of the Filer's Class A Capital Shares to participate in any capital appreciation in the Portfolio Shares. The Portfolio Shares will be the only material assets of the Filer.

14. Series 2 Preferred Share distributions will be funded from the dividends received on the Portfolio Shares. If necessary, any shortfall in the distributions on the Series 2 Preferred Shares will be funded by proceeds from the sale of Portfolio Shares.

15. The record date for the payment of Series 2 Preferred Share distributions, Class A Capital Share dividends or other distributions of the Filer will be set in accordance with the applicable requirements of the TSX.

16. Any Class A Capital Shares and Series 2 Preferred Shares outstanding on a date approximately five years from the closing of the Offering, which date will be specified in the Final Prospectus, will be redeemed by the Filer on such date.

17. The Filer is considered to be a mutual fund, as defined in the Legislation. Since the Filer does not operate as a conventional mutual fund, it is making an application for a waiver from certain requirements of National Instrument 81-102 – *Mutual Funds*.

18. It will be the policy of the Filer to hold the Portfolio Shares and to not engage in any trading of the Portfolio Shares, except:

(a) to complete the adjustment to and rebalancing of the Portfolio as described in the Preliminary Prospectus;

(b) to fund retractions or redemptions of Class A Capital Shares and Series 2 Preferred Shares;

(c) following receipt of stock dividends on the Portfolio Shares;

(d) if necessary, to fund any shortfall in the distribution on Series 2 Preferred Shares; and

(e) to meet obligations of the Filer in respect of liabilities including extraordinary liabilities.

19. The Portfolio Shares are listed and traded on the TSX.

The Offering

20. The net proceeds of the Offering (after deducting the agent's fees and expenses of the issue), depending upon the number and value of Class A Capital Shares redeemed pursuant to the Special Retraction Right, will be used by the Filer to fund the redemption of all of the issued and outstanding Series 1 Preferred Shares of the Filer on June 26, 2009 as well as those Class A Capital Shares being redeemed pursuant to the Special Retraction Right together, with the net proceeds from the sale of a portion of the portfolio.

21. The Final Prospectus will disclose selected financial information and dividend and trading history of the Portfolio Shares.

22. As discussed above, application will be made to list the Series 2 Preferred Shares on the TSX and all of the Class A Capital Shares and Series 2 Preferred Shares outstanding on a date approximately five years from the closing of the Offering will be redeemed by the Filer on such date.

Scotia Capital

23. Scotia Capital was incorporated under the laws of the Province of Ontario and is a direct, wholly-owned subsidiary of The Bank of Nova Scotia. Scotia Capital is registered under the Legislation as a dealer in the categories of "broker" and "investment dealer" and is a member of the Investment Industry Regulatory Organization of Canada and a participant in the TSX.

24. Pursuant to an agreement (the "**Agency Agreement**") to be made between the Filer and Scotia Capital and other agents expected to be appointed by the Filer (the "Agents"), the Filer will appoint the Agents, as its agents, to offer the Series 2 Preferred Shares of the Filer on a best efforts basis and the Final Prospectus qualifying the Offering will contain a certificate signed by the Agents, in accordance with the Legislation.

25. Pursuant to an administration agreement (the "**Administration Agreement**") between Scotia Managed Companies Administration Inc. ("**Scotia Managed Companies**"), a wholly-owned subsidiary of Scotia Capital, and the Filer, the Filer will retain Scotia Managed Companies to administer the ongoing operations of the Filer and will pay Scotia Managed Companies a quarterly fee of 1/4 of 0.25% of the market value of the Portfolio Shares held by the Filer from and after June 26, 2009.

26. Scotia Managed Companies and Scotia Capital's economic interest in the Filer and in the material transactions involving the Filer are disclosed in the Preliminary Prospectus and will be disclosed in the Final Prospectus under the heading "Interests of Management and Others in Material Transactions" and include the following:

(a) agency fees with respect to the Offering;

(b) commissions in respect of the disposition of Portfolio Shares to fund a redemption, retraction or purchase for cancellation of the Class A Capital Shares and Series 2 Preferred Shares;

(c) interest and reimbursement of expenses, in connection with any acquisition of Portfolio Shares; and

(d) amounts in connection with Principal Sales and Principal Purchases (as described below).

The Principal Trades

27. Through Scotia Capital, the Filer may purchase Portfolio Shares in the market on commercial terms or from non-related parties with whom Scotia Capital and the Filer deal at arm's length. Subject to regulatory approval, certain of such Portfolio Shares may also be purchased from Scotia Capital, as principal (the "**Principal Sales**").

28. Scotia Capital may receive commissions not exceeding normal market rates in respect of its purchase of Portfolio Shares, as agent on behalf of the Filer, and the Filer will pay any carrying costs or other expenses incurred by Scotia Capital, on behalf of the Filer, in connection with its purchase of Portfolio Shares, as agent on behalf of the Filer. In respect of any Principal Sales made to the Filer by Scotia Capital as principal, Scotia Capital may realize a financial

benefit to the extent that the proceeds received from the Filer exceed the aggregate cost to Scotia Capital of such Portfolio Shares. Similarly, the proceeds received from the Filer may be less than the aggregate cost to Scotia Capital of the Portfolio Shares and Scotia Capital may realize a financial loss.

29. The Final Prospectus will disclose that any Principal Sales will be made in accordance with the rules of the applicable stock exchange and the price paid to Scotia Capital (inclusive of all transaction costs, if any) will not be greater than the price which would have been paid (inclusive of all transaction costs, if any) if the acquisition had been made through the facilities of the principal stock exchange on which the Portfolio Shares are listed and posted for trading at the time of the purchase from Scotia Capital.

30. Scotia Capital will not receive any commissions from the Filer in connection with the Principal Sales and all Principal Sales will be approved by the independent directors of the Filer. In carrying out the Principal Sales, Scotia Capital will deal fairly, honestly and in good faith with the Filer.

31. Scotia Capital may sell Portfolio Shares to fund retractions of Class A Capital Shares and Series 2 Preferred Shares prior to the Redemption Date and upon liquidation of the Portfolio Shares in connection with the final redemption of Class A Capital Shares and Series 2 Preferred Shares on the Redemption Date. These sales will be made by Scotia Capital as agent on behalf of the Filer, but in certain circumstances, such as where a small number of Class A Capital Shares and Series 2 Preferred Shares have been surrendered for retraction, Scotia Capital may purchase Portfolio Shares as principal (the "**Principal Purchases**") subject to receipt of all regulatory approvals and approval by the independent directors of the Filer.

32. In connection with any Principal Purchases, Scotia Capital will comply with the rules, procedures and policies of the applicable stock exchange of which they are members and in accordance with orders obtained from all applicable securities regulatory authorities. The Final Prospectus will disclose that Scotia Capital may realize a gain or loss on the resale of such securities.

33. Scotia Capital will take reasonable steps, such as soliciting bids from other market participants or such other steps as Scotia Capital, in its discretion, considers appropriate after taking into account prevailing market conditions and other relevant factors, to enable the Filer to obtain the best price reasonably available for the Portfolio Shares so long as the price obtained (net of all transaction costs, if any) by the Filer from Scotia Capital is at least as advantageous to the Filer as the price which is available (net of all transaction costs, if any) through the facilities of the applicable stock exchange at the time of the trade.

34. Scotia Capital will not receive any commissions from the Filer in connection with Principal Purchases and, in carrying out the Principal Purchases, Scotia Capital shall deal fairly, honestly and in good faith with the Filer.

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 Exemption Sought is granted.

"Mary G. Condon"
Commissioner
Ontario Securities Commission

"Paulette L. Kennedy"
Commissioner
Ontario Securities Commission

2.1.10 Claymore Investments Inc. et al.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemptive relief granted to closed end fund convertible automatically into exchange traded fund offered in continuous distribution from prohibition on purchases of silver, custodial provisions to allow Brinks and Via Mat to act as sub-custodians of the fund, and certain mutual fund requirements and restrictions on: transmission of purchase or redemption orders, issuing units for cash or securities, calculation and payment of redemptions and date of record for payment of distributions – National Instruments 41-101 *Prospectus Contents – Non-Financial Matters* and 81-102 *Mutual Funds*

Applicable Legislative Provisions

National Instrument 41-101 Prospectus Contents – Non-Financial Matters, ss. 14.2, 14.3, 19.1.
National Instrument 81-102 Mutual Funds, ss. 2.3(c), 6.1(2), 6.2, 6.3, 9.1, 9.4(2), 10.2, 10.3, 14.1, 19.1.

July 14, 2009

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
CLAYMORE INVESTMENTS, INC.
(the "Filer")

AND

IN THE MATTER OF
CLAYMORE SILVER BULLION TRUST
(the "Fund")

AND

IN THE MATTER OF
THE BANK OF NOVA SCOTIA
(the "Custodian")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") for a decision that exempts the Fund from:

1. Section 2.3(f) of National Instrument 81-102 – *Mutual Funds* ("**NI 81-102**") to permit the Fund to invest up to 100% of its net assets, taken at market value at the time of purchase, in physical silver bullion in 1,000 troy ounce international bar sizes;

2. Section 6.1(2) of NI 81-102 to permit the Fund's silver bullion to be acquired, stored and held outside of Canada by a custodian or sub-custodian for purposes other than facilitating portfolio transactions of the Fund outside of Canada;

3. Section 6.1(3)(b) of NI 81-102 to permit the Custodian to appoint an entity that is not listed in Section 6.2 of NI 81-102 to act as a sub-custodian;

4. Section 6.2 of NI 81-102 to permit an entity not listed in Section 6.2 of NI 81-102 to act as a sub-custodian for portfolio assets of the Fund held in Canada;

5. Section 6.3 of NI 81-102 to permit an entity not listed in Section 6.3 of NI 81-102 to act as a sub-custodian for portfolio assets of the Fund held outside of Canada;

6. Sections 9.1 and 10.2 of NI 81-102, to permit purchases and sales of Common Units (as defined below) of the Fund on the Toronto Stock Exchange (the "**Exchange**");

7. Subsection 9.4(2) of NI 81-102, to permit the Fund to accept a combination of cash and physical silver bullion as subscription proceeds for Common Units;

8. Section 10.3 of NI 81-102, to permit the Fund to redeem less than the Prescribed Number of Common Units (as defined below) at a discount to their market price, instead of at their net asset value; and

9. Section 14.1 of NI 81-102, to permit the Fund to establish a record date for distributions in accordance with TSX Rules,

(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 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, Saskatchewan, Manitoba, Quebec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon, Northwest Territories and Nunavut.

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 herein.

The following terms shall also have the meanings ascribed below:

"**Common Units**" means the redeemable, transferable trust units of the Fund, after Conversion.

"**Designated Brokers**" means registered brokers and dealers that enter into agreements with the Fund to perform certain duties in relation to the Fund.

"**Prescribed Number of Common Units**" means the number of Common Units of the Fund determined by Claymore from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

"**Underwriters**" means registered brokers and dealers that have entered into underwriting agreements with the Fund and that subscribe for and purchase Common Units from the Fund, and "**Underwriter**" means any one of them.

"**Unitholders**" means beneficial and registered holders of Common Units.

Representations

This decision is based on the following facts represented by the Filer, the Fund and the Custodian.

The Fund and the Filer

1. The Fund is a closed-end investment trust (a non-redeemable investment fund under the Legislation) governed by the laws of Ontario. A preliminary long form prospectus of the Fund was filed on SEDAR under project no. 01435591 on April 21, 2009 and a final long form prospectus (the "**Final Prospectus**") was filed on SEDAR and a receipt for such was issued on June 30, 2009. The Fund is a reporting issuer under the securities legislation of each province and territory of Canada. The Final Prospectus qualifies the issuance of redeemable, transferable trust units of the Fund ("**Fund Units**") and purchase warrants ("**Warrants**"). Each Warrant will entitle its holder to purchase one Fund Unit at an exercise price of $10.00 at any time before 4:00 p.m. (Toronto time) on the date that is 6 months following the closing of the Fund's initial public offering (the "**Expiry Time**"). Any Warrant that is not exercised by the Expiry Time will be void and of no value.

2. The Filer is the trustee and manager of the Fund and is a registered investment counsel, portfolio manager and limited market dealer in Ontario and is registered as an investment adviser with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940. The Filer is a wholly-owned subsidiary of Claymore Group, Inc., a financial services and asset management company based in Chicago, Illinois.

3. The principal offices of the Filer and the Fund are located at 200 University Avenue, 13th Floor, Toronto, Ontario, M5H 3C6.

4. Neither the Filer nor the Fund is in default of the securities legislation of any province or territory of Canada.

The Fund's Investment Objective and Investment Restrictions

5. The investment objective of the Fund is to replicate the performance of the price of silver bullion, less the Fund's expenses and fees. The Fund is not actively managed. The Fund does not anticipate making regular distributions.

6. The Fund has been created to provide holders of Fund Units and Common Units with an exposure to physical silver bullion with a currency hedge against the US dollar ("**USD**"). The Manager believes that the Fund will provide a secure, low-cost and convenient alternative to investors interested in holding silver bullion. Given that silver bullion is priced in USD, the Fund will hedge substantially all of the Fund's USD currency value back to the Canadian dollar.

7. The Fund's investment restrictions provide that:

   (a) the Fund will hold a minimum of 90% of its net assets in physical silver bullion in 1,000 troy ounce international bar sizes; and

   (b) for working capital purposes, the Fund may hold no more than 10% of its net assets in cash and interest-bearing accounts, short-term government debt or short-term investment grade corporate debt.

8. The net proceeds of the Fund's initial public offering (the "**Offering**") will be used to purchase and hold the portfolio of the Fund which includes physical silver bullion, together with any cash or other assets purchased by the Fund (the "**Portfolio**") in accordance with the investment objective, strategy, policies and restrictions of the Fund.

The Silver Bullion of the Fund

9. The Fund and the Manager believe that, assuming normal market conditions, the silver market is liquid enough that generally, the amount of silver to be acquired and held by the Fund (assuming the maximum Offering) can be bought and/or sold without adversely impacting the market price of silver (e.g. increasing or depressing the price). Relative to the gold market, the silver market is extremely small, with higher volatility and tighter demand. However, according to statistics published by the London Bullion Market Association ("LBMA"), the daily average amount of silver (in ounces) cleared through London wholesale bullion market in May was approximately five times that of gold.

10. The Fund and the Manager believe that investing substantially all of the assets of the Fund in physical silver bullion will not impact the Fund's ability to satisfy redemptions of Fund Units and Common Units.

The Fund Units and Warrants

11. The Filer has applied and received conditional approval from the Exchange for the listing of the Fund Units and Warrants, subject to the Filer fulfilling all of the listing requirements of the Exchange on or before September 18, 2009.

12. Commencing in 2010, Fund Units may be surrendered annually for redemption during the period from June 1 until 5:00 p.m. (Toronto time) on the 20th business day before the last business day in July in each year (the "**Notice Period**") subject to the Fund's right to suspend redemptions in certain circumstances. Fund Units surrendered for redemption during the Notice Period will be redeemed on the second last business day of July of each year (the "**Annual Redemption Date**") and Unitholders will receive payment on or before the 15th day following the Annual Redemption Date. Redeeming Unitholders will receive a redemption price per Fund Unit equal to the net asset value ("**NAV**") per Fund Unit determined as of the Annual Redemption Date less any costs and expenses incurred by the Fund in order to fund such redemption. Fund Units are also redeemable monthly for a redemption price determined by reference to the trading price of the Fund Units.

13. Neither Fund Units nor Common Units issued by the Fund will be Index Participation Units within the meaning of National Instrument 81-102 – *Mutual Funds* ("**NI 81-102**").

Conversion of the Fund to an ETF

14. The Fund is structured such that commencing after six months following the closing of the Offering, if for a period of 10 consecutive trading days, the daily weighted average trading price (or, in the event there has been no trading on a particular day, the average of the closing bid and ask prices) of the Fund Units reflects a discount of greater than 2% of NAV per Fund Unit for that day, there will be an automatic conversion (a "Conversion") of the Fund to an open-ended exchange-traded fund ("ETF"). In the event of a Conversion, the Fund's investment objective, investment strategy and investment restrictions will remain the same. After a Conversion, the Fund will be generally described as an ETF and would become a "mutual fund" under the Legislation and accordingly, would be subject to the provisions of NI 81-102.

15. At the time of a Conversion, the Fund will prepare and file a preliminary prospectus of the Fund relating to the proposed continuous distribution of Common Units issuable after Conversion and enter into the necessary designated broker and underwriting agreements in connection with such offerings. The Fund will not commence continuous distribution of the Common Units at least until the final prospectus in respect of such distribution has been receipted.

16. In the event of the Conversion of the Fund to an ETF, annual redemptions will no longer be available and Unitholders will be able to exchange and redeem their Common Units daily. After Conversion, on any trading day, Unitholders may exchange the Prescribed Number of Common Units (or an integral multiple thereof) for baskets of physical silver bullion and cash. Also after Conversion, on any trading day, Unitholders may redeem Common Units of the Fund for cash at a redemption price per Common Unit equal to 95% of the closing price for the Common Units on the Exchange on the effective day of the redemption.

The Fund's Bullion Custody Arrangements

17. All of the Fund's physical silver bullion will be held on an allocated basis by the Bank of Nova Scotia, a Canadian Schedule I chartered bank (the "**Custodian**") or an affiliate or a division thereof, or a sub-custodian. The Custodian will act through its ScotiaMocatta division, which is a division of the Custodian that specializes in precious metals trading, financing and physical metal distribution, as well as the provision of custodial services relating thereto. The Custodian has advised the Fund that due to physical storage capacity constraints, having regard to the amount of silver bullion which the Fund anticipates acquiring in connection with the Offering, as well as in contemplation of the exercise of any Warrants (silver requires approximately sixty times the storage space of the equivalent dollar amount of gold), the Fund will be required to store and hold the physical silver bullion in the vault facilities of

the Custodian or an affiliate or a division thereof or a sub-custodian, in Canada, London, and New York. The custody arrangements between the Fund and the Custodian will be governed by the terms of a custodian agreement (the "**Custodian Agreement**").

18. As a result of the foregoing, the Custodian has advised the Fund that, in order to accommodate the objectives of the Fund, the Custodian will be required to use the services of sub-custodians. The Custodian has advised the Fund that it proposes to use The Brinks Company ("**Brinks**"), a public company listed on the NYSE (acting through a subsidiary) and Via Mat International Ltd. ("**Via Mat**") as sub-custodians for the silver bullion of the Fund held in Canada, London and New York.

19. Brinks and Via Mat are leading providers of secure logistics for valuables, including diamonds, jewellery, precious metals, securities, currency and secure data, serving banks, retailers, governments, mines, refiners, metal traders, diamantaires. Brinks and Via Mat are also authorized depositories for NYMEX/COMEX or have vault facilities that are accepted as warehouses for the London Bullion Market Association.

20. The number of entities in Canada which are eligible to act as sub-custodians for the physical storage of silver bullion is limited. Of these eligible entities, some already have exclusive relationships with other investment funds for storage purposes who have first right to any additional capacity whereas others simply do not have the excess capacity needed to store the amount of physical silver bullion contemplated by the Offering and have advised that they would be required to secure additional space through the vaulting facilities of Brinks and/or Via Mat or such other equivalent service provider. These capacity constraints have been intensified due to the relatively recent run-up in demand for physical commodities and the corresponding need to arrange for safe-keeping.

21. In all instances, the relationship between the Custodian and either Brinks or Via Mat is primarily one whereby the Custodian is sub-contracting the vault facilities of these service providers for the purposes of storing physical silver bullion. The Custodian remains responsible for (i) ensuring that adequate safeguards are in place, including satisfactory insurance arrangements and (ii) indemnifying the Fund for any losses that may occur in connection with any material that is stored at such facilities.

22. The Fund, the Manager and the Custodian believe that both Brinks and Via Mat are appropriate sub-custodians for the silver bullion held in the Portfolio of the Fund. The activities of Brinks and Via Mat will be limited to holding the silver bullion of the Fund and the Custodian will be responsible for all cash holdings.

23. Pursuant to the Custodian Agreement, in carrying out its duties, the Custodian is required to exercise: (i) the degree of care, diligence and skill that a reasonably prudent custodian of property would exercise in the circumstances; or (ii) at least the same degree of care which it gives to its own property of a similar kind under its custody, if this is a higher degree of care than in paragraph (i) above.

24. Prior to using the custody services of any sub-custodians, and periodically after engaging those services, the Custodian engages in a review of the facilities, procedures, records and creditworthiness of each sub-custodian. The Fund will not have the ability to engage in these services and relies upon the Custodian, who is in the business of precious metals storage, to satisfy itself as to the appropriateness of the use of any potential sub-custodian.

25. All silver bullion purchased by the Fund will be certified by the relevant vendor as either "LBMA Good Delivery" or "COMEX Good Delivery".

26. The Fund does not insure its silver. Allocated silver bullion owned by the Fund is stored in the vaults of the Custodian or an affiliate or a division or a sub-custodian thereof once it is delivered to the Custodian and/or the sub-custodian. The Custodian and/or sub-custodian maintain insurance as the Custodian and/or sub-custodian deems appropriate against all risks of physical loss or damage except the risk of war, nuclear incident, terrorism events or government confiscation. The Custodian and/or sub-custodian maintains insurance with regard to its business on such terms and conditions as it considers appropriate. The Fund is not a beneficiary of any such insurance and does not have the ability to dictate the existence, nature or amount of coverage.

27. The Custodian is one of the largest providers of precious metals trading and custodial services in the world. The Manager has determined that the Custodian would be the appropriate choice to provide custodial services to the Fund. The following are some of the factors which the Manager considered in making this determination:

    (a) The Custodian is experienced in providing silver storage and custodial services;

    (b) The Custodian is familiar with the unique requirements of ETFs as they relate to the physical handling and storage of

silver bullion required in connection with the creation and redemption of Units. This is an important consideration in the event of a Conversion;

(c) The Custodian shall indemnify the Fund in respect of all direct loss, damage or expense arising out of any negligence, wilful misconduct, fraud or lack of good faith by the Custodian or any sub-custodian or sub-sub-custodian; and

(d) The Custodian Agreement shall provide that the Custodian shall not cancel its insurance except upon 30 days prior written notice to the Manager.

28. The Custodian shall arrange for insurance coverage on the facilities and the contents therein in which the Custodian will store physical silver bullion on behalf of the Fund and other clients of the Custodian. The Manager has discussed the level of insurance coverage obtained by the Custodian and believes that the level of insurance will be sufficient.

29. As the Custodian in the silver storage business, it is in the best position, using its business judgment, to determine and obtain the appropriate level of insurance that is required for the storage of silver bullion.

30. The Manager and the Fund believe that the Custodian will obtain and will provide adequate insurance and the Fund has disclosed in its final prospectus the details associated with that insurance arrangement.

31. The Custodian has also advised the Fund and the Manager that, pursuant to the terms of their existing relationship, each of Brinks and Via Mat have arranged for sufficient insurance coverage in respect of any material held by the Custodian through the facilities of these entities. The Manager has discussed with the Custodian the level of insurance coverage obtained by Brinks and Via Mat and the risks insured against by these sub-custodians and believes that the level of insurance will be sufficient.

32. The Fund's auditors will be present and will verify the physical count of all of the Fund's silver bullion held by the Custodian and/or any sub-custodian at least once every year. The Fund and its auditors will have the ability, with sufficient advance notice to the Custodian and any sub-custodians, to attend at the vaults of the Custodian or any sub-custodian to verify the silver bullion held by the Custodian or any sub-custodian on behalf of the Fund.

33. The Custodian Agreement provides that, in addition to any other rights of the Fund thereunder, the Custodian shall indemnify and hold harmless the Fund in respect of all direct loss, damage or expense arising out of any negligence, wilful misconduct, fraud or lack of good faith by the Custodian or any subcustodian or sub-subcustodian in respect of the services contemplated thereunder, provided however, that the liability for any loss, damage or expense to which the above indemnity would apply shall be limited to losses, damages or expenses as follows:

(a) in the case of the loss of silver bullion or any other property of the Fund, such silver bullion or other property shall be replaced where commercially practicable and reasonably feasible; provided, however, that, in the context of silver bullion, the replacement silver which is to be provided by the Custodian shall be of the same fineness and shall be in the same form as the allocated silver actually delivered and then held by the Custodian at the time of the incurrence of the relevant loss (and, in such respect, the Custodian's opinion shall be determinative as to such fineness and form);

(b) where replacement of such silver bullion or other property is not commercially practicable and reasonably feasible, the Fund shall be paid the market value of such silver bullion based upon fineness and the form of the allocated silver actually delivered and then held by the Custodian at the time of the incurrence of the relevant loss (and, in such respect, the Custodian's opinion shall be determinative as to such fineness and form) or other property at the time the loss is discovered; and

(c) in any other case, the amount of any interest or income to which the Fund is entitled, but which is not received by the Fund, shall be paid to it.

34. The Custodian Agreement provides that if the Fund suffers a loss as a result of any act or omission of a subcustodian, or of any other agent appointed by the Custodian (rather than appointed by the Manager) and if such loss is directly attributable to the failure of such agent to comply with its standard of care in the provision of any service to be provided by it under the Custodian Agreement, then the Custodian shall assume liability for such loss directly, and shall reimburse the Fund accordingly.

Arrangements From and After a Conversion

35. From and after a Conversion:

(a) Common Units may only be subscribed for or purchased directly from the Fund by Underwriters or Designated Brokers and orders may only be placed for Common Units in the Prescribed Number of Common Units (or an integral multiple thereof) on any day when there is a trading session on the Exchange. Under Designated Broker and Underwriter agreements, the Designated Brokers and Underwriters agree to offer Common Units for sale to the public only as permitted by applicable Canadian securities legislation, which requires a prospectus to be delivered to purchasers buying Common Units as part of a distribution. Therefore, first purchasers of Common Units in the distribution on the Exchange will receive a prospectus from the Designated Brokers and Underwriters.

(b) The Fund will appoint Designated Brokers to perform certain functions which include standing in the market with a bid and ask price for Common Units of the Fund for the purpose of maintaining liquidity for the Common Units.

(c) For each Prescribed Number of Common Units issued, a Designated Broker or Underwriter must deliver payment consisting of, in the Filer's discretion as manager of the Fund, (i) one basket of physical silver bullion (where a "basket of silver bullion" represents a preset amount of silver bullion that the Manager will determine and publish on its website following the close of business on each trading day) and cash in an amount sufficient so that the value of the physical silver bullion and the cash received is equal to the NAV of the Common Units next determined following the receipt of the subscription order; (ii) cash in an amount equal to the NAV of the Common Units next determined following the receipt of the subscription order; or (iii) a different combination of physical silver bullion than is represented by a basket of physical silver bullion and cash, as determined by the Manager, in an amount sufficient so that the value of the physical silver bullion and cash received is equal to the NAV of the Common Units next determined following the receipt of the subscription order.

(d) The net asset value per Common Unit of the Fund will be calculated and published daily and the investment portfolio of the Fund will be made available daily on the Filer's website.

(e) Upon notice given by the Filer from time to time and, in any event, not more than once quarterly, a Designated Broker will subscribe for Common Units in cash in an amount not to exceed 0.3% of the NAV of the Fund, or such other amount established by the Filer and disclosed in the prospectus of the Fund, next determined following delivery of the notice of subscription to that Designated Broker.

(f) Neither the Underwriters nor the Designated Brokers will receive any fees or commissions in connection with the issuance of Common Units to them. The Filer may, at its discretion, charge an administration fee on the issuance of Common Units to the Designated Brokers or Underwriters.

(g) Except as described in subparagraphs (a) through (e) above, Common Units may not be purchased directly from the Fund. Investors are generally expected to purchase Common Units through the facilities of the Exchange. However, Common Units may be issued directly to Unitholders upon the reinvestment of distributions of income or capital gains and in accordance with the distribution reinvestment plan of the Fund, as disclosed in the Fund's prospectus.

(h) Unitholders that wish to dispose of their Common Units may generally do so by selling their Common Units on the Exchange, through a registered broker or dealer, subject only to customary brokerage commissions. A Unitholder that holds a Prescribed Number of Common Units or an integral multiple thereof may exchange such Common Units for baskets of physical silver bullion and cash at an exchange price equal to the NAV per Common Unit on the effective day of the exchange request. Unitholders may also redeem their Common Units for cash at a redemption price equal to 95% of the closing price of the Common Units on the Exchange on the date of redemption.

(i) As manager, the Filer receives a fixed annual fee from the Fund. Such annual fee is calculated as a fixed percentage of the NAV of the Fund. As manager, the

Filer is responsible for all costs and expenses of the Fund except the management fee, any expenses related to the implementation and on-going operation of an independent review committee under National Instrument 81-107, brokerage expenses and commissions, silver settlement fees, income taxes and withholding taxes and extraordinary expenses.

(j) Unitholders will have the right to vote at a meeting of Unitholders in respect of the Fund in certain circumstances, including prior to any change in the investment objective of the Fund, any change to their voting rights and prior to any increase in the amount of fees payable by the Fund.

Decision

The principal regulator is satisfied that the decision meets the tests 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:

(a) The prospectus of the Fund contains disclosure regarding the unique risks associated with an investment in the Fund, including the risk that direct purchases of silver by the Fund may generate higher transaction and custody costs than other types of investments, which may impact the performance of the Fund;

(b) In respect of the relief granted from subsection 9.4(2), the acceptance of any physical silver bullion as payment for the issue price of Common Units is made in accordance with paragraph 9.4(2)(b);

(c) In respect of the relief granted from section 14.1, the Fund complies with applicable TSX requirements in setting the record date for payment of distributions;

(d) In respect of the relief granted from sections 6.1(2), 6.1(3)(b), 6.2 and 6.3, the Fund and the Custodian are limited to using The Brinks Company and Via Mat International Ltd. and their subsidiaries as sub-custodians for the silver bullion of the Fund which will be held only in Canada, London and New York; and

(e) In respect of the compliance reports to be prepared by the Custodian pursuant to sections 6.7(1)(b), 6.7(1)(c)(ii) and 6.7(2)(c), as such sections will not be applicable given the nature of the relief granted herein, the Custodian shall include a statement in such reports in respect of the completion of the Custodian's review process for the sub-custodian of the Fund and that the Custodian is of the view that such sub-custodians continue to be appropriate entities for the safekeeping of the Fund's silver bullion.

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

2.1.11 Motapa Diamonds Inc. – 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.

Ontario Statutes

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

July 28, 2009

McCullough O'Connor Irwin LLP
1100 - 888 Dunsmuir Street
Vancouver, BC V6C 3K4

Attention: Lesley Hobden

Dear Madam:

Re: Motapa Diamonds Inc. (the Applicant) - Application for a decision under the securities legislation of Alberta, Manitoba, Ontario and Québec (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 to be deemed to have ceased to be a reporting issuer in the Jurisdictions.

As the Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by 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 deemed to have ceased to be a reporting issuer and that the Applicant's status as a reporting issuer is revoked.

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

2.1.12 Mondrian Investment Partners Limited – MRRS Decision

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from self-dealing prohibition of the Act to allow in specie transfers between pooled funds and separately managed accounts – ss. 118(2)(b) and 121(2)(a)(ii) of Securities Act, R.S.O. 1990, c. S.5, as am.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 118(2)(b), 121(2)(a)(ii).

July 28, 2009

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
MONDRIAN INVESTMENT PARTNERS LIMITED
(the Filer)

MRRS DECISION DOCUMENT

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "Legislation") that the prohibitions contained in the Legislation that prohibits a portfolio manager from knowingly causing an investment portfolio managed by it to purchase or sell the securities of any issuer from or to the account of a responsible person, any associate of a responsible person or the portfolio manager (the "Self-Dealing Prohibition") shall not apply to effect certain transfers of securities between Separately Managed Accounts and the Funds ("In Specie Transfers"), all as defined below.

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

(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 , Alberta, Saskatchewan, New Brunswick, and Nova Scotia.

Interpretation

Terms defined in National Instrument 14-101 Definitions and MI 11-102 have the same meaning in this decision unless they are defined in this decision.

Representations

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

1. The Filer is a corporation organized under the laws of England and Wales. The Filer is registered in England with the Financial Services Authority and in the United States with the Securities and Exchange Commission. The Applicant is registered in Ontario as an international adviser, in Alberta as a portfolio manager and investment counsel (foreign) and in Manitoba as a securities adviser. The principal office of the Filer is 10 Gresham Street, London EC2V 7JD, United Kingdom.

2. The Filer currently acts as portfolio manager of certain institutional segregated accounts in Ontario and in a number of other Canadian provinces. The Filer provides discretionary portfolio management services to Canadian clients pursuant to investment management agreements between the clients and the Filer ("Managed Account Agreements").

3. The Filer also acts as the investment manager of Mondrian Emerging Markets Equity Fund and Mondrian International Small Cap Equity Fund (collectively, the "Existing Funds"). The Existing Funds, together with any other mutual or pooled funds established in the future for which the Filer is a portfolio manager from time to time, are collectively hereinafter referred to as the "Funds".

4. As the Filer is not a resident of Canada and Canadian institutional clients desired to have Canadian resident pooled funds available to them, Brockhouse Cooper Asset Management Inc. ("BCAM"), BCAM agreed with the Filer to act as the manager of the Existing Funds. Each of the Funds is or will be an open-end mutual fund trust established under the laws of the Province of Ontario. The Funds are not and will not be reporting issuers in any province or territory of Canada.

5. Based on the size of the assets of the clients and depending on the allocation of a client's assets to a particular asset class, the Filer may manage the client's assets either on a segregated account basis ("Separately Managed Accounts") or on a pooled basis.

6. Pursuant to its Managed Account Agreements with its clients, the Filer has full authority to provide its portfolio management services, including investing clients in mutual funds for which the Filer is the portfolio manager and for changing those funds as the Filer determines in accordance with the mandate of the clients. To the extent the Filer either currently does not have such authority or enters into an agreement with a new client, the Filer will obtain the prior specific written consent of the relevant Separately Managed Account client before it engages in any In Specie Transfers, as defined below, in connection with the purchase or redemption of units of the Funds for its Separately Managed Accounts.

7. Pursuant to its Managed Account Agreements with its clients, the Filer has full authority to provide its portfolio management services, including investing clients in mutual funds for which the Filer is the portfolio manager and for changing those funds as the Filer determines in accordance with the mandate of the clients. To the extent the Filer either currently does not have such authority or enters into an agreement with a new client, the Filer will obtain the prior specific written consent of the relevant Separately Managed Account client before it engages in any In Specie Transfers, as defined below, in connection with the purchase or redemption of units of the Funds for its Separately Managed Accounts.

8. The Filer may determine that, in lieu of holding securities in a Separately Managed Account, the clients would be better served to be invested in one or more of the Funds. As a result, the Filer desires to have such clients subscribe in kind for units of the relevant Funds, where appropriate. Further, future clients of the Filer may have an existing portfolio of securities when they retain the Filer such that the Filer may similarly desire to have the clients subscribe for the Funds in kind provided these securities are appropriate for the Fund.

9. In addition, due to portfolio changes for a client, the Filer may determine, in connection with a redemption, to redeem in kind certain portfolio securities held by a Fund. Alternatively, the client may determine to terminate its relationship with the Filer or to change its mandate and may request an in kind redemption of its units in a Fund.

10. To ensure that neither the Separately Managed Accounts nor a Fund incurs significant expenses related to the disposition and acquisition of portfolio securities in connection with the purchase or redemption of units of a Fund, the Filer proposes to facilitate such purchases and redemptions of Fund units by transfers in kind of portfolio securities between a Separately Managed Account and a Fund ("In Specie Transfers"). These transactions will either involve the payment of the purchase price for units of a Fund or the payment of the redemption price of units of a Fund by In Specie Transfers between the Separately Managed Account and the Funds.

11. Effecting such internal cross-trades of securities between the Separately Managed Accounts and the Funds will allow the Filer to manage each asset class more effectively and reduce transaction costs for the client and the Fund. For example, cross-trading reduces market impact costs, which can be detrimental to the clients and/or the Fund(s). Cross-trading also allows a portfolio manager to retain within its control institutional-size blocks of securities that otherwise would need to be broken and re-assembled. Such securities often are those that trade in lower volumes, with less frequency, and have larger bid-ask spreads.

12. The Filer will issue a statement of policies to clients setting out the relationship of the Funds to the Filer. In addition, clients specifically will consent to invest in the Funds either separately or pursuant to the terms of their Managed Account Agreements.

13. The only cost which will be incurred by a Fund or Separately Managed Account for an In Specie Transfer is a nominal administrative charge levied by the custodian of the Separately Managed Account or Fund in recording the trades (the "Custodial Charge") and the brokerage commissions or other costs, if any, necessary to effect any re-registration of the delivered securities required as a result of the local practices of any particular market (the "Re-registration Charge"). Re-registration Charges for In Specie Transfers are generally more cost-effective than the brokerage commissions or other costs necessary to effect purchases and redemptions of Fund units in cash between a Separately Managed Account and a Fund.

14. The Filer will value the securities under an In Specie Transfer using the same values to be used on that day to calculate the net asset value for the purpose of the purchase or sale of the portfolio securities and for the purpose of the issue price or redemption price of a unit of a Fund.

15. None of the securities which are the subject of In Specie Transfers are or will be securities of related issuers of the Filer.

16. Prior to executing an In Specie Transfer, it will be reviewed by the Filer's Board of Directors to ensure that the conditions of the exemptive relief are or will be met at the time of the transaction and to determine that the transaction represents the business judgment of the Filer acting in its discretionary capacity with respect to the Fund and the Separately Managed Account, uninfluenced by considerations other than the best interests of the Fund or the Separately Managed Account.

17. Since the Filer is the portfolio manager of the Separately Managed Accounts, it would be considered a "responsible person" within the meaning of subsection 118(1) of the Act with respect to such Separately Managed Accounts. Each of the Funds is an associate of the Filer within the meaning of paragraph (c) of the definition of "associate" contained in subsection 1(1) of the Act because the Filer and BCAM serve in a similar capacity to a trustee in respect of the Funds.

18. In the absence of the order, the Filer would be prohibited by the Self Dealing Prohibition from: (a) causing a Separately Managed Account to make In Specie Transfers of securities of any issuer to a Fund in payment of the purchase price for units of a Fund subscribed for by the Separately Managed Account; and (b) causing the Fund to make In Specie Transfers of securities of any issuer to a Separately Managed Account in payment of the redemption price for units of the Fund redeemed by a Separately Managed Account.

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 is that the Self-Dealing Prohibition shall not apply to the Filer in connection with the payment of the purchase price or redemption price of units of a Fund by In Specie Transfers between the Funds and the Separately Managed Accounts, provided that:

(a) in connection with the purchase of units of a Fund by a Separately Managed Account:

  (i) the Filer obtains the prior written consent of the client of the relevant Separately Managed Account before it engages in any In Specie Transfers;

  (ii) the Fund would at the time of payment be permitted to purchase those securities;

  (iii) the securities are acceptable to the Filer as portfolio manager of the Fund and consistent with the Fund's investment objectives;

  (iv) the value of the securities is at least equal to the issue price of the units of the Fund for which they are used as payment, valued as if the securities were portfolio assets of the Fund; and

  (v) the statement of portfolio transactions next prepared for the Separately Managed Account shall include a note describing the securities delivered to the Fund and the value assigned to such securities;

(b) in connection with the redemption of units of a Fund by a Separately Managed Account:

  (i) the Filer obtains the prior written consent of the client of the relevant Separately Managed Account to the payment of redemption proceeds in the form of an In Specie Transfer;

(ii) the securities are acceptable to the Filer as portfolio manager of the Separately Managed Account and consistent with the Separately Managed Account's investment objective;

(iii) the value of the securities is equal to the amount at which those securities were valued in calculating the net asset value per unit used to establish the redemption price;

(iv) the holder of the Separately Managed Account has not provided notice to terminate its Managed Account Agreement with the Filer; and

(v) the statement of portfolio transactions next prepared for the Separately Managed Account shall include a note describing the securities delivered to the Separately Managed Account and the value assigned to such securities;

(c) the Filer does not receive any compensation in respect of any sale or redemption of units of a Fund and, in respect of any delivery of securities further to an In Specie Transfer, the only charge paid by the Separately Managed Account or the Fund is the Custodial Charge and the Re-Registration.

“Lawrence E. Ritchie”
Vice-Chair
Ontario Securities Commission

“Mary G. Condon”
Commissioner
Ontario Securities Commission

2.1.13 Goodman & Company, Investment Counsel Ltd. and Dynamic Strategic Gold Class

Headnote

MP 11-102 and NP 11-203 – exemption granted from s. 2.3(e) of NI 81-102 to permit the Fund to invest up to 100% of its net assets in gold, and from s. 2.3(f) and (h) of NI 81-102 to permit the Fund to invest up to 5% of its net assets in each of silver, platinum and palladium.

Applicable Legislative Provisions

National Instrument NI 81-102 Mutual Funds, ss. 2.3(e), (f) and (h), 19.1.

July 13, 2009

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
GOODMAN & COMPANY,
INVESTMENT COUNSEL LTD.
(the Filer)

AND

DYNAMIC STRATEGIC GOLD CLASS
(the Fund)

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 of the principal regulator (the **Legislation**) for an exemption, pursuant to section 19.1 of National Instrument 81-102 Mutual Funds (**NI 81-102**) from (i) clause 2.3(e) of NI 81-102 to permit the Filer on behalf of the Fund to invest up to 100% of the net assets of the Fund, taken at the market value thereof at the time of investment, in gold and/or permitted gold certificates (as such term is defined in NI 81-102), and (ii) clauses 2.3(f) and (h) of NI 81-102 to permit the Filer on behalf of the Fund to invest up to 5% of the net assets of the Fund, taken at the market value thereof at the time of investment, in each of silver, platinum and palladium (or the equivalent in certificates or specified derivatives of which the underlying interest is silver, platinum or palladium) (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 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 British Columbia, Alberta, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, the Yukon Territory and Nunavut Territory, where applicable.

Interpretation

Terms defined in NI 81-102, 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 Filer:

The Fund

1. The Filer is a corporation incorporated under the laws of the Province of Ontario and holds a registration in the categories of "investment counsel" and "portfolio manager" in Ontario. The Filer also holds a registration in the categories of "investment counsel" and "portfolio manager", or equivalent in British Columbia, Alberta, Manitoba, Quebec, New Brunswick and Nova Scotia. The head office of the Filer is in Toronto, Ontario. The Filer will act as the manager and portfolio adviser for the Fund.

2. The Fund is an open-end mutual fund. The Fund is a class of the Dynamic Global Fund Corporation, a mutual fund corporation existing under the laws of the Province of Ontario.

3. Neither the Filer nor the Fund is in default of securities legislation in any province or territory of Canada.

4. A preliminary simplified prospectus in respect of the Fund was filed via SEDAR under project No. 1436548 on June 12, 2009. Once a final prospectus for the Fund is filed and receipt is obtained, the Fund will be a "reporting issuer" or equivalent in each Jurisdiction.

5. The investment objective of the Fund is to achieve long-term capital appreciation by investing primarily, directly or indirectly, in gold and/or securities of issuers engaged in the exploration, development or production of gold.

Bullion Held by the Fund

6. Pursuant to the amended and restated custodian agreement dated April 27, 2004 between the Filer and State Street Trust Company Canada (the "**Custodian**"), and the instrument of accession thereto to be entered into between the Filer and the Custodian prior to the filing of the final prospectus in respect of the Fund (the "**Custodian Agreement**"), the Custodian or the sub-custodian will be responsible for storage and handling of gold bullion for the Fund.

7. All bullion held by the Fund in bar form will be physically held in the vaults of the Custodian or the sub-custodian in a location in Canada.

8. The Fund's auditors will perform a physical count once every year of all bullion held by the Fund in bar form.

9. The Fund's bullion will be insured by the Custodian or the sub-custodian against all risk, including, but not limited to, the risk of loss, damage, destruction or misdelivery, and excepting only those risks for which insurance is not currently available, including, but not limited to, war, terrorist events, nuclear incident or government confiscations.

Investment in Gold

10. The Fund's investment strategies are specific and, as the name indicates, the Fund offers investors an opportunity to obtain exposure primarily to gold. To fulfill its investment objectives, the Fund requires the ability to invest primarily in gold and/or permitted gold certificates beyond the limits of NI 81-102.

11. The Filer believes that as the market in gold is highly liquid, there are no liquidity concerns with permitting the Fund to invest in gold bullion or permitted gold certificates beyond the limits of NI 81-102.

Investment in Silver, Platinum and Palladium

1. NI 81-102 allows mutual funds to purchase gold or permitted gold certificates up to 10% of the net assets of the mutual fund, taken at market value at the time of purchase, in its recognition that gold is a fairly liquid commodity. The Filer is requesting a similar investment flexibility in the form of exemptive relief that would permit it to make investments in three other precious metals: silver, platinum and palladium, although to a reduced limit, not exceeding 5% for each of silver, platinum and palladium based on the same rationale applied for gold and its liquidity.

2. The Filer believes that the markets in these precious metals are highly liquid, and there are no liquidity concerns with permitting the Fund to invest in these precious metals to a limit not exceeded, for each of them, 5% of the net assets of the mutual fund, taken at market value at the time of purchase.

3. The Filer intends to invest in precious metals, including silver, platinum and palladium, as part of its investment strategy as a precious metals fund. The Filer has advised that permitting the investments in silver, platinum, and palladium along with gold, will permit the portfolio manager of the Fund additional flexibility to increase gains for the Fund in certain market conditions, which may have otherwise caused the Fund to have significant cash positions and therefore deter from its ability to achieve its investment objective of providing long-term capital appreciation and value.

4. The Filer believes that the potential volatility or speculative nature of silver, platinum or palladium (or the equivalent in certificates or specific derivatives of which the underlying interest is silver, platinum or palladium) is no greater than that of gold or of equity securities of issuers in which the Fund invests and, in the portfolio context of the Fund, can provide additional diversification to the Fund.

5. As the investments in each of silver, platinum and palladium (or the equivalent in certificates or specified derivatives of which the underlying interest is silver, platinum or palladium) would be 5% or less of the net assets of the Fund, taken at the market value thereof at the time of investment, there would be no significant change in the risk profile of the Fund. The final prospectus will state that the Fund will invest in precious metals and the risks associated with such investments.

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, so long as:

(a) the final prospectus of the Fund will contain disclosure regarding the unique risks associated with an investment in the Fund including the risk that direct purchases of gold by the Fund may generate higher transaction and custody costs than other types of investments, which may impact the performance of the Fund;

(b) the investment strategy section in Part B of the final prospectus of the Fund will include disclosure to the effect that (i) the Fund may invest in precious metals when

deemed appropriate by the portfolio adviser and (ii) the Filer has received approval of the Canadian securities regulators to permit the Fund to invest up to 5% of its assets in each of silver, platinum and palladium (or the equivalent in certificates or specified derivatives of which the underlying interest is silver, platinum or palladium); and

(c) the risks section in Part B of the final prospectus of the Fund will include disclosure to the effect that (i) the unit value of the Fund will be affected by changes in the price of, among other things, the price of gold, silver, platinum and palladium; (ii) commodity prices can change as a result of supply and demand, speculation and government and regulatory activities; and (iii) gold, silver, platinum and palladium are also affected by international monetary and political factors, central bank activity and changes in interest rates and currency values.

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

2.1.14 Mackenzie Financial Corporation et al.

Headnote

National Policy 11-203 – Process for Exemptive Relief applications in Multiple Jurisdictions – Mutual funds granted relief from certain restrictions in National Instrument 81-102 Mutual Funds on securities lending transactions, including (i) the 50% limit on lending; (ii) the requirement to use the fund's custodian or sub-custodian as lending agent; and (iii) the requirement to hold the collateral during the course of the transaction – Mutual funds invest their assets in a basket of Canadian equity securities that are pledged to a Counterparty for performance of the funds' obligations under forward contracts giving the funds exposure to underlying interests – Mutual funds wanting to lend 100% of the basket of Canadian equity securities – not practical for custodian to act as securities lending agent as it does not have control over the Canadian equity securities – Counterparties must release its security interest in the Canadian equity securities in order to allow the funds to lend such securities, provided the funds grant the Counterparties a securities interest in the collateral held by the fund for the loaned securities

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.12(1)1, 2.12(1)2, 2.12(1)12, 2.12(3), 2.15(3), 2.16, 6.8(5), 19.1.

July 2, 2009

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

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

AND

MACKENZIE SENTINEL CANADIAN SHORT-TERM YIELD POOL
MACKENZIE SENTINEL U.S. SHORT-TERM YIELD POOL
SYMMETRY FIXED INCOME POOL
(the "Present Funds")

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 of the principal regulator (the "**Legislation**") for exemptive relief for the Present Funds, together with all other mutual funds now or in the future managed by the Filer in respect of which the representations set out below are applicable (collectively, the "**Funds**" and each a "**Fund**"), from the following provisions of National Instrument 81-102 *Mutual Funds* ("**NI 81-102**"):

1. subsection 2.12(1)1 of NI 81-102 to permit each Fund to enter into securities lending transactions that will not be administered in compliance with all the requirements of section 2.15 and 2.16 of NI 81-102;

2. subsection 2.12(1)2 of NI 81-102 to permit each Fund to enter into securities lending transactions that do not fully comply with all the requirements of section 2.12 of NI 81-102;

3. subsection 2.12(1)12 of NI 81-102 to permit each Fund to enter into securities lending transactions in which the aggregate market value of securities loaned by the Fund exceeds 50% of the total assets of the Fund;

4. subsection 2.12(3) of NI 81-102 to permit each Fund, during the term of a securities lending transaction, to not hold or to dispose of any non-cash collateral delivered to it as a collateral in the transaction;

5. section 2.15(3) of NI 81-102 to permit each Fund to appoint an agent, other than the custodian or sub-custodian of the Fund, as agent for administering the securities lending transactions entered into by the Fund (**Agent**);

6. section 2.16 of NI 81-102 to the extent this section contemplates that securities lending transactions be entered into through an agent appointed under section 2.15 of NI 81-102; and

7. section 6.8(5) of NI 81-102 to permit the collateral delivered to each Fund in connection with a securities lending transaction to not be held under the custodianship of the custodian or a sub-custodian of the Fund.

Paragraphs 1 through 7 are collectively referred to as the **Exemption Sought**.

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

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

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

Interpretation

Defined terms contained in NI 81-102, National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning in this decision unless they are defined in this decision.

Representations

This Decision is based on the following facts represented by the Filer on behalf of each Fund:

Facts

1. The Filer is a corporation amalgamated under the laws of Ontario and is registered as an advisor in the category of Investment Counsel and Portfolio Manager in Ontario and Alberta and in the category of Portfolio Manager in Manitoba. The Filer is also registered in Ontario as a dealer in the category of Limited Market Dealer, and is registered under the *Commodity Futures Act* (Ontario) in the category of Commodity Trading Manager. The Filer is the manager and portfolio advisor of each Fund. The Filer's head office is in Toronto, Ontario.

2. Each Fund is a mutual fund to which NI 81-102 applies. The securities of each Fund are qualified for distribution in each of the provinces and territories of Canada pursuant to a simplified prospectus and annual information form that has been prepared and filed in accordance with the securities legislation of Ontario. Each Fund is, accordingly, a reporting issuer in each of the provinces and territories of Canada.

3. The OSC is the principal regulator to review and grant the Exemption Sought as the head office of the Filer is in the Province of Ontario.

4. The Filer and the Funds are not in default of securities legislation in any province or territory of Canada.

5. Each Fund's investment objectives include seeking the provision of tax-efficient returns similar to those of a specific type of investment. Each Fund's investment objectives state that it may use specified derivatives to seek to provide these returns.

6. Each Fund pursues its investment objectives by means of specified derivatives. Generally, each Fund invests its assets in Canadian equity securities (an "**Equity Portfolio**"). The Equity Portfolio of a Fund is generally a static portfolio that is not actively managed except in limited circumstances. Each Fund also enters into one or more forward contracts (each, a "**Forward Contract**") with one or more financial institutions (each a "**Counterparty**") to effectively replace the economic return on its Equity Portfolio with the economic return on an underlying interest (such as another mutual fund, one or more indices, or a notional basket of different securities) to achieve the Fund's investment objectives.

7. Each Fund pledges its Equity Portfolio to its Counterparty (or the portion thereof that is subject to the relevant Forward Contract with that Counterparty) as collateral security for performance of the Fund's obligations under its Forward Contract with that Counterparty. The Equity Portfolio (or that portion thereof) is held by the Counterparty pursuant to that applicable Forward Contract.

8. The Filer proposes to engage in securities lending transactions on behalf of each Fund that may represent up to 100% of the net assets of that Fund, in order to earn additional returns for that Fund. The Filer proposes to arrange for the Equity Portfolio to be lent to one or more borrowers indirectly, through one or more Agents, other than the Funds' custodian or sub-custodian.

9. Each Agent shall be acceptable to the Fund and Counterparty and shall be either a Canadian financial institution (including a Counterparty) or an affiliate of a Canadian financial institution. It is not commercially practical for a Fund's custodian to act as Agent with respect to the Fund's securities lending transactions as the custodian will not have control over the Fund's Equity Portfolio for the reason set out in paragraph 7 above.

10. The Filer will ensure that any Agent through which a Fund lends securities maintains appropriate internal controls, procedures, and records for securities lending transactions as prescribed in subsection 2.16(2) of NI 81-102.

11. A Counterparty must release its security interest in the securities in the Equity Portfolio of a Fund in order to allow the Fund to lend such securities, but will generally only do so provided that the Fund grants the Counterparty a security interest in the collateral.

12. To facilitate the Counterparty's release of its security interest in the securities of the Equity Portfolio of a Fund, securities in the Equity Portfolio will be loaned only to borrowers that are acceptable to the Fund and the Counterparty, and that have an "approved credit rating" as defined in NI 81-102 or whose obligations are unconditionally guaranteed by persons or companies that have such a credit rating. A borrower may include an affiliate of the Counterparty.

13. The collateral received by a Fund in respect of a securities lending transaction, and in which the Counterparty will have a security interest, will be in the form of cash, qualified securities and/or other collateral permitted by NI 81-102, other than collateral described in subsection 2.12(1)6(d) or in paragraph (b) of the definition of "qualified security". The non-cash collateral will be held by the Agent in the name of the Counterparty and will not be reinvested in any other types of investment products.

14. The prospectus of each Fund discloses that the Fund may enter into securities lending transactions. Other than as set forth herein, any securities lending transactions on behalf of a Fund will be conducted in accordance with the provisions of NI 81-102.

Decision

The principal regulator is satisfied that the test contained in the Legislation that provides the principal regulator with the jurisdiction to make the decision has been met.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that:

(a) with respect to the exemption from subsection 2.12(1)12 of NI 81-102, each Fund enters into a Forward Contract with an applicable Counterparty and grants that Counterparty a security interest in the securities subject to that Forward Contract and, in connection with a securities lending transaction relative to those securities,

(i) receives the collateral that

(A) is prescribed by subsections 2.12(1)3 to 6 of NI 81-102 other than collateral described in subsection 2.12(1)6(d) or in paragraph (b) of the definition of "qualified security";

(B) is marked to market on each business day in accordance with subsection 2.12(1)7 of NI 81-102;

(ii) has the rights set forth in subsections 2.12(1)8, 2.12(1)9 and 2.12(1)11 of NI 81-102;

(iii) complies with subsection 2.12(1)10 of NI 81-102; and

(iv) lends its securities only to borrowers that are acceptable to the Fund and the Counterparty, and that have an approved credit rating (as defined in NI 81-102) or whose obligations to the Fund are fully and unconditionally guaranteed by persons or companies that have such a credit rating;

(b) with respect to the exemption from subsection 2.12(3) of NI 81-102, each Fund provides a security interest to the applicable Counterparty in the collateral delivered to it as collateral pursuant to a securities lending transaction as described in representation 11;

(c) with respect to the exemption from section 2.15 of NI 81-102:

(i) each Fund enters into a written agreement with an Agent that complies with each of the requirements set forth in subsection 2.15(4) of NI 81-102, except as set out herein;

(ii) the Agent administering the securities lending transaction of each Fund:

(A) is in compliance with the standard of care prescribed in subsection 2.15(5) of NI 81-102; and

(B) shall be acceptable to the Fund and Counterparty and shall be either a bank or trust company described in paragraph 1 or 2 of section 6.2 of NI 81-102 or the investment bank affiliate of such bank or trust company that is registered as an investment dealer or in an equivalent registration category;

(d) with respect to the exemption from section 2.16 of NI 81-102, the Filer and the Funds comply with the requirements of section 2.16 of NI 81-102 as if references to an "agent appointed under section 2.15" in that section are references to an "agent appointed by the manager"; and

(e) with respect to the exemption from subsection 6.8(5) of NI 81-102, each Fund:

(i) provides a security interest to the applicable Counterparty in the collateral delivered to it as collateral pursuant to a securities lending transaction as described in representation 11; and

(ii) the collateral delivered to the Fund pursuant to the securities lending transaction is held by the Agent, as described in representations 12 and 13.

"Darren McKall"
Assistant Manager, Investment Funds Branch
Ontario Securities Commission

2.1.15 H&R Finance Trust

Headnote

National Policy 11-203 *Process For Exemptive Relief Applications in Multiple Jurisdictions*– new finance trust issuer wants relief from the prospectus and dealer registration requirements in respect of certain trades and/or distributions in its units to security holders of a real estate investment trust issuer in accordance with the terms and conditions of a security previously issued by that real estate investment trust issuer – relief required as a result of a prior reorganization of real estate investment trust issuer following which units of the real estate investment trust issuer and units of the new finance trust issuer trade as stapled units – relief granted but conditional upon each unit of new finance trust issuer being stapled to a unit of the real estate investment trust issuer and trading together as a stapled unit - the first trade of any units of new finance trust issuer acquired under the exemptive relief will be a distribution under the legislation of the jurisdiction where the trade takes place unless specified conditions in National Instrument 45-102 *Resale of Securities* are satisfied.

Applicable Legislative Provisions

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

July 24, 2009

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
H&R FINANCE TRUST

DECISION

Background

The principal regulator in the Jurisdiction has received an application from H&R Finance Trust ("**H&R Finance**" or the "**Filer**") for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") that, pursuant to section 74(1) of the *Securities Act* (Ontario) and the equivalent legislation of the Canadian Jurisdictions (as defined below) other than Ontario, H&R Finance be exempted from the dealer registration and prospectus requirements in respect of a trade by H&R Finance of H&R Finance units to a security holder of H&R Real Estate Investment Trust (the "**REIT**") in accordance with the terms and conditions of a security previously issued by the REIT (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 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 each of British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Prince Edward Island, New Brunswick, Newfoundland and Labrador, Nova Scotia, Northwest Territories, Yukon Territory and Nunavut (collectively, together with Ontario, the "Canadian Jurisdictions").

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.

Representations

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

1. The head office of the Filer is located in Toronto, Ontario.

2. The Filer is not in default of securities legislation in any of the Canadian Jurisdictions.

3. On October 1, 2008 the REIT effected a plan of arrangement (the "**Plan of Arrangement**") pursuant to which, among other things, H&R Finance was established as an open-ended limited purpose unit trust governed by the laws of the Province of Ontario.

4. As contemplated in the Plan of Arrangement and as provided in the respective declarations of trust of the REIT and H&R Finance, each unit of the REIT is stapled to a unit of H&R Finance (and each unit of H&R Finance is stapled to a unit of the REIT), and a unit of the REIT, together with a unit of H&R Finance, trades as a "Stapled Unit" until there is an "Event of Uncoupling".

5. An Event of Uncoupling shall occur only: (a) in the event that unitholders of the REIT vote in favour of the uncoupling of units of H&R Finance and units of the REIT such that the two securities will trade separately; or (b) at the sole discretion of the trustees of H&R Finance, but only in the event of the bankruptcy, insolvency, winding-up or reorganization (under an applicable law relating to insolvency) of the REIT or H&R (U.S.) Holdings Inc. or the taking of corporate action by the REIT or H&R (U.S.) Holdings Inc. in furtherance of any such action or the admitting in writing by the REIT or H&R (U.S.) Holdings Inc. of its inability to pay its debts generally as they become due.

6. As part of the Plan of Arrangement, the REIT and H&R Finance entered into a support agreement (the "**Support Agreement**") which provided, among other things, for the co-ordination of the declaration and payment of all distributions so as to provide for simultaneous record dates and payment dates; for co-ordination so as to permit the REIT to perform its obligations pursuant to the REIT's Declaration of Trust, Unit Option Plan, Distribution Re-Investment Plan and Unitholder Rights Plan; for H&R Finance to take all such actions and do all such things as are necessary or desirable to enable and permit the REIT to perform its obligations arising under any security issued by the REIT (including securities convertible, exercisable or exchangeable into Stapled Units); for H&R Finance to take all such actions and do all such things as are necessary or desirable to enable the REIT to perform its obligations or exercise its rights under its convertible debentures; and for H&R Finance to take all such actions and do all such things as are necessary or desirable to issue H&R Finance units simultaneously (or as close to simultaneously as possible) with the issue of REIT units and to otherwise ensure at all times that each holder of a particular number of REIT units holds an equal number of H&R Finance units, including participating in and cooperating with any public or private distribution of Stapled Units by, among other things, executing prospectuses or other offering documents.

7. In the event that the REIT issues additional REIT units, pursuant to the Support Agreement, the REIT and H&R Finance will coordinate so as to ensure that each subscriber receives both REIT units and H&R Finance units, which shall trade together as Stapled Units. Prior to such event, the REIT shall provide notice to H&R Finance to cause H&R Finance to issue and deliver the requisite number of H&R Finance units to be received by and issued to, or to the order of, each subscriber as the REIT directs.

8. In consideration of the issuance and delivery of each such H&R Finance unit, the REIT (on behalf of the purchaser) or the purchaser, as the case may be, shall pay (or arrange for the payment of) a purchase price equal to the fair market value (as determined by H&R Finance in consultation with the REIT) of each such H&R Finance unit at the time of such issuance. The remainder of the subscription price for Stapled Units shall be allocated to the issuance of the REIT units by the REIT.

9. In August, 2008, the Filer was granted exemptive relief from the dealer registration and prospectus requirements in respect of trades of H&R Finance units to (i) REIT employees and (ii) stapled unitholders in connection with the exercise of rights pursuant to the REIT's unitholder rights plan.

10. From time to time, the REIT may wish to issue securities that are convertible, exercisable or exchangeable into Stapled Units.

11. The trade by the REIT of REIT units to a securityholder of the REIT in accordance with the terms of a security previously issued by the REIT, such as the convertible debentures, is exempt from the dealer registration and prospectus requirements pursuant to section 2.42 of National Instrument 45-106 *Prospectus and Registration Exemptions* ("**NI 45-106**").

12. The Exemption Sought is necessary as the trade of H&R Finance units to a securityholder of the REIT in accordance with the terms of a security previously issued by the REIT does not qualify for the exemption from the dealer registration and prospectus requirements in section 2.42 of NI 45-106.

13. Given that (i) each H&R Finance unit will be stapled to a unit of the REIT; (ii) only Stapled Units will trade on the Toronto Stock Exchange; and (iii) unitholders of H&R Finance will be one and the same as unitholders of the REIT, the Exemption Sought is necessary to allow the REIT the flexibility to offer convertible debentures and other exchangeable or convertible securities on equivalent terms as other issuers.

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 for so long as the units of the Filer are stapled to the REIT units and trade as Stapled Units, provided that the first trade of any units of the Filer acquired under this exemption is a distribution under the legislation of the jurisdiction where the trade takes place unless:

(a) the conditions in section 2.5 of National Instrument 45-102 *Resale of Securities* ("**NI 45-102**") are satisfied, if the units of the Filer were acquired in accordance with the terms and conditions of a security previously issued by the REIT under: (A) any of the circumstances listed in Appendix D of NI 45-102; or (B) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.5 of NI 45-102;

(b) the conditions in section 2.6 of NI 45-102 are satisfied, if the units of the Filer were acquired in accordance with the terms and conditions of a security previously issued by the REIT under: (A) any of the circumstances listed in Appendix E of NI 45-102; or (B) an exemption from the prospectus requirement that specifies that the first trade is subject to section 2.6 of NI 45-102;

(c) the following conditions are satisfied:

  (i) a receipt was obtained for a prospectus qualifying the distribution of the convertible security, exchangeable security or multiple convertible security issued by the REIT,

  (ii) the trade is not a control distribution, and

  (iii) H&R Finance is a reporting issuer at the time of the trade; or

(d) the following conditions are satisfied:

  (i) a securities exchange take-over bid circular or a securities exchange issuer bid circular relating to a distribution of the convertible security, exchangeable security or multiple convertible security issued by the REIT was filed by the offeror on SEDAR,

  (ii) the trade is not a control distribution,

  (iii) the offeror was a reporting issuer on the date the securities of the offeree issuer were first taken up under the take-over bid or issuer bid, and

  (iv) H&R Finance is a reporting issuer at the time of the trade.

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

"Paulette L. Kennedy"
Commissioner
Ontario Securities Commission

2.1.16 Golden Star Resources Ltd.

Headnote

NP 11-203 – decision exempting the Filer from the requirement in s. 3.1 of NI 52-107 that financial statements be prepared in accordance with Canadian GAAP for so long as the Filer prepares its financial statements in accordance with IFRS-IASB – for financial periods beginning on or after January 1, 2010 –Filer must provide specified disclosure regarding change to IFRS-IASB – if the Filer files interim financial statements prepared in accordance with Canadian GAAP in the year that the Filer adopts IFRS-IASB, those interim financial statements must be restated using IFRS-IASB – Filer wishes to change to IFRS-IASB to reduce the complexity of its financial statement preparation process

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, s. 3.1.

July 24, 2009

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
GOLDEN STAR RESOURCES LTD.
(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 of the principal regulator (the Legislation) exempting the Filer from the requirement in section 3.1 of National Instrument 52-107 – *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* (NI 52-107) that financial statements be prepared in accordance with Canadian generally accepted accounting principles (GAAP) for financial periods beginning on or after January 1, 2010 (the Exemption Sought), for so long as the Filer prepares its financial statements in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (IFRS-IASB).

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 British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the Passport Jurisdictions).

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.

Representations

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

1. The Filer is a corporation governed by the *Canada Business Corporations Act* pursuant to articles of arrangement dated May 15, 1992. The registered office of the Filer is located at Suite 3700, Toronto Dominion Bank Tower, 66 Wellington Street West, P.O. Box 20, Toronto, Ontario, M5K 1N6.

2. The Filer is a reporting issuer or the equivalent in the Jurisdiction and in each of the Passport Jurisdictions. The Filer is not, to its knowledge, in default of its reporting issuer obligations under the Legislation or the securities legislation of the Passport Jurisdictions. The Filer's common shares are listed on the Toronto Stock Exchange, the NYSE Amex Equities exchange and the Ghana Stock Exchange (GSE). The Filer is also a domestic registrant with the United States Securities and Exchange Commission (SEC). The Filer files disclosure documents with the Canadian securities regulatory authorities and with the SEC and GSE.

3. The Filer has selected the Ontario Securities Commission as its principal regulator as the registered office of the Filer is in Ontario and its common shares trade on the Toronto Stock Exchange. Accordingly, the Filer has the most significant connection in Canada with the Province of Ontario.

4. The Filer is an international gold mining and exploration company that currently is producing gold from its mines in Ghana, West Africa. The Filer also conducts gold exploration in West Africa and in South America.

5. The Filer is subject to a diverse set of financial reporting requirements. For example, the Filer

prepares its financial statements in accordance with Canadian generally accepted accounting principles (Canadian GAAP) with a reconciliation to US generally accepted accounting principles (US GAAP) and, as of January 1, 2009, Ghana requires the Filer to prepare financial statements in accordance with IFRS-IASB for Ghanaian disclosure purposes.

6. The Canadian Accounting Standards Board has confirmed that publicly accountable enterprises will be required to prepare their financial statements in accordance with IFRS-IASB for interim and annual financial statements relating to fiscal years beginning on or after January 1, 2011.

7. NI 52-107 sets out acceptable accounting principles for financial reporting under the Legislation by domestic issuers, foreign issuers, registrants and other market participants. Under NI 52-107, a domestic issuer must use Canadian GAAP with the exception that a registrant with the United States Securities and Exchange Commission may use US GAAP. Under NI 52-107, only foreign issuers may use IFRS-IASB.

8. In CSA Staff Notice 52-321 – *Early Adoption of International Financial Reporting Standards, Use of US GAAP and Reference to IFRS-IASB*, staff of the Canadian Securities Administrators recognized that some issuers may wish to prepare their financial statements in accordance with IFRS-IASB for periods beginning prior to January 1, 2011 and indicated that staff were prepared to recommend exemptive relief on a case by case basis to permit a domestic issuer to do so, despite section 3.1 of NI 52-107.

9. Subject to obtaining the Exemption Sought, the Filer intends to adopt IFRS-IASB effective January 1, 2010.

10. Over 90% of the Filer's total assets and almost 100% of its revenue is generated from operations that are located in Ghana. As of January 1, 2009, the Filer is required to prepare its Ghanaian subsidiaries' financial statements in accordance with IFRS-IASB under applicable Ghanaian law. The Filer believes that the adoption of IFRS-IASB will avoid potential confusion for the users of its financial statements because the reporting requirements of its regulators in Canada, the US and Ghana would be satisfied using one accounting standard, namely IFRS-IASB.

11. The Filer believes that its employees, board of directors, audit committee, auditors, investors and other market participants will be adequately prepared for the Filer's adoption of IFRS-IASB for periods beginning on or after January 1, 2010.

12. The Filer has considered the implications of adopting IFRS-IASB effective January 1, 2010 on its obligations under the Legislation and securities legislation of the Passport Jurisdictions including, but not limited to, those relating to CEO and CFO certifications, business acquisition reports, offering documents, and previously released material forward-looking information.

13. The Filer intends to comply with the guidance set out in CSA Staff Notice 52-320 – *Disclosure of Expected Changes in Accounting Policies Relating to Changeover to International Financial Reporting Standards* (CSA Staff Notice 52-320), to the extent that the periods referred to in the guidance have not already passed. In particular, in the Filer's management discussion and analysis prepared in respect of the interim period ending March 31, 2009, the Filer disclosed the known impacts of the transition to IFRS-IASB for such interim period and thereafter, the Filer plans to make a full quantitative disclosure of the impact of its transition to IFRS-IASB as soon as it is available, but at the latest in its management discussion and analysis to be prepared in respect of its fiscal year ended December 31, 2009.

14. The Filer has not previously prepared financial statements that contain an explicit and unreserved statement of compliance with IFRS-IASB.

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:

(a) provided that and only for so long as the Filer prepares its financial statements for financial periods beginning on or after January 1, 2010 in accordance with IFRS-IASB;

(b) provided that the Filer provides all of the communication as described and in the manner set out in paragraph 12;

(c) provided that if the Filer files interim financial statements prepared in accordance with Canadian GAAP in the year that the Filer adopts IFRS-IASB, upon the adoption of IFRS-IASB the Filer will restate any previous interim statements for the financial year in which it adopted IFRS-IASB that were originally prepared using Canadian GAAP; and

(d) provided that if the Filer files its first IFRS-IASB financial statements in an interim period, those interim financial statements will present all financial statements with equal prominence, including the opening statement of

financial position at the date of transition to IFRS-IASB.

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

2.1.17 Goodman & Company, Investment Counsel Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief in Multiple Jurisdictions – Relief granted from conflict of interest reporting requirements in subsections 117(1)(a), 117(1)(c) and 117(1)(d) of the Securities Act (Ontario) for transactions involving related parties of a mutual fund – mutual funds may use related dealer for portfolio transactions and may participate in offerings in which related dealer acts as underwriter – monthly reporting not required provided that similar disclosure is made in the management reports on fund performance for each mutual fund and that certain records of related party portfolio transactions are kept by the mutual funds.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 117(1)(a), 117(1)(c), 117(1)(d), 117(2).

July 27, 2009

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO AND NEWFOUNDLAND AND LABRADOR

AND

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

AND

IN THE MATTER OF
GOODMAN & COMPANY, INVESTMENT
COUNSEL LTD.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in Ontario has received an application from the Filer for a decision under the securities legislation in Ontario (the **Legislation**) exempting the Filer from the management company reporting requirements in the Legislation which require the Filer to:

(a) file a report of every transaction of purchase or sale of securities between a mutual fund and any related person or company;

(b) file a report of every transaction of purchase and sale effected by the mutual fund through any related person or company with respect to which the related person or company receives a fee either from the mutual fund or from the other party to the transaction or from both; and

(c) to file a report of every transaction, other than an arrangement relating to insider trading in portfolio securities, in which the mutual fund is a joint participant with one or more of its related persons or companies

((a), (b), and (c) are collectively, the **Mutual Fund Conflict of Interest Reporting Requirements**)

in respect of the funds listed in Appendix A hereto (the **Listed Funds**) (the **Passport Exemption**)

AND

The securities regulatory authority or regulator in each of Ontario and Newfoundland and Labrador (the **Jurisdictions**) (**Coordinated Exemptive Relief Decision Makers**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting the Filer from the Mutual Fund Conflict of Interest Reporting Requirements in respect of the Listed Funds (the **Coordinated Exemptive Relief**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions:

(a) the Ontario Securities 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 British Columbia, Alberta, Saskatchewan, Nova Scotia and New Brunswick,

(c) the decision is the decision of the principal regulator, and

(d) the decision evidences the decision of each Coordinated Exemptive Relief Decision Maker.

Interpretation

Terms defined in MI 11-102 and 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 incorporated under the laws of the Province of Ontario, and is registered in the categories of "investment counsel" and "portfolio manager" in Ontario. The Filer also holds a registration in the categories of "investment counsel" and "portfolio manager," or the equivalent, in British Columbia, Alberta, Manitoba, Quebec, New Brunswick, and Nova Scotia. The head office of the Filer is in Toronto, Ontario.

2. The Manager has entered into various management agreements with the Listed Funds pursuant to which the Filer provides investment management advice to the Listed Funds for valuable consideration. The Filer is the manager and portfolio adviser of the Listed Funds.

3. Based on the foregoing, the Filer is a "management company" as defined in the Act.

4. Both the Filer and Dundee Securities Corporation ("**DSC**") are wholly-owned subsidiaries of DWM Inc. Therefore, DSC is a related person or company of the Listed Funds as such term is defined in section 106 of the Act.

5. A Listed Fund is a "related person or company" in respect of another Listed Fund and in respect of other investment funds and managed accounts managed by the Manager, as such term is defined in section 106 of the Act.

6. Provided that pricing, service and other terms are comparable or less costly than those offered by other dealers, it is anticipated that portfolio transactions of the Listed Funds will be arranged through DSC.

7. Pursuant to exemptive relief dated August 24, 2007 which grants relief from the prohibition in subsection 4.1(1) of National Instrument 81-102 – *Mutual Funds* ("**NI 81-102**"), a Listed Fund may invest in a private placement offering of equity securities of a reporting issuer and/or acquire securities of the class subject to the offering in the market during the 60-day prohibition period (referred to in subsection 4.1(1) of NI 81-102) notwithstanding that DSC acts as an underwriter in connection with such private placement.

8. Pursuant to subsection 4.1(4) of NI 81-102, a Listed Fund may invest in a prospectus offering and/or acquire securities of the class subject to the offering in the market during the 60-day prohibition period (referred to in subsection 4.1(1) of NI 81-102) notwithstanding that DSC acts as an underwriter in connection with the offering.

9. Pursuant to subsection 6.1(4) of National Instrument 81-107 *Independent Review Committee for Investment Funds* and exemptive relief dated September 12, 2008 and September 19, 2008 which grant relief from the prohibitions in subsection 4.2(1) of NI 81-102 and subsection 118(2)(c) of the Act and subsection 115(6) of the Regulation to the Act, a Listed Fund may purchase securities from or sell securities to another investment fund or managed account managed by the Manager.

10. A Listed Fund may invest in one or more underlying mutual funds managed by the Manager

in accordance with section 2.5 of NI 81-102 and/or any applicable exemptive relief obtained.

11. National Instrument 81-106 – *Investment Fund Continuous Disclosure* ("**NI 81-106**") requires each Listed Fund to disclose in its interim and annual management reports of fund performance ("**MRFPs**") any transactions involving related persons or companies, including the identity of the related person or company, its relationship to the Listed Fund, the purpose of the transaction, the measurement basis used to determine the recorded amount and any ongoing commitments to the related party. A discussion of portfolio transactions with a related person or company in this report must include the dollar amount of commission, spread or any other fee paid that a Listed fund paid to any related person or company in connection with the transaction.

12. In the absence of the Passport Exemption and Coordinated Exemptive Relief, the Mutual Fund Conflict of Interest Reporting Requirements would require the Filer to file a report of any purchase or sale of securities by a Listed Fund that is effected through DSC or another related person or company, as well as a report of every transaction in which, by arrangement, a Listed Fund, with one or more of its related persons or companies, acts as a joint participant, within 30 days of the end of the month in which each transaction occurs. The report in each case, would have to disclose the issuer of the securities purchased or sold, the class or designation of the securities, the amount or number of securities, the consideration, the name of the related person or company receiving a fee, the name of the person or company that paid the fee to the related person or company and the amount of the fee received by the related person or company.

13. It is costly and time consuming for the Filer to provide the information required by the Mutual Fund Conflict of Interest Reporting Requirements, which is similar to information required by NI 81-106 to be disclosed in the MRFPs, on a monthly and segregated basis for each Listed Fund.

Decision

Each of the principal regulator and the Coordinated Exemptive Relief Decision Makers is satisfied that the decision meets the test set out in the Legislation for the relevant regulator or securities regulatory authority to make the decision.

The decision of the principal regulator under the Legislation and the decision of the Coordinated Exemptive Relief Decision Makers is that the Passport Exemption and the Coordinated Exemptive Relief are granted provided that:

(a) the annual and interim MRFP for each Listed Fund disclose

  (i) the name of the related person or company,

  (ii) the amount of fees paid to each related person or company, and

  (iii) the person or company who paid the fees, if they were not paid by the Listed Fund; and

(b) the records of portfolio transactions maintained by each Listed Fund include, separately, for every portfolio transaction effected by the Listed Fund through a related person or company,

  (i) the name of the related person or company,

  (ii) the amount of fees paid to the related person or company, and

  (iii) person or company who paid the fees.

Mary G. Condon
Commissioner

Paulette L. Kennedy
Commissioner

APPENDIX A

Listed Funds

Dynamic Focus+ Funds

Dynamic Focus+ Balanced Fund
Dynamic Focus+ Diversified Income Fund
Dynamic Focus+ Energy Income Trust Fund
Dynamic Focus+ Equity Fund
Dynamic Focus+ Real Estate Fund
Dynamic Focus+ Resource Fund
Dynamic Focus+ Small Business Fund
Dynamic Focus+ Wealth Management Fund

Dynamic Income Funds

Dynamic Advantage Bond Fund
Dynamic Canadian Bond Fund
Dynamic Dividend Fund
Dynamic Dividend Income Fund
Dynamic Dollar-Cost Averaging Fund
Dynamic High Yield Bond Fund
Dynamic Money Market Fund
Dynamic Real Return Bond Fund
Dynamic Strategic Yield Fund

Dynamic Power Funds

Dynamic Power American Currency Neutral Fund
Dynamic Power American Growth Fund
Dynamic Power Balanced Fund
Dynamic Power Canadian Growth Fund
Dynamic Power Small Cap Fund

Dynamic Specialty Funds

Dynamic Diversified Real Asset Fund
Dynamic Global Infrastructure Fund
Dynamic Precious Metals Fund

Dynamic Strategic Portfolios

Dynamic Strategic All Income Portfolio
Dynamic Strategic Growth Portfolio

Dynamic Value Funds

Dynamic American Value Fund
Dynamic Canadian Dividend Fund
Dynamic Dividend Value Fund
Dynamic European Value Fund
Dynamic Far East Value Fund
Dynamic Global Discovery Fund
Dynamic Global Dividend Value Fund
Dynamic Global Value Balanced Fund
Dynamic Global Value Fund
Dynamic Value Balanced Fund
Dynamic Value Fund of Canada

Dynamic Corporate Classes
(of Dynamic Global Fund Corporation)

Dynamic Advantage Bond Class
Dynamic Canadian Dividend Class
Dynamic Canadian Value Class
Dynamic Dividend Income Class
Dynamic EAFE Value Class
Dynamic Global Discovery Class
Dynamic Global Dividend Value Class
Dynamic Global Energy Class
Dynamic Global Value Class
Dynamic Money Market Class
Dynamic Power American Growth Class
Dynamic Power Canadian Growth Class
Dynamic Power Global Growth Class
Dynamic Value Balanced Class
Dynamic Power Global Balanced Class
Dynamic Power Global Navigator Class
Dynamic Power Balanced Class

DMP Classes
(of Dynamic Managed Portfolios Ltd.)

DMP Canadian Dividend Class
DMP Canadian Value Class
DMP Global Value Class
DMP Power Canadian Growth Class
DMP Power Global Growth Class
DMP Resource Class
DMP Value Balanced Class

DynamicEdge Portfolios

DynamicEdge Balanced Portfolio
DynamicEdge Balanced Growth Portfolio
DynamicEdge Growth Portfolio
DynamicEdge Equity Portfolio
DynamicEdge Balanced Class Portfolio
DynamicEdge Balanced Growth Class Portfolio
DynamicEdge Growth Class Portfolio
DynamicEdge Equity Class Portfolio

Dynamic Aurion Funds

Dynamic Aurion Tactical Balanced Class
Dynamic Aurion Canadian Equity Class

Marquis Investment Program

Marquis Institutional Solutions:
Marquis Institutional Balanced Portfolio
Marquis Institutional Balanced Growth Portfolio
Marquis Institutional Growth Portfolio
Marquis Institutional Equity Portfolio
Marquis Institutional Canadian Equity Portfolio
Marquis Institutional Global Equity Portfolio
Marquis Institutional Bond Portfolio
Marquis Portfolio Solutions:
Marquis Balanced Portfolio
Marquis Balanced Growth Portfolio
Marquis Growth Portfolio
Marquis Equity Portfolio
Marquis Balanced Income Portfolio

Dynamic Labour Sponsored Fund

Dynamic Venture Opportunities Fund Ltd

2.2 Orders

2.2.1 HSBC Securities (Canada) Inc. et al. – s. 147 of the Act and s. 6.1 of OSC Rule 13-502 Fees

Headnote

Relief from section 6.5 of OSC Rule 45-501 Ontario Prospectus Exemptions – Relief granted from s. 6.5 for forward-looking information in offering memoranda provided to accredited investors in connection with private placements by foreign issuer – such private placements are generally small part of larger distributions of securities by foreign issuers outside Canada pursuant to foreign offering documents - relief subject to conditions – Relief also granted from section 4.1 of OSC Rule 13-502 Fees.

Applicable Legislative Provisions

Securities Act (Ontario), s. 147.
OSC Rule 13-502 Fees, s. 4.1.
OSC Rule 45-501 Ontario Prospectus Exemptions, s. 6.5.

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

AND

IN THE MATTER OF
HSBC SECURITIES (CANADA) INC.,
HSBC SECURITIES (USA) INC.

AND

HSBC GLOBAL ASSET MANAGEMENT (CANADA) LIMITED

ORDER
(Section 147 of the Act
and
Section 6.1 of Rule 13-502 Fees)

WHEREAS effective December 31, 2007 Ontario Securities Commission Rule 45-501 – *Ontario Prospectus Exemptions* ("**Rule 45-501**") was amended to, among other things, require that an offering memorandum used in Ontario which contains forward-looking information comply with certain new provisions of National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**");

AND UPON the application (the "**Application**") of HSBC Securities (Canada) Inc. and its affiliated dealers listed in Schedule "A" attached hereto (each an "**Applicant**"; collectively, the "**Applicants**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to Section 147 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") to provide that Section 6.5 of Rule 45-501 shall not be applicable to an offering memorandum of a non-Canadian issuer that is not a reporting issuer in Ontario (each, a "**Foreign Issuer**") provided to a prospective purchaser in Ontario by the Applicants.

AND UPON the Application of the Applicants to the Director for an exemption pursuant to Section 6.1 of OSC Rule 13-502 – *Fees* ("Rule 13-502") to provide that Section 4.1 of Rule 13-502 shall not be applicable to the Applicants;

AND UPON the Applicants having represented to the Commission that:

1. Each of the Applicants is incorporated or otherwise organized by under the laws of the jurisdiction shown opposite its name in Appendix "A" hereto.

2. Each of the Applicants is registered with the OSC as a dealer in the category shown opposite its name in Appendix "A" hereto.

3. The Applicants offer and sell securities of Foreign Issuers on a private placement basis to purchasers in Ontario relying on the "accredited investor" prospectus exemption under Section 2.3 of National Instrument 45-106 – *Prospectus and Registration Exemptions*.

4. The offerings by private placement of securities of a Foreign Issuer (each, a "**Foreign Issuer Private Placement**") in Ontario are part of a distribution of securities of a Foreign Issuer offered primarily outside of Canada pursuant to a prospectus, offering memorandum or other offering document (each, a "**Foreign Offering Document**") prepared in accordance with the requirements of the United States or other non-Canadian jurisdictions.

5. In a Foreign Issuer Private Placement, a Foreign Offering Document is generally accompanied by a "wrapper" or is otherwise supplemented with disclosure prescribed by Ontario securities law and with disclosure of certain additional information for the benefit of Ontario investors and provided by the Applicants to Ontario prospective purchasers as a Foreign Issuer's offering memorandum within the meaning of Section 1(1) of the Act.

6. In a Foreign Issuer Private Placement, a Foreign Issuer that intends to rely on the civil liability safe harbour with respect to forward-looking statements provided by Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or Section 27A of the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), will generally include in its Foreign Offering Document disclosure with respect to "forward-looking statements" within the meaning of Section 21E of the Exchange Act and Section 27A of the U.S. Securities Act to enable the Foreign Issuer to rely on the civil liability safe harbour provided with respect to forward-looking statements.

7. Other Foreign Issuers conducting a Foreign Issuer Private Placement that include forward-looking information in their Foreign Offering Document will generally include disclosure of related material risk factors potentially affecting the forward looking information.

8. The disclosure with respect to forward-looking information contained in a Foreign Offering Document used in a Foreign Issuer Private Placement in Ontario will not necessarily include all of the disclosure prescribed for offering memoranda by section 6.5 of Rule 45-501.

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

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

IT IS ORDERED, pursuant to section 147 of the Act, that offering memoranda delivered by or on behalf of the Applicants to prospective purchasers that are accredited investors in connection with Foreign Issuer Private Placements shall not be subject to Section 6.5 of Rule 45-501, provided that a Foreign Offering Document contains or is accompanied by either:

(a) the disclosure required in order for an issuer to rely on the safe harbour provided by Section 21E of the Exchange Act or by Section 27A of the U.S. Securities Act with respect to forward looking information, whether or not such safe harbour is applicable; or

(b) a statement that "This offering is being made by a non-Canadian issuer using disclosure documents prepared in accordance with non-Canadian securities laws. Prospective purchasers should be aware that these requirements may differ significantly from those of Ontario. The forward looking information included or incorporated by reference herein may not be accompanied by the disclosure and explanations that would be required of a Canadian issuer under Ontario securities law."

DATED at Toronto, this 22nd day of July, 2009.

“Carol S. Perry”
Commissioner

“Mary Condon”
Commissioner

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

IT IS ORDERED, pursuant to Section 6.1 of Rule 13-502, that the Application shall not be subject to Section 4.1 of Rule 13-502.

DATED at Toronto, this 22nd day of July, 2009.

“Michael Brown”
Assistant Manager, Corporate Finance

Appendix "A"

List of Applicants

APPLICANT	AFFILIATED APPLICANT DEALERS	JURISDICTION	OSC REGISTRATION
HSBC Securities (Canada) Inc.		Ontario	Broker & Investment Dealer
	HSBC Securities (USA) Inc.	Delaware	International Dealer
	HSBC Global Asset Management (Canada) Limited	British Columbia	Limited Market Dealer, Investment Counsel & Portfolio Manager

2.2.2 Teodosio Vincent Pangia

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

AND

IN THE MATTER OF
TEODOSIO VINCENT PANGIA

ORDER

WHEREAS on May 29, 2009, the Commission issued a Notice of Hearing and Amended Statement of Allegations in this matter;

AND WHEREAS on June 1, 2009, this matter was adjourned to July 23, 2009;

AND WHEREAS on July 23, 2009, a hearing was held in this matter;

AND UPON HEARING submissions from counsel for Staff of the Commission and from counsel for Teodosio Vincent Pangia;

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

IT IS ORDERED THAT this matter is adjourned until September 1, 2009 at 2:30pm, or such other time as the Secretary's office may advise.

DATED at Toronto this 23rd day of July, 2009.

"Lawrence E. Ritchie"

2.2.3 Hillcorp International Services et al. – ss. 127(1), 127(5)

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

AND

IN THE MATTER OF
HILLCORP INTERNATIONAL SERVICES,
HILLCORP WEALTH MANAGEMENT,
1621852 ONTARIO LIMITED,
STEVEN JOHN HILL, JOHN C. MCARTHUR,
DARYL RENNEBERG AND DANNY DE MELO

TEMPORARY ORDER
Sections 127(1) & 127(5)

WHEREAS it appears to the Ontario Securities Commission (the "Commission") that:

1. 1621852 Ontario Limited ("162 Limited") is a corporation registered in the Province of Ontario;

2. Hillcorp International Services ("Hillcorp International") is a registered business name assigned to 162 Limited;

3. Hillcorp Wealth Management ("Hillcorp Wealth") represents itself as a division of Hillcorp International;

4. 162 Limited, Hillcorp International and Hillcorp Wealth (together, the "Corporate Respondents") are not registered with the Commission in any capacity;

5. Steven John Hill ("Hill") is the sole director of 162 Limited;

6. John C. McArthur ("McArthur") has identified himself as the "Vice President, International Wealth Management" of Hillcorp Wealth;

7. Daryl Renneberg ("Renneberg") has been identified as a representative of Hillcorp International;

8. Danny De Melo ("De Melo") has identified himself as the "Senior Investment Advisor (C.F.O.)" of Hillcorp Wealth;

9. Hill, McArthur, Renneberg and De Melo (together, the "Individual Respondents") are not registered with the Commission in any capacity;

10. the Individual Respondents have been soliciting investors to provide funds to the Corporate Respondents for investment;

11. Ontario investors have, in fact, provided funds to the Corporate Respondents for investment;

12. Staff of the Commission are conducting an investigation into the activities of the Corporate Respondents;

13. The Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest; and

14. The Commission is of the opinion that it is in the public interest to make this order;

AND WHEREAS by Commission order made June 24, 2009 pursuant to section 3.5(3) of the *Securities Act*, R.S.O. 1990 c S.5, as amended (the "Act") any one of W. David Wilson, James E.A. Turner, Lawrence E. Ritchie, David L. Knight, Carol S. Perry and Patrick J. LeSage acting alone, is authorized to make orders under section 127 of the Act;

IT IS ORDERED pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in any securities by 162 Limited, Hillcorp International, Hillcorp Wealth or their agents or employees shall cease;

IT IS FURTHER ORDERED pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in any securities by Hill, McArthur, Renneberg and De Melo shall cease;

IT IS FURTHER ORDERED pursuant to clause 3 of subsection 127(1) and subsection 127(5) of the Act that the exemptions contained in Ontario securities law do not apply to 162 Limited, Hillcorp International and Hillcorp Wealth or their agents or employees;

IT IS FURTHER ORDERED pursuant to clause 3 of subsection 127(1) and subsection 127(5) of the Act that the exemptions contained in Ontario securities law do not apply to Hill, McArthur, Renneberg and De Melo; and

IT IS FURTHER ORDERED pursuant to subsection 127(6) of the Act that this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission.

Dated at Toronto this 21st day of July, 2009

"W. David Wilson"

2.2.4 ABN AMRO Asset Management Canada Limited – s. 147

Headnote

The applicant was granted relief pursuant to section 147 of the Act, that it is exempted from the requirements of section 113(5) of the Regulation so that the records may be maintained outside of Ontario. The relief is conditional on the applicant making the records, including electronic copies of the records, readily accessible in Ontario, and the applicant producing the physical copy of the records for the Commission within a reasonable time, if requested.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 147.
R.R.O. 1990, Regulation 1015, am. to O. Reg. 500/06, s. 113.

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

AND

IN THE MATTER OF
ABN AMRO ASSET MANAGEMENT
CANADA LIMITED
(THE CORPORATION)

ORDER
(Section 147 of the Act)

UPON the application (the **Application**) of the Corporation to the Ontario Securities Commission (the **Commission**) for an order, pursuant to section 147 of the Act, exempting the Corporation from the requirements of section 113(5) of Ontario Regulation 1015 made under the Act (the **Regulation**), to allow the Corporation to maintain certain corporate records outside of Ontario, provided certain conditions are met;

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

AND WHEREAS the Corporation has represented to the Commission that:

1. The Corporation is a corporation incorporated under the laws of Canada. It is registered as an adviser, commodity trading manager and limited market dealer in Ontario and as an adviser in British Columbia, Alberta, Québec and New Brunswick. The Corporation's head office is located at 79 Wellington Street West, Suite 1500, Toronto, Ontario.

2. The Corporation is responsible for complying with its obligations as a registrant under the Act, including the requirement in subsection 113(5) of

the Regulation to maintain all of its books and records in Ontario.

3. The Corporation, which was formerly part of ABN AMRO, is now owned by Fortis Investment Management SA. (**Fortis**). The Corporation wants to transfer the performance of its finance function to, and accordingly maintain certain of its corporate records with, an affiliate in Boston, MA (the **Record**s). All client and custody records of the Corporation will remain in Ontario.

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

IT IS ORDERED, pursuant to section 147 of the Act, that the Corporation is exempted from the requirements of section 113(5) of the Regulation so that the Records may be maintained outside of Ontario, provided that the Corporation will

(i) make the Records, including electronic copies of the Records, readily accessible in Ontario; and

(ii) produce the physical copy of the Records for the Commission within a reasonable time, if requested.

August 19, 2008

"David L. Knight"
Commissioner

"Kevin J. Kelly"
Commissioner

2.2.5 W.J.N. Holdings Inc. et al.

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

AND

IN THE MATTER OF
W.J.N. HOLDINGS INC., MSI CANADA INC.,
360 DEGREE FINANCIAL SERVICES INC.,
DOMINION INVESTMENTS CLUB INC.,
LEVERAGEPRO INC.,
PROSPOREX INVESTMENT CLUB INC.,
PROSPOREX INVESTMENTS INC.,
PROSPOREX LTD., PROSPOREX INC.,
NETWORTH FINANCIAL GROUP INC.,
NETWORTH MARKETING SOLUTIONS,
DOMINION ROYAL CREDIT UNION,
DOMINION ROYAL FINANCIAL INC.,
WILTON JOHN NEALE, EZRA DOUSE,
ALBERT JAMES, ELNONIETH "NONI" JAMES,
DAVID WHITELY, CARLTON IVANHOE LEWIS,
MARK ANTHONY SCOTT, SEDWICK HILL,
TRUDY HUYNH, DORLAN FRANCIS,
VINCENT ARTHUR, CHRISTIAN YEBOAH,
AZUCENA GARCIA, AND ANGELA CURRY

ORDER

WHEREAS on March 11, 2009 the Ontario Securities Commission (the "Commission") made a temporary order, pursuant to subsections 127(1) and (5) of the Act, that all trading in securities of the respondents MSI Canada Inc., Prosporex Investment Club Inc. and Dominion Investment Club Inc. shall cease and that trading in any securities by all of the respondents shall cease and that any exemptions contained in Ontario securities law do not apply to the respondents (the "Temporary Order").

WHEREAS on March 24, 2009 the Commission made an order to extend the Temporary Order to July 24, 2009, with an exception permitting Sedwick Hill ("Hill") to sell mutual funds in accordance with his license solely for the purpose of working at Keybase Financial Group Inc.;

AND WHEREAS, on July 23, 2009 the Commission made an order to extend the Temporary Order to November 25, 2009;

AND WHEREAS Staff filed a motion with the Commission dated July 15, 2009, seeking the removal of the exception for Hill made by the Commission's order dated March 24, 2009;

AND WHEREAS a hearing was held on July 23, 2009 to consider the motion ("Staff's motion"), and Staff and Hill appeared before the Commission and made submissions;

AND WHEREAS Hill was not represented by counsel, and made submissions on his own behalf;

AND WHEREAS the requested relief would have an impact on Hill's current employment;

AND WHEREAS Hill seeks an adjournment of the motion hearing, because he has had insufficient time to review Staff's materials and prepare his argument;

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

AND WHEREAS by Commission Order made June 24, 2009, pursuant to subsection 3.5(3) of the Act, each of W. David Wilson, James E. A. Turner, Lawrence E. Ritchie, David L. Knight, Carol S. Perry and Patrick J. LeSage, acting alone, is authorized to make orders under section 127(5) of the Act;

IT IS ORDERED THAT Staff's Motion is adjourned to August 14, 2009 at 10:00 a.m. for a hearing in camera.

DATED at Toronto this 23rd day of July, 2009.

"Lawrence E. Ritchie"
Vice-Chair

2.2.6 W.J.N. Holdings Inc. et al. – ss. 127(1), 127(8)

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

AND

IN THE MATTER OF
W.J.N. HOLDINGS INC., MSI CANADA INC.,
360 DEGREE FINANCIAL SERVICES INC.,
DOMINION INVESTMENTS CLUB INC.,
LEVERAGEPRO INC.,
PROSPOREX INVESTMENT CLUB INC.,
PROSPOREX INVESTMENTS INC.,
PROSPOREX LTD., PROSPOREX INC.,
NETWORTH FINANCIAL GROUP INC.,
NETWORTH MARKETING SOLUTIONS,
DOMINION ROYAL CREDIT UNION,
DOMINION ROYAL FINANCIAL INC.,
WILTON JOHN NEALE, EZRA DOUSE,
ALBERT JAMES, ELNONIETH "NONI" JAMES,
DAVID WHITELY, CARLTON IVANHOE LEWIS,
MARK ANTHONY SCOTT, SEDWICK HILL,
TRUDY HUYNH, DORLAN FRANCIS,
VINCENT ARTHUR, CHRISTIAN YEBOAH,
AZUCENA GARCIA, AND ANGELA CURRY

TEMPORARY ORDER
(Sections 127(1) and (8))

WHEREAS on March 11, 2009 the Ontario Securities Commission (the "Commission") made a temporary order, pursuant to subsections 127(1) and (5) of the Act, that all trading in securities of the respondents MSI Canada Inc., Prosporex Investment Club Inc. and Dominion Investment Club Inc. shall cease and that trading in any securities by all of the respondents shall cease and that any exemptions contained in Ontario securities law do not apply to the respondents (the "Temporary Order").

WHEREAS on March 24, 2009 the Commission made an order to extend the Temporary Order to July 24, 2009;

AND WHEREAS, on July 23, 2009 Staff of the Commission ("Staff") requested a continuation of the Temporary Order;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order and that the time required to conclude a hearing could be prejudicial to the public interest.

AND WHEREAS by Commission order made June 24, 2009, pursuant to subsection 3.5(3) of the Act, each of W. David Wilson, James E. A. Turner, Lawrence E. Ritchie, David L. Knight, Carol S. Perry and Patrick J. LeSage, acting alone, is authorized to make orders under section 127(5) of the Act;

IT IS ORDERED THAT that the hearing is adjourned to November 24, 2009 at 2:30 p.m. or such other

date as the Office of the Secretary may advise, and that the Temporary Order is extended to November 25, 2009 unless extended or varied by further order of the Commission.

DATED at Toronto this 23rd day of July, 2009.

"Lawrence E. Ritchie"
Vice-Chair

2.2.7 Prosporex Investments Inc. et al. – ss. 127(1), (5)

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

AND

**IN THE MATTER OF
PROSPOREX INVESTMENTS INC.,
PROSPOREX FOREX SPV TRUST,
ANTHONY DIAMOND, DIAMOND + DIAMOND,
AND DIAMOND + DIAMOND
MERCHANT BANKING BANK**

**TEMPORARY ORDER
(Sections 127(1) and (5))**

WHEREAS it appears to the Ontario Securities Commission (the "Commission") that:

1. The respondents are residents of Ontario;

2. None of the respondents are registered with the Commission to advise or to trade in securities;

3. The respondents are neither reporting issuers nor registrants in Ontario. None of the respondents have filed a preliminary prospectus or prospectus and the Director has not issued a receipt in respect of any of them.

4. Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex Ltd. and Prosporex FOREX SPV Trust have entered into profit sharing agreements and/or investment contracts with Ontario investors which appear to be "securities" as defined in section 1(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") and those Ontario investors have not had their investment capital returned (the "Prosporex Investment activity");

5. Certain Prosporex entities referred to above, together with other respondents, are subject to a Temporary Cease Trade Order issued March 24, 2009 and continued until July 24, 2009;

6. These respondents appear to be involved in activities related to the Prosporex Investment activity and have represented to investors that they will procure the repayment of their investment capital; and

7. It appears that the activities and proposed activities of these respondents may be acts in furtherance of a trade and/or otherwise contrary to the public interest.

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

the time required to conclude a hearing could be prejudicial to the public interest.

AND WHEREAS by Commission Order made June 24, 2009, pursuant to subsection 3.5(3) of the Act, each of W. David Wilson, James E. A. Turner, Lawrence E. Ritchie, David L. Knight, Carol S. Perry and Patrick J. LeSage, acting alone, is authorized to make orders under section 127(5) of the Act;

IT IS ORDERED pursuant to section 127(5) of the Act that:

(a) pursuant to clause 2 of section 127(1), all trading in securities of Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex Ltd., Prosporex Inc. and Prosporex FOREX SPV Trust and any other purported "offshore trust" associated therewith by these respondents shall cease; and

(b) pursuant to clause 3 of section 127(1), any exemptions contained in Ontario securities law do not apply to the respondents.

IT IS FURTHER ORDERED that pursuant to section 127(6) of the Act this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission.

DATED at Toronto this 13th day of July, 2009.

"W. David Wilson"

2.2.8 Andrew Keith Lech – ss. 127(1), 127(10) of the Act, Rule 9 of the OSC Rules of Procedure

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

AND

IN THE MATTER OF
ANDREW KEITH LECH

ORDER
(Subsections 127(1) and 127(10)
of the *Securities Act*, Rule 9 of the
***Rules of Procedure* of the**
Ontario Securities Commission
(2009), 32 O.S.C.B. 10)

WHEREAS on May 16, 2003, the Ontario Securities Commission (the "Commission") issued an Order that all trading in securities by Andrew Keith Lech ("Lech" or the "Respondent") cease pending further order of the Commission, pursuant to clause 2 of subsection 127(1) of the *Securities Act*, R.S.O. 1990, c. S. 5, as amended (the "Act"), and that the exemptions contained in Ontario securities law do not apply to Lech pending further order of the Commission, pursuant to clause 3 of subsection 127(1) (the "May 16, 2003 Order");

AND WHEREAS on March 23, 2009, the Commission issued a Notice of Hearing, pursuant to section 127, including subsection 127(10) of the Act, in relation to the Amended Statement of Allegations issued by Staff of the Commission ("Staff"), dated March 20, 2009, with respect to the Respondent;

AND WHEREAS the hearing on the merits before the Commission ("Hearing on the Merits") was scheduled to be held on June 5, 2009, at 10:00 a.m.;

AND WHEREAS on May 29, 2009, the Commission conducted a hearing in writing with respect to this matter;

AND WHEREAS on May 29, 2009, the Commission adjourned the Hearing on the Merits to July 22, 2009, at 10:00 a.m.;

AND WHEREAS on July 20, 2009, the Respondent sent a letter to Staff requesting an adjournment so that he could retain counsel, which letter Staff provided to the Commission;

AND WHEREAS a hearing was held before the Commission on July 22, 2009;

AND WHEREAS Staff attended the hearing on July 22, 2009, but the Respondent, though properly served with the Notice of Hearing, did not attend;

AND WHEREAS Staff submitted that the Respondent chose not to attend and that his adjournment request was an attempt at delay;

AND WHEREAS Staff conceded that the May 16, 2003 Order continues to apply to the Respondent pending further order of the Commission;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order:

IT IS ORDERED that the Hearing on the Merits is adjourned, on a peremptory basis, to August 19, 2009, at 11:00 a.m.

Dated at Toronto this 22nd day of July, 2009.

"Lawrence E. Ritchie"

2.2.9 AIC Limited – s. 144

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

AND

IN THE MATTER OF
AIC LIMITED

AMENDMENT TO SETTLEMENT
APPROVAL ORDER
(Section 144)

WHEREAS the Commission issued an order dated December 16, 2004 approving a settlement agreement between AIC Limited (the "Respondent") and Staff of the Commission (the "Settlement Approval Order"), in which the Respondent agreed to a settlement of the proceeding commenced by a Notice of Hearing issued December 12, 2004 (the "Settlement Agreement"); and

AND WHEREAS the Settlement Agreement approved by the Settlement Approval Order included as Schedule "A" the requirement for a plan of distribution of settlement funds;

AND WHEREAS the Respondent's plan of distribution (the "Plan") was approved by Staff, the Chair and a Vice-Chair of the Commission on June 30, 2005 in accordance with the Settlement Approval Order;

AND WHEREAS the Plan provided for the distribution of settlement funds to affected investors (the "Affected Investors") in certain mutual funds managed by the Respondent (the "Relevant Funds");

AND WHEREAS the Plan provided that the payments represented by cheques in favour of the Affected Investors that were not cashed would be held in a trust account (the "Trust Account"), and that the Respondent would use reasonable efforts to attempt to locate the Affected Investors whose cheques were not cashed and who were entitled to payment of $200 or more;

AND WHEREAS the Plan provided that shortly after June 1, 2008 all amounts remaining in the Trust Account would be paid to the Relevant Funds;

AND WHEREAS by amending order dated June 30, 2008, the Settlement Approval Order was amended to provide, pursuant to the Plan, that all amounts remaining in the Trust Account were to be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim) shortly after June 1, 2009;

AND WHEREAS the Respondent wishes to extend by two years the date by which all amounts remaining in the Trust Account will be paid to the Relevant Funds, in order that the Respondent may attempt to

distribute additional settlement funds directly to Affected Investors;

AND WHEREAS the Respondent seeks to further amend the Settlement Approval Order, in order to provide for this further and final extension, Staff of the Commission consent to the requested Order and the Commission has determined that it is in the public interest to issue an order that further amends the Settlement Approval Order.

IT IS ORDERED that the Settlement Approval Order be further amended to provide, pursuant to the Plan, that all amounts remaining in the Trust Account will be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim) shortly after June 1, 2011.

Dated at Toronto this 22nd day of July, 2009.

Lawrence E. Ritchie

James E.A. Turner

2.2.10 CI Investments Inc. – s. 144

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

AND

IN THE MATTER OF
CI INVESTMENTS INC.

AMENDMENT TO SETTLEMENT APPROVAL ORDER
(Section 144)

WHEREAS the Commission issued an order dated December 16, 2004 approving a settlement agreement between CI Investments Inc. (the "Respondent") and Staff of the Commission (the "Settlement Approval Order"), in which the Respondent agreed to a settlement of the proceeding commenced by a Notice of Hearing issued December 12, 2004 (the "Settlement Agreement");

AND WHEREAS the Settlement Agreement approved by the Settlement Approval Order included as Schedule "A", the requirement for a plan of distribution of settlement funds;

AND WHEREAS the Respondent's plan of distribution (the "Plan") was approved by Staff, the Chair and a Vice-Chair of the Commission on June 30, 2005 in accordance with the Settlement Approval Order;

AND WHEREAS the Plan provided for the distribution of settlement funds to affected investors (the "Affected Investors") in certain mutual funds managed by the Respondent (the "Relevant Funds");

AND WHEREAS the Plan provided that the payments represented by cheques in favour of the Affected Investors that were not cashed would be held in a trust account (the "Trust Account"), and that the Respondent would use reasonable efforts to attempt to locate the Affected Investors whose cheques were not cashed and who were entitled to payment of $200 or more;

AND WHEREAS the Plan provided that shortly after June 1, 2008 all amounts remaining in the Trust Account would be paid to the Relevant Funds;

AND WHEREAS by amending order dated June 30, 2008, the Settlement Approval Order was amended to provide, pursuant to the Plan, that all amounts remaining in the Trust Account were to be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim) shortly after June 1, 2009;

AND WHEREAS the Respondent wishes to extend by two years the date by which all amounts remaining in the Trust Account will be paid to the Relevant Funds, in order that the Respondent may attempt to

distribute additional settlement funds directly to Affected Investors;

AND WHEREAS the Respondent seeks to further amend the Settlement Approval Order, in order to provide for this further and final extension, Staff of the Commission consent to the requested Order and the Commission has determined that it is in the public interest to issue an order that further amends the Settlement Approval Order;

IT IS ORDERED that the Settlement Approval Order be further amended to provide, pursuant to the Plan, that all amounts remaining in the Trust Account will be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim) shortly after June 1, 2011.

Dated at Toronto this 22nd day of July, 2009.

Lawrence E. Ritchie

James E.A. Turner

2.2.11 Franklin Templeton Investments Corp. – s. 144

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

AND

IN THE MATTER OF
FRANKLIN TEMPLETON INVESTMENTS CORP.

AMENDMENT TO SETTLEMENT
APPROVAL ORDER
(Section 144)

WHEREAS the Commission issued an order dated March 3, 2005 approving a settlement agreement between Franklin Templeton Investments Corp. (the "Respondent") and Staff of the Commission (the "Settlement Approval Order"), in which the Respondent agreed to a settlement of the proceeding commenced by a Notice of Hearing issued February 28, 2005 (the "Settlement Agreement");

AND WHEREAS the Settlement Agreement approved by the Settlement Approval Order included as Schedule "A", the requirement for a plan of distribution of settlement funds;

AND WHEREAS the Respondent's plan of distribution (the "Plan") was approved by Staff, the Chair and a Vice-Chair of the Commission on June 30, 2005 in accordance with the Settlement Approval Order;

AND WHEREAS the Plan provided for the distribution of settlement funds to affected investors (the "Affected Investors") in certain mutual funds managed by the Respondent (the "Relevant Funds");

AND WHEREAS the Plan provided that the payments represented by cheques in favour of the Affected Investors that were not cashed would be held in a trust account (the "Trust Account"), and that the Respondent would use reasonable efforts to attempt to locate the Affected Investors whose cheques were not cashed and who were entitled to payment of $200 or more;

AND WHEREAS the Plan provided that shortly after June 1, 2008 all amounts remaining in the Trust Account would be paid to the Relevant Funds;

AND WHEREAS by amending order dated June 30, 2008, the Settlement Approval Order was amended to provide, pursuant to the Plan, that all amounts remaining in the Trust Account were to be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim) shortly after June 1, 2009;

AND WHEREAS the Respondent wishes to extend by two years the date by which all amounts remaining in the Trust Account will be paid to the Relevant Funds, in order that the Respondent may attempt to

distribute additional settlement funds directly to Affected Investors;

AND WHEREAS the Respondent seeks to further amend the Settlement Approval Order, in order to provide for this further and final extension, Staff of the Commission consent to the requested Order and the Commission has determined that it is in the public interest to issue an order that further amends the Settlement Approval Order;

IT IS ORDERED that the Settlement Approval Order be further amended to provide, pursuant to the Plan, that all amounts remaining in the Trust Account will be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim) shortly after June 1, 2011.

Dated at Toronto this 22nd day of July, 2009.

Lawrence E. Ritchie

James E.A. Turner

2.2.12 I.G. Investment Management, Ltd. – s. 144

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

AND

IN THE MATTER OF
I.G. INVESTMENT MANAGEMENT, LTD.

AMENDMENT TO SETTLEMENT APPROVAL ORDER
(Section 144)

WHEREAS the Commission issued an order dated December 16, 2004 approving a settlement agreement between I.G. Investment Management, Ltd.. (the "Respondent") and Staff of the Commission (the "Settlement Approval Order"), in which the Respondent agreed to a settlement of the proceeding commenced by a Notice of Hearing issued December 12, 2004 (the "Settlement Agreement");

AND WHEREAS the Settlement Agreement approved by the Settlement Approval Order included as Schedule "A", the requirement for a plan of distribution of settlement funds;

AND WHEREAS the Respondent's plan of distribution (the "Plan") was approved by Staff, the Chair and a Vice-Chair of the Commission on June 30, 2005 in accordance with the Settlement Approval Order

AND WHEREAS the Plan provided for the distribution of settlement funds to affected investors (the "Affected Investors") in certain mutual funds managed by the Respondent (the "Relevant Funds");

AND WHEREAS the Plan provided that the payments represented by cheques in favour of the Affected Investors that were not cashed would be held in a trust account (the "Trust Account"), and that the Respondent would use reasonable efforts to attempt to locate the Affected Investors whose cheques were not cashed and who were entitled to payment of $200 or more;

AND WHEREAS the Plan provided that shortly after June 1, 2008 all amounts remaining in the Trust Account would be paid to the Relevant Funds;

AND WHEREAS on June 30, 2008 the Respondent obtained an order from the Commission extending by one year, to June 1, 2009, the date by which all amounts remaining in the Trust Account will be paid to the Relevant Funds, in order that the Respondent may attempt to distribute additional settlement funds directly to Affected Investors;

AND WHEREAS the Respondent wishes to further extend by an additional two years the date by which all amounts remaining in the Trust Account will be paid to the Relevant Funds, in order that the Respondent may

attempt to distribute additional settlement funds directly to Affected Investors;

AND WHEREAS the Respondent seeks to amend the Settlement Approval Order, Staff of the Commission consent to the requested Order and the Commission has determined that it is in the public interest to issue an order that amends the Settlement Approval Order;

IT IS ORDERED that the Settlement Approval Order, as amended, be amended to provide, pursuant to the Plan, that all amounts remaining in the Trust Account will be paid to the Relevant Funds (or the appropriate successor entity of any Relevant Fund that has been merged or reorganized in the interim) shortly after June 1, 2011.

Dated at Toronto this 22nd day of July, 2009.

Lawrence E. Ritchie

James E.A. Turner

2.2.13 Inland Securities Corporation – s. 147 of the Act and s. 6.1 of Rule 13-502 Fees

Headnote

Relief from section 6.5 of OSC Rule 45-501 *Ontario Prospectus Exemptions* – Relief granted from s. 6.5 for forward-looking information in offering memoranda provided to accredited investors in connection with private placements by foreign issuer – such private placements are generally small part of larger distributions of securities by foreign issuers outside Canada pursuant to foreign offering documents – relief subject to conditions – Relief also granted from section 4.1 of OSC Rule 13-502 *Fees*.

Applicable Legislative Provisions

Securities Act (Ontario), s. 147.
OSC Rule 13-502 Fees, s. 4.1.
OSC Rule 45-501 Ontario Prospectus Exemptions, s. 6.5.

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

AND

IN THE MATTER OF
INLAND SECURITIES CORPORATION

ORDER
(Section 147 of the Act
and Section 6.1 of Rule 13-502 Fees)

WHEREAS effective December 31, 2007 Ontario Securities Commission Rule 45-501 — *Ontario Prospectus Exemptions* ("**Rule 45-501**") was amended to, among other things, require that an offering memorandum used in Ontario which contains forward-looking information comply with certain new provisions of National Instrument 51-102 — *Continuous Disclosure Obligations* ("**NI 51-102**");

AND UPON the application (the "**Application**") of Inland Securities Corporation (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to Section 147 of the Act to provide that Section 6.5 of Rule 45-501 shall not be applicable to an offering memorandum of a non-Canadian issuer that is not a reporting issuer in Ontario (each, a "**Foreign Issuer**") provided to a prospective purchaser in Ontario by the Applicant.

AND UPON the Application of the Applicant to the Director for an exemption pursuant to Section 6.1 of OSC Rule 13-502 — *Fees* ("**Rule 13-502**") to provide that Section 4.1 of Rule 13-502 shall not be applicable to the Applicant;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is organized under the laws of Delaware.

2. The Applicant is registered with the Commission in the category of international dealer.

3. The Applicant offers and sells securities of Foreign Issuers on a private placement basis to purchasers in Ontario relying on the "accredited investor" prospectus exemption under Section 2.3 of National Instrument 45-106 — *Prospectus and Registration Exemptions*.

4. The offerings by private placement of securities of a Foreign Issuer (each, a "**Foreign Issuer Private Placement**") in Ontario are part of a distribution of securities of a Foreign Issuer offered primarily outside of Canada pursuant to a prospectus, offering memorandum or other offering document (each, a "**Foreign Offering Document**") prepared in accordance with the requirements of the United States or other non-Canadian jurisdictions.

5. In a Foreign Issuer Private Placement, a Foreign Offering Document is generally accompanied by a "wrapper" or is otherwise supplemented with disclosure prescribed by Ontario securities law and with disclosure of certain additional information for the benefit of Ontario investors and provided by the Applicant to Ontario prospective purchasers as a Foreign Issuer's offering memorandum within the meaning of Section 1(1) of the Act.

6. In a Foreign Issuer Private Placement, a Foreign Issuer that intends to rely on the civil liability safe harbour with respect to forward-looking statements provided by Section 21E of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**") or Section 27A of the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), will generally include in its Foreign Offering Document disclosure with respect to "forward-looking statements" within the meaning of Section 21E of the Exchange Act and Section 27A of the U.S. Securities Act to enable the Foreign Issuer to rely on the civil liability safe harbour provided with respect to forward-looking statements.

7. Other Foreign Issuers conducting a Foreign Issuer Private Placement that include forward looking information in their Foreign Offering Document will generally include disclosure of related material risk factors potentially affecting the forward looking information.

8. The disclosure with respect to forward looking information contained in a Foreign Offering Document used in a Foreign Issuer Private Placement in Ontario will not necessarily include all of the disclosure prescribed for offering memoranda by section 6.5 of Rule 45-501.

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

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

IT IS ORDERED, pursuant to section 147 of the Act, that offering memoranda delivered by or on behalf of the Applicant to prospective purchasers that are accredited investors in connection with Foreign Issuer Private Placements shall not be subject to Section 6.5 of Rule 45-501, provided that a Foreign Offering Document contains or is accompanied by either:

(a) the disclosure required in order for an issuer to rely on the safe harbour provided by Section 21E of the Exchange Act or by Section 27A of the U.S. Securities Act with respect to forward looking information, whether or not such safe harbour is applicable; or

(b) a statement that "This offering is being made by a non-Canadian issuer using disclosure documents prepared in accordance with non-Canadian securities laws. Prospective purchasers should be aware that these requirements may differ significantly from those of Ontario. The forward looking information included or incorporated by reference herein may not be accompanied by the disclosure and explanations that would be required of a Canadian issuer under Ontario securities law."

DATED this 23rd day of July, 2009.

“Mary Condon”

“Paulette Kennedy”

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

IT IS ORDERED, pursuant to Section 6.1 of Rule 13-502, that the Application shall not be subject to Section 4.1 of Rule 13-502.

DATED this 23rd day of July, 2009.

“Jo-Anne Matear”

2.2.14 William Mankofsky – ss. 37, 127(1)

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

AND

**IN THE MATTER OF
WILLIAM MANKOFSKY**

**ORDER
(Sections 37 and 127(1))**

WHEREAS on July 16, 2009, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37 and 127 of the *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "Act") in respect of William Mankofsky ("Mankofsky");

AND WHEREAS Mankofsky entered into a Settlement Agreement with Staff of the Commission dated July 17, 2009, as amended (the "Settlement Agreement") in which Mankofsky agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing, subject to the approval of the Commission;

AND WHEREAS on July 24, 2009, the Commission held a hearing to consider whether to approve the Settlement Agreement and Staff and Mankofsky appeared before the Commission and made submissions;

AND UPON reviewing the Settlement Agreement and the Notice of Hearing, and upon hearing submissions from Mankofsky and from Staff of the Commission;

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

IT IS HEREBY ORDERED THAT:

(a) the Settlement Agreement is approved;

(b) pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Mankofsky cease for a period of 4 years from the date of this Order, with the exception that Mankofsky is permitted to trade in securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada);

(c) pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Mankofsky is prohibited for a period of 4 years from the date of this Order with the exception that Mankofsky is permitted to acquire securities in mutual funds through a registered dealer for the account of his registered retirement savings plan (as defined in the *Income Tax Act* (Canada);

(d) pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Mankofsky for a period of 4 years from the date of this Order;

(e) pursuant to clauses 8, 8.2, and 8.4 of subsection 127(1) of the Act, Mankofsky shall be prohibited for a period of 4 years from the date of this Order from becoming or acting as a director or officer of any issuer, registrant or investment fund manager;

(f) pursuant to clause 8.5 of subsection 127(1) of the Act, Mankofsky shall be prohibited for a period of 4 years from the date of this Order from becoming or acting as a registrant, as an investment fund manager or as a promoter;

(g) pursuant to clause 10 of subsection 127(1) of the Act, Mankofsky shall disgorge to the Commission $3,875 obtained as a result of his non-compliance with Ontario securities law. The $3,875 disgorged shall be for allocation to or for the benefit of third parties in accordance with s. 3.4(2) of the Act. Mankofsky is to pay $1,000 on the date of the approval, if granted, of the Settlement Agreement. Mankofsky is to pay a further $1,000 within 60 days of the approval of the Settlement Agreement and Mankofsky is to pay the balance of the disgorgement of $1,875 within two years of the approval of the Settlement Agreement; and

(h) pursuant to section 37 of the Act, Mankofsky shall be prohibited permanently from telephoning from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or in any class of security.

DATED AT TORONTO this 24th day of July, 2009.

"James E. A. Turner"

2.2.15 Alpha ATS LP –s. 15.1 of National Instrument 21-101 Marketplace Operation and s. 6.1 of Rule 13-502 Fees

Headnote

Section 15.1 of National Instrument 21-101 Marketplace Operation (21-101) and section 6.1 of OSC Rule 13-502 Fees (13-502) – exemption granted from the requirement in paragraph 6.4(2) of 21-101 to file an amendment to Form 21-101F2 (Form F2) 45 days prior to implementation of a fee change and from the requirements in Appendix C (item E(1) and item E(2)(a)) of 13-502 to pay fees related to Alpha ATS' exemption application.

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

AND

IN THE MATTER OF
ALPHA ATS LP

ORDER
(Section 15.1 of National Instrument 21-101
(NI 21-101) and section 6.1 of Rule 13-502 Fees)

UPON the application (the "Application") of Alpha ATS LP (the "Applicant") to the Director for an order pursuant to section 15.1 of NI 21-101 exempting the Applicant from the requirement in paragraph 6.4(2) to file an amendment to the information previously provided in Form 21-101F2 (the "Form F2") regarding Exhibit G(4) (fees) 45 days before implementation of the fee changes (the "45 day filing requirement");

AND UPON the Applicant filing an updated Form F2 on July 21, 2009, describing a fee change to be implemented August 3, 2009 (the "Fee Change");

AND UPON the application by the Applicant (the "Fee Exemption Application") to the Director for an order pursuant to section 6.1 of Rule 13-502 exempting the Applicant from the requirement to pay an activity fee of (a) $5,000 in connection with the Application in accordance with section 4.1 and item E(1) of Appendix C of Rule 13-502, and (b) $1,500 in connection with the Fee Exemption Application (Appendix C, item E(2)(a));

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

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

1. The Applicant is carrying on business as an alternative trading system and is registered as a dealer with the Ontario Securities Commission. It has received an exemption from registration in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Prince Edward Island, Quebec, and Saskatchewan.

2. The Applicant would like to implement changes to its fee schedule on August 3, 2009.

3. These changes are being implemented after extensive consultation with subscribers of the Applicant and the 30 days notice required in the Subscriber Agreement.

4. The current multi-market trading environment requires frequent changes to the fees and fee model to remain competitive and it has become unduly burdensome to delay 45 days before responding to subscribers' needs and/or competitors' initiatives.

5. Given that the notice period was created prior to multi-marketplaces becoming a reality, and in light of the current competitive environment and the limited and highly technical nature of the exemption being sought, it would be unduly onerous to pay fees in these circumstances.

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

IT IS ORDERED by the Director:

(a) pursuant to section 15.1 of NI 21-101 that the Applicant is exempted from the 45 day filing requirement for the Fee Change, and

(b) pursuant to section 6.1 of Rule 13-502 that the Applicant is exempted from:

  (i) paying an activity fee of $5,000 in connection with the Application, and

  (ii) paying an activity fee of $1,500 in connection with the Fee Exemption Application.

DATED this 27th day of July, 2009

"Susan Greenglass"
Acting Director
Ontario Securities Commission

2.2.16 Swift Trade Inc. and Peter Beck – ss. 127, 127.1

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

AND

IN THE MATTER OF
SWIFT TRADE INC. AND PETER BECK

ORDER
(sections 127 and 127.1)

WHEREAS on December 7, 2007, the Commission issued a Notice of Hearing pursuant to section 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the "Act"), accompanied by Staff's Statement of Allegations, in relation to the Respondents, Swift Trade Inc. ("Swift Trade") and Peter Beck ("Beck");

AND WHEREAS the Respondents entered into a Settlement Agreement dated July 21, 2009 (the "Settlement Agreement") in which they agreed to a settlement of the proceedings commenced by the Notice of Hearing dated December 7, 2007, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement and Staff's Statement of Allegations, and upon hearing submissions from counsel for Staff and counsel for the Respondents;

AND WHEREAS the Respondents acknowledge that the facts set out in Part III of the Settlement Agreement constituted conduct contrary to the public interest under the Act;

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

IT IS ORDERED THAT: the Settlement Agreement between the Respondents and Staff of the Commission is approved;

PURSUANT TO paragraph 127(6) of the Act, the Respondent Beck is reprimanded;

PURSUANT TO paragraph 127(1) of the Act, the terms and conditions imposed by the Decision of the Director of Compliance dated February 5, 2008 on the Respondent Swift Trade's registration, shall be removed immediately; and

PURSUANT TO section 127.1 of the Act, the Respondents shall pay costs in the amount of $20,000 to the Commission.

DATED AT TORONTO the 28th day of July, 2009.

"Lawrence E. Ritchie"

2.2.17 Prosporex Investments Inc. et al. – ss. 127(1), 127(8)

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

AND

IN THE MATTER OF
PROSPOREX INVESTMENTS INC.,
PROSPOREX FOREX SPV TRUST,
ANTHONY DIAMOND, DIAMOND + DIAMOND,
AND DIAMOND + DIAMOND
MERCHANT BANKING BANK

TEMPORARY ORDER
(Sections 127(1) and (8))

WHEREAS on July 13, 2009 the Commission made a temporary order, pursuant to subsections 127(1) and (5) of the Act, that all trading in securities of Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex Ltd., Prosporex Inc. and Prosporex FOREX SPV Trust and any other purported "offshore trust" associated therewith by these respondents shall cease and that any exemptions contained in Ontario securities law do not apply to the respondents;

AND WHEREAS, pursuant to subsection 127(5) of the Act, the Temporary Order shall expire on July 28, 2009 unless extended by the Commission;

AND WHEREAS, the Commission held a hearing on July 28, 2009 to consider whether to extend the Temporary Order;

AND WHEREAS, Staff of the Commission and counsel for the respondents, Anthony Diamond, Diamond + Diamond, and Diamond + Diamond Merchant Banking Bank were present at the hearing;

AND WHEREAS, no one attended the hearing on behalf of the other respondents, Prosporex Investments Inc. and Prosporex Forex SPV Trust on that day;

AND WHEREAS, Staff filed an affidavit by Allister Field sworn on July 23, 2009 in support of their request for an extension of the Temporary Order;

AND UPON CONSIDERING the written materials provided in connection with Staff's request for an extension of the Temporary Order;

AND UPON CONSIDERING the oral submissions of Staff and counsel for the respondents, Anthony Diamond, Diamond + Diamond, and Diamond + Diamond Merchant Banking Bank;

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

IT IS ORDERED THAT:

1. the Temporary Order is extended to August 18, 2009, unless extended or varied by further order of the Commission;

2. a hearing to consider whether to extend the Temporary Order shall be held on Tuesday, August 18, 2009 at 3:30 p.m.

DATED at Toronto this 28th day of July, 2009.

"Mary G. Condon"

"Carol S. Perry"

2.3 Rulings

2.3.1 Thomas Weisel Partners Canada Inc. and Thomas Weisel Partners (USA) Inc. – s. 74(1)

Headnote

The applicant was granted relief so that individuals who are salespeople or officers of Thomas Weisel Partners LLC and who are also registered under the Act to trade on behalf of Thomas Weisel Partners Canada Inc. as salespeople or officers of Thomas Weisel Partners Canada Inc. act on behalf of Thomas Weisel Partners LLC in respect of trades in securities with or for persons or entities who are resident in the United States, they and Thomas Weisel Partners LLC are not subject to section 25(1) of the Act.

Statute Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 25.

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

AND

IN THE MATTER OF
THOMAS WEISEL PARTNERS CANADA INC.
AND THOMAS WEISEL PARTNERS (USA) INC.

RULING
(Section 74(1) of the Act)

UPON the application of Thomas Weisel Partners LLC (**TWP LLC**) and Thomas Weisel Partners Canada Inc. (**TWP Canada**) to the Ontario Securities Commission (the **Commission**) pursuant to subsection 74(1) of the *Securities Act* (Ontario) (the **Act**) for a ruling that where persons who are salespeople or officers of TWP LLC and who are also registered under the Act to trade on behalf of TWP Canada as salespeople or officers of TWP Canada (**Dual Representatives**) act on behalf of TWP LLC in respect of trades in securities with or for persons or entities who are resident in the United States (**US Clients**), the Dual Representatives and TWP LLC shall not be subject to section 25(1) of the Act;

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

AND UPON representation to the Commission that:

1. TWP Canada is incorporated under the laws of Canada. TWP Canada's registered office is located in Toronto, Ontario;

2. TWP Canada is registered as a dealer under the Act in the categories of broker and investment

dealer and is a member of the Investment Industry Regulatory Organization of Canada;

3. TWP LLC is a limited liability company formed under the laws of the State of Delaware and is an affiliate of TWP Canada. TWP LLC and TWP Canada operate out of the same premises in Toronto, Ontario;

4. TWP LLC is registered as a broker-dealer under the *U.S. Securities Exchange Act of 1934*, as amended, and is a member of and regulated by the Financial Industry Regulatory Authority;

5. TWP LLC does not trade in securities with or on behalf of persons or entities who are resident in Canada;

6. Where TWP LLC trades with or on behalf of US Clients, TWP LLC and any dual representatives who act on behalf of TWP LLC in respect of such trades comply with applicable United States securities laws;

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

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

1. The Dual Representatives shall not be subject to the registration requirements of section 25(1)(a) of the Act where the dual representatives act on behalf of TWP LLC in respect of trades in securities with or for US Clients, provided that the dual representatives comply with applicable US Securities laws; and

2. TWP LLC shall not be subject to the registration requirements of section 25(1)(a) of the Act with respect to trading in securities with or on behalf of US Clients provided that:

   (i) TWP LLC complies with all registration and other requirements under applicable United States securities laws;

   (ii) a dual representative acts on behalf of TWP LLC in respect of such trading; and

   (iii) TWP LLC shall file with the Commission such reports as to trading in securities as the Commission may from time to time require.

October 7, 2008

"Mary G. Condon"

"Paul K. Bates"

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Shallow Oil & Gas Inc. et al.

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

AND

IN THE MATTER OF
SHALLOW OIL & GAS INC., ERIC O'BRIEN,
ABEL DA SILVA, GURDIP SINGH GAHUNIA
also known as MICHAEL GAHUNIA,
ABRAHAM HERBERT GROSSMAN also known
as ALLEN GROSSMAN, MARCO DIADAMO,
GORD McQUARRIE, KEVIN WASH,
and WILLIAM MANKOFSKY

SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE
ONTARIO SECURITIES COMMISSION
AND WILLIAM MANKOFSKY

PART I. – INTRODUCTION

1. By Notice of Hearing dated June 11, 2008, the Ontario Securities Commission (the "Commission") announced that it proposed to hold a hearing, commencing on June 18, 2008, to consider whether, pursuant to sections 37, 127, and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c.S.5, as amended (the "Act") it is in the public interest to make orders, as specified therein, against Shallow Oil & Gas Inc. ("Shallow Oil"), Eric O'Brien ("O'Brien"), Abel Da Silva ("Da Silva"), Gurdip Singh Gahunia, also known as Michael Gahunia ("Gahunia"), Abraham Herbert Grossman, also known as Allen Grossman ("Grossman"), Marco Diadamo ("Diadamo"), Gord McQuarrie ("McQuarrie"), Kevin Wash ("Wash"), and William Mankofsky ("Mankofsky").

2. By Notice of Hearing dated July 16th, 2009, the Commission announced that it will hold a hearing on July 24th, 2009 at 10:00 a.m. in respect of a Settlement Agreement (the "Settlement Agreement") between Staff of the Commission ("Staff") and Mankofsky. At the hearing, the Commission will consider whether, pursuant to sections 37 and 127 of the Act, it is in the public interest to approve the Settlement Agreement.

PART II. – JOINT SETTLEMENT RECOMMENDATION

3. Staff agree to recommend settlement of the proceeding initiated by the Notice of Hearing against Mankofsky in accordance with the terms and conditions set out below. Mankofsky consents to the making of an order against him in the form attached as Schedule "A" on the basis of the facts set out below.

PART III. – AGREED FACTS

Background

4. Mankofsky is a resident of the Greater Toronto Area.

5. Mankofsky has never been registered with the Commission in any capacity.

6. Mankofsky has never worked in the securities business prior to his involvement in this matter.

Shallow Oil & Gas Inc.

7. Between September, 2007 and February, 2008 (the "Material Time"), Shallow Oil and the individual respondents traded securities of Shallow Oil from premises located at 7181 Woodbine Avenue in Markham, Ontario (the "Premises").

8. During the Material Time, Shallow Oil securities were traded to numerous investors and these investors sent over $200,000 to Shallow Oil.

9. Throughout the Material Time, Shallow Oil was not registered in any capacity with the Commission.

10. The trades in Shallow Oil securities were trades in securities not previously issued and were therefore distributions. No preliminary prospectus or prospectus was filed and no receipts were issued for them by the Director to qualify the trading of Shallow Oil securities.

Mankofsky

11. Throughout the Material Time, Mankofsky was not registered with the Commission in any capacity.

12. Mankofsky commenced working at Shallow Oil in November 2007 and stopped working for Shallow Oil on January 14, 2008.

13. Mankofsky was interviewed for the job at Shallow Oil by Alan Grossman ("Grossman").

14. During the job interview Mankofsky asked Grossman if Shallow Oil was a legitimate company and Grossman advised him that it was.

15. During the job interview, Grossman told Mankofsky that Shallow Oil was registered and that Mankofsky did not need any sort of license or registration to sell Shallow Oil securities.

16. Mankofsky took the job working at Shallow Oil because he was in dire economic circumstances and needed the money.

17. Mankofsky believed that Grossman and an individual named Abel were the owners of the company. Grossman and Abel identified themselves as the owners and everything was run by Grossman and Abel. Grossman referred to Abel as "my partner".

18. Both Grossman and Abel had their own offices within the Premises.

19. At the beginning of his employment with Shallow Oil, Mankofsky was told by Grossman and Abel that they had brought Amerigo (TSX symbol: ARG) public. Mankofsky looked up Amerigo and discovered that it was listed on the TSX. This also led Mankofsky to believe that Shallow Oil was legitimate.

20. Mankofsky was initially a qualifier at Shallow Oil, however, not long after he started he was promoted to the job of a salesperson of Shallow Oil securities.

21. Potential investors were sent information packages about Shallow Oil by e-mail or facsimile.

22. Mankofsky advised potential investors and investors, with the intention of effecting trades, that Shallow Oil was about to be listed on a stock exchange and that the value or price of the securities would rise significantly when Shallow Oil was listed on a stock exchange.

23. Scripts were provided to qualifiers and salespeople by Grossman and Abel.[1] Mankofsky received copies of scripts and used them while working for Shallow Oil.

24. After orally agreeing to invest, investors received a subscription agreement from Shallow Oil. The subscription agreement set out the quantity, unit price and total amount of investment. Investors were instructed to make cheques payable to Shallow Oil and to send the subscription agreement and cheques to 161 Bay Street, 27th floor, Toronto, Ontario.

25. Mankofsky contacted investors or potential investors by phone and used the alias Bill Wilson when speaking with investors or potential investors. Grossman instructed Mankofsky and other salespeople never to use their real names when speaking with investors or potential investors.

[1] Attached hereto and marked as Exhibit "A" are copies of some of the scripts that were used at the Premises.

26. During the Material Time, Mankofsky heard other employees at Shallow Oil telling investors or potential investors that the Shallow Oil office was located on Bay Street in Toronto. This was done to give Shallow Oil credibility by having an address on Bay Street. Abel instructed Shallow Oil employees to mislead investors or potential investors by stating that the Shallow Oil office was located on Bay Street.

27. Investors received share certificates for common shares in Shallow Oil signed by Eric O'Brien.

28. Mankofsky traded in securities of Shallow Oil as a salesperson[2]. Mankofsky was involved in the sale of Shallow Oil securities to the following individuals and companies:

Order Date	Investor	Place of Residence	Amount Invested	Number of Shares @ $0.50
December 3, 2007	3[redacted] A[redacted] [redacted]. (R[redacted] P[redacted])	Alberta	$3000	6,000
December 4, 2007	H[redacted] C[redacted]	Alberta	$1,000	2,000
December 10, 2007	C[redacted] F[redacted]	Alberta	$1,500	3,000
December 19, 2007	W[redacted] G[redacted]	Alberta	$10,000	20,000

29. Mankofsky was compensated for his sales of Shallow Oil securities. Salespersons received commission payments of 25% of the total amount invested. Mankofsky received $3,875 in commissions as a result of his sales of Shallow Oil securities.[3] Mankofsky was paid via cheques made payable to Mankofsky's company First Choice Steel Building Ltd. The commissions paid to Mankofsky were as follows:

Date of Cheque	Amount	Related to sale of Shallow Oil Securities to:
December 14, 2007	$1,000 (Shallow Oil cheque #82)	[redacted] A[redacted] [redacted]. and H[redacted] C[redacted]
January 8, 2008	$2,875 (Shallow Oil cheque #118)	C[redacted] F[redacted] and W[redacted] G[redacted]

30. On January 14, 2008, Staff conducted an inspection of the Shallow Oil operations at the Premises. Mankofsky was working inside the Premises when Staff conducted the inspection.

31. Mankofsky returned to the Premises after January 14, 2008 only to discover that Shallow Oil was no longer operating.

32. On January 16, 2008, Mankofsky attended at the offices of the Commission and voluntarily participated in an examination conducted by Staff. At the start of the examination Mankofsky affirmed to tell the truth during the examination. Mankofsky has had an opportunity to review the entire transcript of his examination and confirms the truth of its contents.[4]

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[2] Attached hereto and marked as Exhibit "B" to Agreed Statement of Facts are copies of documents related to the sale of securities of Shallow Oil by Mankofsky.

[3] Attached hereto and marked as Exhibit "C" are copies of documents related to the commissions paid to Mankofsky.

[4] Attached hereto and marked as Exhibit "D" is a copy of the transcript of Mankofsky's examination by Staff on January 16, 2008.

PART IV. – CONDUCT CONTRARY TO THE PUBLIC INTEREST

33. By engaging in the conduct described above, Mankofsky admits and acknowledges that he contravened Ontario securities law in the following ways:

(a) Trading securities of Shallow Oil & Gas Inc. without being registered by the Ontario Securities Commission to trade in securities, contrary to subsection 25(1)(a) of the Act;

(b) Trading securities of Shallow Oil & Gas Inc. in circumstances where the trading constituted a distribution and where no preliminary prospectus and prospectus had been filed and receipts issued by the Director, contrary to subsection 53(1) of the Act; and,

(c) Making prohibited representations, with the intention of effecting a trade in Shallow Oil & Gas Inc., that securities of Shallow Oil & Gas Inc. would be listed on a stock exchange, contrary to subsection 38(2) of the Act.

34. Mankofsky admits and acknowledges that he acted contrary to the public interest by contravening Ontario securities law as set out in sub-paragraphs 34 (a), (b), and (c) .

PART V. – TERMS OF SETTLEMENT

35. Mankofsky agrees to the terms of settlement listed below.

36. The Commission will make an order, pursuant to s. 37 and s. 127(1) of the Act, that:

(a) the Settlement Agreement is approved;

(b) trading in any securities by Mankofsky cease for a period of 4 years from the date of the approval of the Settlement Agreement;

(c) the acquisition of any securities by Mankofsky is prohibited for a period of 4 years from the date of the approval of the Settlement Agreement;

(d) any exemptions contained in Ontario securities law do not apply to Mankofsky for a period of 4 years from the date of the approval of the Settlement Agreement;

(e) Mankofsky shall disgorge to the Commission $3,875 obtained as a result of his non-compliance with Ontario securities law. The $3,875 disgorged shall be for allocation to or for the benefit of third parties in accordance with s. 3.4(2) of the Act. Mankofsky is to pay $1,000 on the date of the approval, if granted, of the Settlement Agreement. Mankofsky is to pay a further $1,000 within 60 days of the approval of the Settlement Agreement and Mankofsky is to pay the balance of the disgorgement of $1,875 within two years of the approval of the Settlement Agreement;

(f) Mankofsky is prohibited from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager for a period of four years from the date of this Order;

(g) Mankofsky is prohibited for a period of 4 years from the date of this Order from becoming or acting as a registrant, as an investment fund manager or as a promoter; and,

(h) Mankofsky cease permanently, from the date of the approval of the Settlement Agreement, to telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or any class of securities.

PART VI. – STAFF COMMITMENT

37. If this Settlement Agreement is approved by the Commission, Staff will not initiate any other proceeding under the Act against Mankofsky in relation to the facts set out in Part III herein, subject to the provisions of paragraph 38 below.

38. If this Settlement Agreement is approved by the Commission, and at any subsequent time Mankofsky fails to honour the terms of the Settlement Agreement, Staff reserve the right to bring proceedings under Ontario securities law against Mankofsky based on, but not limited to, the facts set out in Part III herein as well as the breach of the Settlement Agreement.

PART VII. – PROCEDURE FOR APPROVAL OF SETTLEMENT

39. Approval of this Settlement Agreement will be sought at a hearing of the Commission scheduled on a date to be determined by the Secretary to the Commission, or such other date as may be agreed to by Staff and Mankofsky for the scheduling of the hearing to consider the Settlement Agreement.

40. Staff and Mankofsky agree that this Settlement Agreement will constitute the entirety of the agreed facts to be submitted at the settlement hearing regarding Mankofsky's conduct, unless the parties agree that further facts should be submitted at the settlement hearing.

41. If this Settlement Agreement is approved by the Commission, Mankofsky agrees to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.

42. If this Settlement Agreement is approved by the Commission, neither party will make any public statement that is inconsistent with this Settlement Agreement or inconsistent with any additional agreed facts submitted at the settlement hearing.

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

PART VIII. – DISCLOSURE OF SETTLEMENT AGREEMENT

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

(a) this Settlement Agreement and its terms, including all settlement negotiations between Staff and Mankofsky leading up to its presentation at the settlement hearing, shall be without prejudice to Staff and Mankofsky; and

(b) Staff and Mankofsky shall be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing on the merits of the allegations in the Notice of Hearing and Statement of Allegations of Staff, unaffected by the Settlement Agreement or the settlement discussions/negotiations.

45. The terms of this Settlement Agreement will be treated as confidential by all parties hereto until approved by the Commission. Any obligations of confidentiality shall terminate upon approval of this Settlement Agreement by the Commission. The terms of the Settlement Agreement will be treated as confidential forever if the Settlement Agreement is not approved for any reason whatsoever by the Commission, except with the written consent of both Mankofsky and Staff or as may be required by law.

46. PART IX. – EXECUTION OF SETTLEMENT AGREEMENT

47. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement

48. A facsimile copy of any signature will be as effective as an original signature.

Dated this 17th day of July, 2009.

Signed in the presence of:

"Richard Lewin"
Witness

"William Mankofsky"
William Mankofsky

Dated this 17th day of July, 2009

STAFF OF THE ONTARIO SECURITIES COMMISSION

Tom Atkinson
Director, Enforcement Branch

Dated this 16th day of July, 2009

Schedule "A"

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

ORDER
(Sections 37 and 127(1))

WHEREAS on July 16, 2009, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37 and 127 of the *Securities Act*, R.S.O. 1990, c.S.5, as amended in respect of William Mankofsky ("Mankofsky");

AND WHEREAS Mankofsky entered into a Settlement Agreement with Staff of the Commission dated July, 2009 (the "Settlement Agreement") in which Mankofsky agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement, the Notice of Hearing and Statement of Allegations of Staff of the Commission, and upon hearing submissions from Mankofsky and from Staff of the Commission;

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

IT IS HEREBY ORDERED THAT:

(a) pursuant to clause 2 of subsection 127(1), trading in any securities by Mankofsky cease for a period of 4 years from the date of this Order;

(b) pursuant to clause 2.1 of subsection 127(1), the acquisition of any securities by Mankofsky is prohibited for a period of 4 years from the date of this Order;

(c) pursuant to clause 3 of subsection 127(1), any exemptions contained in Ontario securities law do not apply to Mankofsky for a period of 4 years from the date of this Order;

(d) pursuant to clauses 8, 8.2, and 8.4 of subsection 127(1), Mankofsky shall be prohibited for a period of 4 years from the date of this Order from becoming or acting as a director or officer of any issuer, registrant or investment fund manager;

(e) pursuant to clause 8.5 of subsection 127(1), Mankofsky shall be prohibited for a period of 4 years from the date of this Order from becoming or acting as a registrant, as an investment fund manager or as a promoter;

(f) pursuant to clause 10 of subsection 127(1), Mankofsky shall disgorge to the Commission $3,875 obtained as a result of his non-compliance with Ontario securities law. The $3,875 disgorged shall be for allocation to or for the benefit of third parties in accordance with s. 3.4(2) of the Act. Mankofsky is to pay $1,000 on the date of the approval, if granted, of the Settlement Agreement. Mankofsky is to pay a further $1,000 within 60 days of the approval of the Settlement Agreement and Mankofsky is to pay the balance of the disgorgement of $1,875 within two years of the approval of the Settlement Agreement; and,

(g) pursuant to section 37, Mankofsky shall be prohibited permanently from telephoning from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or in any class of security.

DATED AT TORONTO this day of , 2009.

3.1.2 Chawky Sabeh – s. 26(3)

IN THE MATTER OF
THE REGISTRATION OF
CHAWKY SABEH

OPPORTUNITY TO BE HEARD BY THE DIRECTOR
SUBSECTION 26(3) OF THE SECURITIES ACT,
R.S.O. 1990, C. S.5

Date of decision: July 28, 2009

Director: Erez Blumberger
Manager, Registrant Regulation
Ontario Securities Commission

Written Submissions by: Rebecca Stefanec, Registration Officer
Michael Denyszyn, Legal Counsel
For staff of the Ontario Securities Commission

Chawky Sabeh
For the Registrant

Background

[1] Chawky Sabeh (the **Registrant)** has been registered under the *Securities Act*, R.S.O. 1990, c. S.5 (the **Act**) since June 9, 2003. Since October 17, 2008, he has been registered as a mutual fund salesperson for PFSL Investments Canada Ltd. (**PFSL**).

[2] On April 7, 2009, PFSL submitted a financial disclosure change notice to the Ontario Securities Commission (**OSC**) indicating that on March 23, 2009, a notice of garnishment had been issued by the Ontario Superior Court of Justice (via the Small Claims Court in Hamilton) against the Registrant in relation to an outstanding credit card balance.

[3] On April 17, 2009, OSC staff sent a letter to the Registrant and to PFSL proposing terms and conditions for monthly close supervision reporting be imposed on the registration of the Registrant.

[4] Pursuant to section 26 of the Act, the Director may restrict the registration of the Registrant by imposing terms and conditions. In this regard, the Registrant has an opportunity to be heard by the Director.

[5] The Registrant requested an opportunity to be heard through written submissions.

Submissions

Summary of the Registrant's submissions

[6] The Registrant asked that his registration be continued without any terms and conditions. He noted that despite having personal financial issues, he would never try to jeopardize his relationship with his clients nor engage his clients with any risk.

[7] The Registrant explained that "[he] was paying MJR Capital Inc. a fixed monthly payment which was the agreement between them and [him] since two and [a] half year[s] ago, but they broke the agreement suddenly without notifying [him] first and they garnished [him]". He noted that he intends to pay his debt within the next two years.

Summary of staff's submissions

[8] OSC staff recommended to the Director that the registration of the Registrant be subject to close supervision, as the notice of garnishment has a bearing on the Registrant's financial solvency and there is a heightened risk that the Registrant may engage in self-interested activities at the expense of his clients.

Analysis

Suitability for registration

[9] The fit and proper standard for registration is both an initial and an ongoing requirement for registrants. The fit and proper standard is based on three well established criteria that have been identified by the OSC:

> The [Registrant Regulation] section administers a registration system which is intended to ensure that all Applicants under the *Securities Act* and the *Commodity Futures Act* meet appropriate standards of integrity, competence and financial soundness …
>
> (Ontario Securities Commission, Annual Report 1991, Page 16)

[10] When analyzing these criteria staff consider:

- **integrity** – honesty and good faith, particularly in dealings with clients, and compliance with Ontario securities law;
- **competence** – prescribed proficiency and knowledge of the requirements of Ontario securities law; and
- **financial soundness** – an indicator of a firm's capacity to fulfill its obligations and can be an indicator of the risk that an individual will engage in self-interested activities at the expense of clients.

[11] The notice of garnishment raises concern regarding the financial soundness of the Registrant. To mitigate the potential increased risk concerning self-interested activities by the Registrant, staff recommended that terms and conditions for monthly close supervision reporting be imposed on the registration of the Registrant.

[12] It is OSC staff practice to impose terms and conditions for monthly close supervision reporting on an individual's registration when, among other things, a person files for bankruptcy, receives a notice of garnishment, receives a requirement to pay overdue taxes, or files for a consumer proposal. The terms and conditions are removed when the financial obligations resulting from the event have been satisfied. This practice is consistent with the investor protection mandate of the OSC.

Decision

[13] I find that the notice of garnishment does have a negative impact on the Registrant's financial soundness. Based on the submissions filed and the reasons set out above, it is my decision to impose the terms and conditions as set out in Exhibit A on the registration of Chawky Sabeh.

July 28, 2009

"Erez Blumberger"
Manager, Registrant Regulation
Ontario Securities Commission

EXHIBIT "A"

Proposed Conditions For Registration

of

Chawky Sabeh

Monthly Close Supervision Reports are to be completed on the registrant's sales activities and dealings with clients. The supervision reports are to be retained with the sponsoring firm and must be made available for review upon request.

These terms and conditions are to continue until the obligation has been satisfied and acceptable evidence has been provided to the OSC. These terms and conditions will be removed unless the Director has reason to believe that the registrant is not suitable for unconditional renewal of registration at that time.

Approved Officer for PFSL Investments Canada Ltd.	Chawky Sabeh
Print Name of Signatory Above	
Date	Date

EXHIBIT "A" (cont.)

Standard Monthly Close Supervision Report*

Chawky Sabeh

I hereby certify that supervision has been conducted for the month ending _____ of the trading activities of Chawky Sabeh, by the undersigned. I further certify the following:

1. All orders from the salesperson were reviewed and approved by a compliance officer or branch manager of PFSL Investments Canada Ltd.

2. There were no client complaints received during the preceding month. If there were complaints, a description of the complaint and follow-up action initiated by the company is attached.

3. All payments for the purchase of the investments were made payable to the dealer. There were no cash payments accepted.

4. The transactions of the salesperson were reviewed during the preceding month to ensure compliance with the policies and procedures of the dealer, including the suitability of investments for clients. If there were any violations, a description of the violation and follow-up action is attached.

_____
Signature
Compliance Officer/Branch Manager of PFSL Investments Canada Ltd.

_____
Print Name of Signatory Above

_____
Date

* In the case of violations or client complaints, the regulator must be notified within five business days.

3.1.3 Swift Trade Inc. and Peter Beck

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

AND

IN THE MATTER OF
SWIFT TRADE INC. AND PETER BECK

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Ontario Securities Commission (the "Commission") will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the "Act"), it is in the public interest for the Commission to approve this Settlement Agreement and to make certain orders in respect of the Swift Trade Inc. and Peter Beck (the "Respondents").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") agree to recommend settlement of the proceeding commenced by Notice of Hearing dated December 7, 2007 (the "Proceeding") against the Respondents according to the terms and conditions set out in Part IV of this Settlement Agreement. The Respondents agree to the making of an Order in the form attached as Schedule "A", based on the facts set out below.

3. For the purposes of this proceeding only, the Respondents agree with the facts as set out in Part III of this Settlement Agreement.

PART III – AGREED FACTS

A. Overview

4. Swift Trade Inc. ("Swift Trade") has been registered with the Commission as a Limited Market Dealer since 2003. Swift Trade's head office is located at 55 St. Clair West, Toronto, Ontario.

5. Peter Beck ("Beck") resides in Toronto, Ontario. Beck is co-founder and President of Swift Trade and owns 70.5% of BRMS Holdings Inc. which owns 100% of Swift Trade.

6. Beck has been registered with the Commission since 1998. Since September 18, 2002, Beck was registered as a director and a trading officer of Swift Trade. From November 9, 2004, until August 22, 2006 Beck was designated as the compliance officer for Swift Trade.

7. Barka Co. Limited ("Barka") was incorporated in Cyprus on January 22, 2004 for the sole purpose of trading securities on its own behalf. At the time of incorporation, Pavlos Aristodemou ("Aristodemou") was the sole shareholder.

B. Background

8. Since 2004, Swift Trade has provided software and an electronic trading platform that links its clients' traders through its affiliated US dealer Biremis, with access to U.S. markets.

9. In 2006, Swift Trade had approximately 55 corporate accredited investor clients. All of the clients, except one, were incorporated internationally and operated in one of approximately 30 different international jurisdictions. The one Canadian client was Trieme Corporation ("Trieme"), which was wholly-owned by Beck. Each client hired employees or independent contractor traders ("Traders") to trade the client's capital using the Swift Trade software and electronic trading platform. In 2006, in total there were approximately 2000 Traders executing trades on behalf of Swift Trade clients worldwide. None of the Traders were registered with the Commission, as they trade on behalf of their accredited investor employers.

10. In 2006, Barka employed approximately 1100 Traders on its behalf, making it Swift Trade's largest client. At that time, Barka operated approximately 50 international offices and 30 offices in Canada, of which 11 were in Ontario.

C. Compliance Review

11. Staff of the Registration and Compliance section of the Capital Markets Branch of the Commission ("Compliance Staff") conducted a compliance field review of Swift Trade in August 2006 at Swift Trade's head office. The purpose of the field review was to gain an understanding of Swift Trade's operations, business model, clients and employees.

12. As a result of the field review, Staff requested Beck and several Swift Trade officers attend for examinations to provide further information pursuant to section 31 of the Act.

D. Particulars

(i) Examination of Peter Beck

13. Beck attended at the offices of the Commission with legal counsel on December 11, 2006 and was examined under oath by Staff (the "Examination"). Prior to the commencement of the Examination, a 5 page memorandum (the "Memorandum") outlining the background, operations and trading practices of Swift Trade was provided to Staff by legal counsel for Beck.

14. During the Examination, Beck advised Staff as follows:

(a) Swift Trade had only two clients operating offices in Canada, one is wholly owned by Beck, Trieme, and the other was Barka, a Cypriot company wholly owned by Aristodemou; and

(b) Barka became Swift Trade's first client in 2004 and Aristodemou was a wealthy lawyer in Cyprus who was the sole beneficial owner of Barka.

15. The fact that Aristodemou was the sole owner of Barka was also stated in the Memorandum that indicated that Barka was 100% owned by a wealthy lawyer in Cyprus.

(ii) Statements at Issue

16. While at the time of the Examination, Aristodemou was both the registered and beneficial owner of the Barka shares, this was expected to, and did change over time. Aristodemou was a nominee shareholder acting upon the direction of others and did not have effective control of Barka.

17. At no time during the Examination did Beck ever mention that his wife or his father had previously been, or were expected to become in future, the beneficial owner(s) of Barka.

18. While Beck did not intend to mislead Staff, he acknowledges that as a director, trading officer and registrant, he should have devoted more effort to developing a better understanding of the subjects of interest to Staff during their compliance examination, in order to be completely forthcoming and helpful with his responses.

19. While Staff did not ask specific questions about the beneficial ownership of Barka, Beck should have been aware that Staff would be concerned about the beneficial ownership and effective control of Barka, Swift Trade's largest client.

20. Beck acknowledges that his non-wilful lack of disclosure about Barka resulted in Staff being misled. Beck apologizes for his course of conduct, which he acknowledges was contrary to the public interest.

PART IV – TERMS OF SETTLEMENT

21. The Respondents agree to the terms of settlement listed below.

22. The Commission will make an Order pursuant to section 127(1) and section 127.1 of the Act that:

(a) the Settlement Agreement is approved;

(b) the Respondent Beck is to be reprimanded;

(c) Staff are directed to immediately remove the terms and conditions imposed on Swift Trade's registration as a result of the February 5, 2008 Decision of the Director of Compliance of the Commission; and

(d) the Respondents, Swift Trade and Beck, agree to pay costs in the amount of $20,000 to the Commission.

23. The Respondents, Swift Trade and Beck, agree to satisfy the payment as provided in paragraph 22(d) promptly following the Commission's approval of this Settlement Agreement. The Respondents, Swift Trade and Peter Beck, will not be reimbursed for, or receive any contribution toward, these payments from any other person or company.

PART V – STAFF COMMITMENT

24. If the Commission approves this Settlement Agreement, Staff will not continue any proceedings under Ontario securities law in relation to the facts set out in Part III of this Settlement Agreement, as against the Respondents, Swift Trade or Beck, subject to the provisions of paragraph 25.

25. If the Commission approves this Settlement Agreement and the Respondents fail to comply with any of the terms of the Settlement Agreement, Staff may bring proceedings under Ontario securities law against the Respondents, Swift Trade and Beck. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement as well as the breach of the Settlement Agreement.

PART VI – PROCEDURE FOR APPROVAL OF SETTLEMENT

26. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission scheduled for July 28, 2009 at 10:00 am or on another date agreed to by Staff and the Respondents, according to procedures set out in this Settlement Agreement and the Commission's Rules of Practice.

27. Staff and the Respondents agree that this Settlement Agreement will form all of the agreed facts that will be submitted at the Settlement Hearing on the Respondent Beck's conduct, unless the parties agree that additional facts should be submitted at the Settlement Hearing.

28. If the Commission approves this Settlement Agreement the Respondents agree to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.

29. If the Commission approves this Settlement Agreement, neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the Settlement Hearing.

30. Whether or not the Commission approves this Settlement Agreement, the Respondents will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this agreement as the basis for any attack of the Commission's jurisdiction, alleged bias, alleged unfairness, or any other remedies or challenges that may otherwise be available.

PART VII – DISCLOSURE OF SETTLEMENT AGREEMENT

31. If the Commission does not approve this Settlement Agreement or does not make the Order attached as Schedule "A" to this Settlement Agreement:

(i) this Settlement Agreement and all discussions and negotiations between Staff and the Respondents before the Settlement Hearing takes place will be without prejudice to Staff and the Respondents; and

(ii) Staff and the Respondents will be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations contained within the Statement of Allegations. Any proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this agreement.

32. Both parties will keep the terms of the Settlement Agreement confidential until the Commission approves the Settlement Agreement. At that time, the parties will no longer have to maintain confidentiality. If the Commission does not approve the Settlement Agreement both parties must continue to keep the terms of the Settlement Agreement confidential, unless they agree in writing not to do so or, if required by law.

PART VIII – EXECUTION OF THE SETTLEMENT AGREEMENT

33. The parties may sign separate copies of this agreement. Together, these signed copies will form a binding agreement.

34. A faxed copy of any signature will be treated as an original signature.

Dated this 21st day of July, 2009

"Dorota Irena Hagel"
Witness

"Peter Beck"
Peter Beck

Dated this 21st day of July, 2009

"Dorota Irena Hagel"
Witness

"Peter Beck"
Peter Beck on behalf of Swift Trade

Dated this 3rd day of July, 2009

STAFF OF THE ONTARIO SECURITIES COMMISSION

"Tom Atkinson"
Director, Enforcement Branch

Schedule "A"

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

AND

IN THE MATTER OF
SWIFT TRADE INC. AND PETER BECK

ORDER
(sections 127 and 127.1)

WHEREAS on December 7, 2007, the Commission issued a Notice of Hearing pursuant to section 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the "Act"), accompanied by Staff's Statement of Allegations, in relation to the Respondents, Swift Trade Inc. ("Swift Trade") and Peter Beck ("Beck");

AND WHEREAS the Respondents entered into a Settlement Agreement dated July ___, 2009 (the "Settlement Agreement") in which they agreed to a settlement of the proceedings commenced by the Notice of Hearing dated December 7, 2007, subject to the approval of the Commission;

AND UPON reviewing the Settlement Agreement and Staff's Statement of Allegations, and upon hearing submissions from counsel for Staff and counsel for the Respondents;

AND WHEREAS the Respondents acknowledge that the facts set out in Part III of the Settlement Agreement constituted conduct contrary to the public interest under the Act;

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

IT IS ORDERED THAT: the Settlement Agreement between the Respondents and Staff of the Commission is approved;

PURSUANT TO paragraph 127(6) of the Act, the Respondent Beck is reprimanded;

PURSUANT TO paragraph 127(1) of the Act, the terms and conditions imposed by the Decision of the Director of Compliance dated February 5, 2008 on the Respondent Swift Trade's registration, shall be removed immediately; and

PURSUANT TO section 127.1 of the Act, the Respondents agree to pay costs in the amount of $20,000 to the Commission.

Dated this 28th day of July, 2009.

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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
Intercable ICH Inc.	15 June 09	26 June 09	26 June 09	29 July 09

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

THERE ARE NO ENTRIES FOR THIS WEEK.

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
Coalcorp Mining Inc.	18 Feb 09	03 Mar 09	03 Mar 09		
Wedge Energy International Inc.	04 May 09	15 May 09	15 May 09		
Sprylogics International Corp.	02 June 09	15 June 09	15 June 09		
Firstgold Corp.	22 July 09	04 Aug 09			

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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	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
06/18/2009	54	49 North Resource Fund Inc. - Units	11,093,819.25	N/A
07/10/2009	23	Abitex Resources Inc. - Units	291,725.00	1,667,002.00
06/16/2009	36	Agrotech Greenhouses Inc. - Common Shares	900,000.00	36,000,000.00
07/02/2009	3	Alliance One International, Inc. - Notes	43,790,420.00	1.00
07/02/2009	17	Ameroil Corp. - Notes	525,000.00	N/A
07/03/2009	2	Ansell Capital Corp. - Units	132,000.00	1,100,000.00
06/29/2009	30	ATuscany International Drilling Inc. - Units	21,133,183.50	18,245,000.00
06/30/2009	1	Birchcliff Energy Ltd. - Common Shares	12,400,000.00	2,000,000.00
06/25/2009	7	BPZ Resources Inc. - Common Shares	5,935,908.00	18,755,490.00
07/08/2009	45	Canadian Imperial Bank of Commerce - Notes	3,489,597.72	N/A
07/10/2009	20	Canadian Shield Resources Ltd. - Units	850,000.00	1,062,500.00
07/01/2009	5	Capital Direct I Income Trust - Trust Units	213,000.00	21,300.00
07/10/2009	19	CBI Properties Income Corp. - Notes	506,700.00	N/A
06/23/2009	1	Chai Cha Na Mining Inc. - Common Shares	15,000.00	100,000.00
07/01/2009	2	Clean Energy Fuels Corp. - Common Shares	577,800.00	60,000.00
07/10/2009 to 07/19/2009	14	CMC Markets UK plc - Contracts for Differences	156,001.00	14.00
06/10/2009 to 06/19/2009	12	CMC Markets UK plc - Contracts for Differences	93,601.00	12.00
06/30/2009 to 07/10/2009	21	CMC Markets UK plc - Contracts for Differences	101,001.00	21.00
07/01/2009	1	Commercial Barge Line Company - Notes	553,239.56	N/A
04/30/2008 to 06/30/2009	1	Commonfund Emerging Markets Investors Company - Common Shares	1,520,700.00	85,934.29
04/30/2009 to 05/31/2009	1	Commonfund Global Absolute Alpha Company - Common Shares	5,786,070.04	N/A
07/31/2008 to 06/30/2009	2	Commonfund Hedged Investors Company - Common Shares	8,073,450.00	609,600.00
06/30/2008 to 05/29/2009	3	Commonfund Institutional All Cap Equity Fund, LLC. - Membership Interests	11,938,556.88	967,283.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
09/30/2008	1	Commonfund Institutional Core Equity Fund, LLC. - Membership Interests	4,091,695.00	453,745.39
06/30/2009	1	Commonfund Institutional International Equity Fund, LLC - Membership Interests	2,906,250.00	251,509.05
12/31/2008 to 01/30/2009	1	Commonfund Institutional Investment Grade Credit Fund, LLC. - Membership Interests	3,554,880.00	290,150.75
04/30/2009	1	Commonfund Institutional Multi-Strategy Commodities Fund, Ltd. - Common Shares	477,600.00	400,000.00
07/13/2009	45	Copper Fox Metals Inc. - Common Shares	1,000,000.18	1,000,000.00
01/30/2009	50	Cream Minerals Ltd. - Units	672,220.00	N/A
07/02/2009	11	Diamond Exploration Inc. - Units	317,000.00	3,170,000.00
07/07/2009	1	Digicel Limited - Notes	3,597,160.00	3,000,000.00
06/22/2009	1	Elementa Group Inc. - Units	1,000,000.00	1,000,000.00
06/26/2008	71	Encore Renaissance Resources Corp. - Units	3,097,500.00	38,450,000.00
07/02/2009	2	Energate Inc. - Debentures	1,550,000.00	N/A
06/30/2009	54	Energy Investment Limited Partnership - Limited Partnership Units	7,195,286.30	N/A
06/16/2009	1	First Leaside Premier Limited Partnership - Units	28,317.50	25,000.00
06/15/2009	1	First Leaside Progressive Limited Partnership - Units	25,000.00	25,000.00
06/29/2009 to 07/08/2009	261	Fisgard Capital Corporation - Common Shares	2,911,215.76	N/A
07/09/2009	12	GeneNews Limited - Common Shares	1,702,741.00	6,810,964.00
07/16/2009	6	Golden Share Mining Corporation - Common Shares	0.00	N/A
06/23/2009	1	Hi Ho Silver Resources Inc. - Common Shares	11,250.00	225,000.00
06/02/2009	1	Iconix Brand Group Inc. - Common Shares	4,939,200.00	300,000.00
06/29/2009 to 07/02/2009	15	IGW Real Estate Investment Trust - Trust Units	554,673.26	552,151.14
07/03/2009 to 07/13/2009	14	IGW Real Estate Investment Trust - Trust Units	638,994.23	633,154.36
07/06/2009 to 07/14/2009	8	IGW Segregated Debt 2 Limited Partnership - Limited Partnership Units	600,000.00	600,000.00
07/02/2009	2	Inflexion Co-Investment Limited Partnership - Limited Partnership Interest	3,678,132.14	1.00
06/30/2009	2	Investeco Private Equity Fund III, L.P - Limited Partnership Units	80,113.76	80.00
06/30/2009	10	JD Capital Canada LP I - Limited Partnership Units	1,860,000.00	16.00

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
06/29/2009 to 07/07/2009	49	Kaminak Gold Corporation - Units	1,299,290.00	2,887,310.00
07/09/2009	2	Kaminak Gold Corporation - Units	500,000.00	1,000,000.00
06/29/2009	2	Kelman Technologies Inc. - Debentures	4,432,158.00	N/A
05/29/2009	6	Kingwest Avenue Portfolio - Units	325,000.00	14,929.35
06/30/2009	1	Kingwest Avenue Portfolio - Units	500.00	22.24
05/31/2009	2	Kingwest US Equity Portfolio - Units	28,690.96	3,054.24
07/09/2009	9	Look Communications Inc. - Common Shares	133,612.35	530,204.00
06/29/2009	14	Lysander Minerals Corporation - Units	600,400.00	4,002,667.00
06/30/2009	53	Malbex Resources Inc. - Receipts	10,637,500.00	21,275,000.00
07/06/2009	35	Manitou Gold Inc. - Common Shares	814,750.00	3,500,000.00
06/25/2009	51	Martinrea International Inc. - Common Shares	55,775,000.00	11,500,000.00
06/05/2009	2	Mega Silver Inc. - Common Shares	35,000.00	200,000.00
06/17/2009	3	Metals Creek Resources Corp. - Units	63,500.00	793,750.00
06/29/2009	9	Metropolitan Life Global Funding I - Notes	200,000,000.00	200,000,000.00
07/10/2009	12	Mountain Boy Minerals Ltd. - Units	100,000.00	2,500,000.00
07/06/2009	15	Nelson Financial Group Ltd. - Notes	126,000.00	N/A
06/01/2009 to 07/01/2009	4	New Haven Mortgage Income Fund (1) Inc. - Special Shares	290,000.00	N/A
07/02/2009	9	New World RRSP Lenders Corp. - Bonds	405,000.00	N/A
06/30/2009	78	Northrock Resources Inc. - Flow-Through Shares	849,998.50	N/A
06/15/2009 to 07/07/2009	64	Oremex Resources Inc. - Units	1,649,989.00	14,999,900.00
07/07/2009	94	Oro Gold Resources Ltd. - Units	12,040,000.00	N/A
06/10/2009	31	Oro Silver Resources Ltd. - Common Shares	440,000.00	N/A
07/03/2009	34	Petro Vista Energy Corp. - Common Shares	908,032.00	7,566,933.00
07/03/2009	22	Pitchstone Exploration Ltd. - Units	610,000.00	1,525,000.00
06/19/2009	2	Project Opus Technologies Inc. - Notes	100,000.00	N/A
06/30/2009	2	Q-Gold Resources Ltd. - Units	400,000.00	10,000,000.00
07/07/2009	1	Queens University at Kinston - Debentures	30,000,000.00	1.00
05/11/2009	1	Range Resources Corporation - Notes	3,477,300.00	N/A
06/10/2009 to 06/17/2009	57	Real Estate Investment Trust - Trust Units	1,957,041.22	1,949,103.13

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price ($)	# of Securities Distributed
07/02/2009	34	Rio Tinto plc - Rights	0.00	524,460,478.00
07/06/2009	52	Rock Tech Resources Inc. - Units	598,500.00	8,550,000.00
06/30/2009	21	Second Wave Petroleum Inc. - Common Shares	4,648,500.00	N/A
06/30/2009	1	Second Wave Petroleum Inc. - Debentures	4,000,000.00	N/A
06/30/2009	49	Second Wave Petroleum Inc. - Flow-Through Shares	5,995,500.00	N/A
05/29/2009	118	Sego Resources Inc, - Common Shares	581,630.00	N/A
06/30/2009	39	Sincerus (Hawk Springs) Finance Ltd. - Bonds	1,098,000.00	N/A
06/30/2009	39	Sincerus (Hawk Springs) Investments Ltd. - Common Shares	1,098.00	10,980.00
06/30/2009	1	Skywave Mobile Communications Inc. - Common Shares	22,776,461.91	12,867,894.00
06/12/2009	7	Speargrass Energy Inc. - Flow-Through Shares	343,838.00	N/A
06/12/2009	33	Speargrass Energy Inc. - Units	2,625,000.00	2,625.00
06/29/2009	13	Tanzanian Mining Corp. - Common Shares	125,000.00	2,500,000.00
07/09/2009	16	Temple Energy Inc. - Common Shares	4,051,599.60	6,752,666.00
07/09/2009	11	Temple Energy Inc. - Flow-Through Shares	620,749.50	N/A
07/07/2009	56	Terra Energy Corp. - Receipts	20,300,000.00	14,000,000.00
07/13/2009	4	TerraX Minerals Inc. - Common Shares	6,250.00	50,000.00
06/26/2009 to 07/06/2009	13	UBS AG, Jersey Branch - Notes	2,175,000.00	2,175,000.00
06/23/2009 to 07/03/2009	14	United Reef Limited - Units	160,980.00	8,049,000.00
04/28/2009	12	Vacci-Test Corporation - Units	124,087.50	55,150.00
07/17/2009	1	View 22 Technology Inc. - Debentures	3,000,000.00	N/A
07/10/2009	16	Walton AZ Vista Del Monte 2 Investment Corporation - Common Shares	262,140.00	26,214.00
06/30/2009	5	Walton AZ Vista Del Monte Limited Partnership 2 - Limited Partnership Units	396,632.98	34,222.00
07/10/2009	32	Walton TX Amble Way Investment Corporation - Common Shares	444,580.00	44,458.00
07/10/2009	19	Walton TX Green Meadows Limited Partnership 1 - Units	383,599.55	32,927.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
All in West! Capital Corporation
Principal Regulator - Manitoba
Type and Date:
Preliminary Prospectus dated July 22, 2009
NP 11-202 Receipt dated July 23, 2009
Offering Price and Description:
$2,5692,625.00 - Offering of Rights to Subscribe for 8.0% Series C Senior Convertible Debentures
Price: $10.00 per Debenture
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
Promoter(s):
-
Project #1449652

Issuer Name:
Angiotech Pharmaceuticals, Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Shelf Prospectus dated July 23, 2009
NP 11-202 Receipt dated July 23, 2009
Offering Price and Description:
US$250,000,000.00
Common Shares
Class I Preference Shares
Warrants
Debt Securities
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1450079

Issuer Name:
Augusta Resource Corporation
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated July 27, 2009
NP 11-202 Receipt dated July 27, 2009
Offering Price and Description:
$ * - * Common Shares
Price: $* per Common Share
Underwriter(s) or Distributor(s):
Wellington West Capital Markets Inc.
Cormark Securities Inc.
CIBC World Markets Inc.
TD Securities Inc.
Promoter(s):
-
Project #1450899

Issuer Name:
BMG BullionFund
BMG Gold BullionFund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated July 24, 2009
NP 11-202 Receipt dated July 27, 2009
Offering Price and Description:
Class A, Class F, Class I and Class S Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Bullion Management Services Inc.
Project #1450525

Issuer Name:
BONAVISTA ENERGY TRUST
Principal Regulator – Alberta
Type and Date:
Preliminary Short Form Prospectus dated July 22, 2009
NP 11-202 Receipt dated July 22, 2009
Offering Price and Description:
$387,550,000.00 - 23,000,000 Subscription Receipts, each representing the right to receive one Trust Unit
Price: $16.85 per Subscription Receipt
Underwriter(s) or Distributor(s):
TD Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
FirstEnergy Capital Corp.
National Bank Financial Inc.
Peters & Co. Limited
HSBC Securities (Canada) Inc.
Tristone Capital Inc.
Promoter(s):
-
Project #1449672

Issuer Name:
First Capital Realty Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Base Shelf Prospectus dated July 21, 2009
NP 11-202 Receipt dated July 22, 2009
Offering Price and Description:
$1,000,000,000.00 - Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1449612

Issuer Name:
IntelGenx Technologies Corp.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated July 27, 2009
NP 11-202 Receipt dated July 28, 2009
Offering Price and Description:
$4,190,400.00 - 10,476,000 Units issuable upon exercise of outstanding Special Warrants
Price: $0.40 per Special Warrant
Underwriter(s) or Distributor(s):
Paradigm Capital Inc.
Bolder Investment Partners, Ltd.
Union Securities Ltd.
Promoter(s):
-
Project #1450816

Issuer Name:
Mirabela Nickel Limited
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated July 27, 2009
NP 11-202 Receipt dated July 27, 2009
Offering Price and Description:
$* - * Ordinary Shares
Price: * per Ordinary Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Promoter(s):
-
Project #1450723

Issuer Name:
Northern Rivers Conservative Growth Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated July 22, 2009
NP 11-202 Receipt dated July 22, 2009
Offering Price and Description:
Series O Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Northern Rivers Capital Management Inc.
Project #1449456

Issuer Name:
Baytex Energy Trust
Principal Regulator - Alberta
Type and Date:
Final Shelf Prospectus dated July 28, 2009
NP 11-202 Receipt dated July 28, 2009
Offering Price and Description:
$600,000,000.00
Trust Units
Subscription Receipts
Warrants
Options
Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1448368

Issuer Name:
Cambridge Canadian Asset Allocation Corporate Class
Cambridge Canadian Equity Corporate Class
Cambridge Global Equity Corporate Class
CI Alpine Growth Equity Fund
CI American Equity Corporate Class
CI American Equity Fund
CI American Managers Corporate Class
CI American Small Companies Corporate Class
CI American Small Companies Fund
CI American Value Corporate Class
CI American Value Fund
CI Can-Am Small Cap Corporate Class
CI Canadian Investment Corporate Class
CI Canadian Investment Fund
CI Canadian Small/Mid Cap Fund
CI Emerging Markets Corporate Class
CI Emerging Markets Fund
CI European Corporate Class
CI European Fund
CI Global Bond Corporate Class
CI Global Bond Fund
CI Global Corporate Class
CI Global Fund
CI Global Health Sciences Corporate Class
CI Global High Dividend Advantage Corporate Class
CI Global High Dividend Advantage Fund
CI Global Managers Corporate Class
CI Global Science & Technology Corporate Class
CI Global Small Companies Corporate Class
CI Global Small Companies Fund
CI Global Value Corporate Class
CI Global Value Fund
CI International Balanced Corporate Class
CI International Balanced Fund
CI International Corporate Class
CI International Fund
CI International Value Corporate Class
CI International Value Fund
CI Japanese Corporate Class
CI Money Market Fund
CI Pacific Corporate Class
CI Pacific Fund
CI Short-Term Advantage Corporate Class
CI Short-Term Corporate Class
CI Short-Term US$ Corporate Class
CI US Money Market Fund
CI Value Trust Corporate Class
Harbour Corporate Class
Harbour Foreign Equity Corporate Class
Harbour Foreign Growth & Income Corporate Class
Harbour Fund
Harbour Growth & Income Corporate Class
Harbour Growth & Income Fund
Portfolio Series Balanced Fund
Portfolio Series Balanced Growth Fund
Portfolio Series Conservative Balanced Fund
Portfolio Series Conservative Fund
Portfolio Series Growth Fund
Portfolio Series Income Fund
Portfolio Series Maximum Growth Fund
Select 100e Managed Portfolio Corporate Class
Select 100i Managed Portfolio Corporate Class
Select 20i80e Managed Portfolio Corporate Class
Select 30i70e Managed Portfolio Corporate Class
Select 40i60e Managed Portfolio Corporate Class
Select 50i50e Managed Portfolio Corporate Class
Select 60i40e Managed Portfolio Corporate Class
Select 70i30e Managed Portfolio Corporate Class
Select 80i20e Managed Portfolio Corporate Class
Select Canadian Equity Managed Corporate Class
Select Income Managed Corporate Class
Select International Equity Managed Corporate Class
Select Staging Fund
Select U.S. Equity Managed Corporate Class
Signature Canadian Balanced Fund
Signature Canadian Bond Corporate Class (formerly CI Canadian Bond Corporate Class)
Signature Canadian Bond Fund (formerly CI Canadian Bond Fund)
Signature Canadian Resource Corporate Class
Signature Canadian Resource Fund
Signature Corporate Bond Corporate Class
Signature Corporate Bond Fund
Signature Dividend Corporate Class
Signature Dividend Fund
Signature Global Energy Corporate Class (formerly CI Global Energy Corporate Class)
Signature Global Income & Growth Corporate Class
Signature Global Income & Growth Fund
Signature High Income Corporate Class
Signature High Income Fund
Signature Income & Growth Corporate Class
Signature Income & Growth Fund
Signature Mortgage Fund (formerly CI Mortgage Fund)
Signature Select Canadian Corporate Class
Signature Select Canadian Fund
Signature Short-Term Bond Fund (formerly CI Short-Term Bond Fund)
Synergy American Corporate Class
Synergy American Fund
Synergy Canadian Corporate Class
Synergy Global Corporate Class
Synergy Tactical Asset Allocation Fund
Principal Regulator - Ontario

Type and Date:
Final Simplified Prospectuses dated July 18, 2009
NP 11-202 Receipt dated July 24, 2009

Offering Price and Description:
Class A, F, I and Insight Units; and A, AT5, AT8, F, FT5, FT8, W, WT5, WT8, I, IT5 , IT8, Y and Z Shares @ Net Asset Value

Underwriter(s) or Distributor(s):
-

Promoter(s):
CI Investments Inc.

Project #1438350

Issuer Name:
CIBC Asia Pacific Fund
CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Balanced Index Fund
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resources Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Small-Cap Fund
CIBC Canadian T-Bill Fund
CIBC Disciplined International Equity Fund
CIBC Disciplined U.S. Equity Fund
CIBC Dividend Growth Fund
CIBC Dividend Income Fund
CIBC Emerging Markets Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund
CIBC European Equity Fund
CIBC European Index Fund
CIBC Financial Companies Fund
CIBC Global Bond Fund
CIBC Global Bond Index Fund
CIBC Global Equity Fund
CIBC Global Monthly Income Fund
CIBC Global Technology Fund
CIBC High Yield Cash Fund
CIBC International Index Fund
CIBC International Small Companies Fund
CIBC Latin American Fund
CIBC Managed Aggressive Growth Portfolio
CIBC Managed Balanced Growth Portfolio
CIBC Managed Balanced Portfolio
CIBC Managed Growth Portfolio
CIBC Managed Income Plus Portfolio
CIBC Managed Income Portfolio
CIBC Managed Monthly Income Balanced Portfolio
CIBC Money Market Fund
CIBC Monthly Income Fund
CIBC Nasdaq Index Fund
CIBC Precious Metals Fund
CIBC Short-Term Income Fund
CIBC U.S. Broad Market Index Fund
CIBC U.S. Dollar Managed Balanced Portfolio
CIBC U.S. Dollar Managed Growth Portfolio
CIBC U.S. Dollar Managed Income Portfolio
CIBC U.S. Dollar Money Market Fund
CIBC U.S. Index Fund
CIBC U.S. Small Companies Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 22, 2009
NP 11-202 Receipt dated July 24, 2009
Offering Price and Description:
Class A Units, Premium Class Units, T4, T6 and T8 Units
@ Net Asset Value
Underwriter(s) or Distributor(s):
CIBC Securities Inc.
Promoter(s):
Canadian Imperial Bank of Commerce
Project #1429250

Issuer Name:
Citigroup Finance Canada Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Base Shelf Prospectus dated July 23, 2009
NP 11-202 Receipt dated July 24, 2009
Offering Price and Description:
$8,000,000,000.00 - Medium Term Notes (unsecured)
Unconditionally guaranteed as to principal, premium (if any) and interest By CITIGROUP INC. a Delaware Corporation
Underwriter(s) or Distributor(s):
TD Securities Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
Merrill Lynch Canada Inc.
National Bank Financial Inc.
Citigroup Global Markets Canada Inc.
Edward Jones
Promoter(s):
-
Project #1445074

Issuer Name:
Fidelity American Disciplined Equity Class
Fidelity American Opportunities Class
Fidelity AsiaStar Class
Fidelity Balanced Class Portfolio
Fidelity Canadian Asset Allocation Class
Fidelity Canadian Balanced Class
Fidelity Canadian Disciplined Equity Class
Fidelity Canadian Growth Company Class
Fidelity Canadian Opportunities Class
Fidelity Canadian Short Term Income Class
Fidelity China Class
Fidelity Dividend Class
Fidelity Emerging Markets Class
Fidelity Europe Class
Fidelity Far East Class
Fidelity Global Balanced Class Portfolio
Fidelity Global Class
Fidelity Global Consumer Industries Class
Fidelity Global Disciplined Equity Class
Fidelity Global Dividend Class
Fidelity Global Financial Services Class
Fidelity Global Growth Class Portfolio
Fidelity Global Health Care Class
Fidelity Global Income Class Portfolio
Fidelity Global Natural Resources Class
Fidelity Global Real Estate Class
Fidelity Global Technology Class
Fidelity Global Telecommunications Class
Fidelity Greater Canada Class
Fidelity Growth America Class
Fidelity Growth Class Portfolio
Fidelity Income Class Portfolio
Fidelity International Disciplined Equity Class
Fidelity Japan Class
Fidelity NorthStar Class
Fidelity Small Cap America Class
Fidelity Special Situations Class
Fidelity True North Class
Principal Regulator - Ontario

Type and Date:
Amendment #1 dated July 15, 2009 to Simplified Prospectuses and Annual Information Form (NI 81-101) dated March 20, 2009
NP 11-202 Receipt dated July 27, 2009

Offering Price and Description:
Series A, B, F, T5, T8, S5, S8, F5 and F8 Shares @ Net Asset Value

Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC

Promoter(s):
Fidelity Investments Canada ULC

Project #1373469

Issuer Name:
Fidelity American Disciplined Equity Fund
Fidelity American High Yield Currency Neutral Fund
Fidelity American High Yield Fund
Fidelity American Opportunities Fund
Fidelity American Value Fund
Fidelity AsiaStar Fund
Fidelity Balanced Portfolio
Fidelity Canadian Asset Allocation Fund
Fidelity Canadian Balanced Fund
Fidelity Canadian Bond Fund
Fidelity Canadian Disciplined Equity Fund
Fidelity Canadian Growth Company Fund
Fidelity Canadian Large Cap Fund
Fidelity Canadian Money Market Fund
Fidelity Canadian Opportunities Fund
Fidelity Canadian Short Term Bond Fund
Fidelity China Fund
Fidelity ClearPath 2005 Portfolio
Fidelity ClearPath 2010 Portfolio
Fidelity ClearPath 2015 Portfolio
Fidelity ClearPath 2020 Portfolio
Fidelity ClearPath 2025 Portfolio
Fidelity ClearPath 2030 Portfolio
Fidelity ClearPath 2035 Portfolio
Fidelity ClearPath 2040 Portfolio
Fidelity ClearPath 2045 Portfolio
Fidelity ClearPath Income Portfolio
Fidelity Dividend Fund
Fidelity Emerging Markets Fund
Fidelity Europe Fund
Fidelity Far East Fund
Fidelity Global Asset Allocation Fund
Fidelity Global Balanced Portfolio
Fidelity Global Bond Currency Neutral Fund
Fidelity Global Bond Fund
Fidelity Global Consumer Industries Fund
Fidelity Global Disciplined Equity Fund
Fidelity Global Dividend Fund
Fidelity Global Financial Services Fund
Fidelity Global Fund
Fidelity Global Growth Portfolio
Fidelity Global Health Care Fund
Fidelity Global Income Portfolio
Fidelity Global Monthly Income Fund
Fidelity Global Natural Resources Fund
Fidelity Global Opportunities Fund
Fidelity Global Real Estate Fund
Fidelity Global Technology Fund
Fidelity Global Telecommunications Fund
Fidelity Greater Canada Fund
Fidelity Growth America Fund
Fidelity Growth Portfolio
Fidelity Income Portfolio
Fidelity Income Replacement 2017 Portfolio
Fidelity Income Replacement 2019 Portfolio
Fidelity Income Replacement 2021 Portfolio
Fidelity Income Replacement 2023 Portfolio
Fidelity Income Replacement 2025 Portfolio
Fidelity Income Replacement 2027 Portfolio
Fidelity Income Replacement 2029 Portfolio
Fidelity Income Replacement 2031 Portfolio
Fidelity Income Replacement 2033 Portfolio

Fidelity Income Replacement 2035 Portfolio
Fidelity Income Replacement 2037 Portfolio
Fidelity Income Trust Fund
Fidelity International Disciplined Equity Fund
Fidelity International Value Fund
Fidelity Japan Fund
Fidelity Latin America Fund
Fidelity Monthly High Income Fund
Fidelity Monthly Income Fund
Fidelity NorthStar Fund
Fidelity Overseas Fund
Fidelity Small Cap America Fund
Fidelity Special Situations Fund
Fidelity True North Fund
Fidelity U.S. Money Market Fund
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated July 15, 2009 to the Simplified Prospectuses dated October 30, 2008 (SP amendment no. 2) and Amendment #3 dated July 15, 2009 (together with SP amendment no. 2, "Amendment no.3") to Annual Information Form dated October 30, 2008
NP 11-202 Receipt dated July 28, 2009
Offering Price and Description:
Series A, B, F, C, D, T5, T8, F5, F8, S5 and S8 Units @ Net Asset Value
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Fidelity Investments Canadaz ULC
Fidelity Investments Canada Limited
Fidelity Investments Canada ULC
Promoter(s):
Fidelity Investments Canada ULC
Project #1320759

Issuer Name:
First Capital Realty Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated July 28, 2009
NP 11-202 Receipt dated July 28, 2009
Offering Price and Description:
$51,300,000.00
3,000,000 Units
Price: $17.10 per Unit
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
TD Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
CIBC World Markets Inc.
National Bank Financial Inc.
Genuity Capital Markets
Raymond James Ltd.
Canaccord Capital Corporation
Promoter(s):
-
Project #1449036

Issuer Name:
Gold Participation and Income Fund
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated July 27, 2009
NP 11-202 Receipt dated July 28, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
National Bank Financial Inc.
TD Securities Inc.
Blackmont Capital Inc.
Canaccord Capital Corporation
Desjardins Securities Inc.
Dundee Securities Corporation
GMP Securities L.P.
HSBC Securities (Canada) Inc.
Raymond James Ltd.
Manulife Securities Incorporated
Richardson Partners Financial Limited
Wellington West Capital Markets Inc.
Promoter(s):
Mulvihill Capital Management Inc.
Project #1434750

Issuer Name:
Groppe Tactical Energy Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 23, 2009
NP 11-202 Receipt dated July 28, 2009
Offering Price and Description:
$100,000,008.00 Maximum
8,333,334 Combined Units
$12.00 per Combined Unit
Underwriter(s) or Distributor(s):
Middlefield Capital Corporation
Promoter(s):
Middlefield Fund Management Limited
Project #1442091

Issuer Name:
Hydro One Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Base Shelf Prospectus dated July 27, 2009
NP 11-202 Receipt dated July 27, 2009
Offering Price and Description:
$3,000,000,000.00
Medium Term Notes
(unsecured)
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Casgrain & Company Limited
CIBC World Markets Inc.
HSBC Securities (Canada) Inc.
Laurentian Bank Securities Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
Promoter(s):
-
Project #1445070

Issuer Name:
Lakeview Disciplined Leadership Canadian Equity Fund
Lakeview Disciplined Leadership High Income Fund
Lakeview Disciplined Leadership U.S. Equity Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 18, 2009
NP 11-202 Receipt dated July 23, 2009
Offering Price and Description:
Mutual fund trust units at net asset value
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1438332

Issuer Name:
LifePoints All Equity Class Portfolio
LifePoints All Equity Portfolio
LifePoints Balanced Class Portfolio
LifePoints Balanced Growth Class Portfolio
LifePoints Balanced Growth Portfolio
LifePoints Balanced Income Portfolio
LifePoints Balanced Portfolio
LifePoints Long-Term Growth Class Portfolio
LifePoints Long-Term Growth Portfolio
Russell Canadian Dividend Class
Russell Canadian Dividend Pool
Russell Canadian Equity Class
Russell Canadian Equity Fund
Russell Canadian Equity Pool
Russell Canadian Fixed Income Fund
Russell Core Plus Fixed Income Pool
Russell Diversified Monthly Income Class Portfolio
Russell Diversified Monthly Income Portfolio (formerly Sovereign Diversified Monthly Income Portfolio)
Russell Emerging Markets Equity Class
Russell Emerging Markets Equity Pool
Russell Fixed Income Pool
Russell Global Equity Class
Russell Global Equity Fund
Russell Global Equity Pool
Russell Managed Yield Class
Russell Money Market Class
Russell Money Market Pool
Russell Overseas Equity Class
Russell Overseas Equity Fund
Russell Overseas Equity Pool
Russell Retirement Essentials Class Portfolio
Russell Retirement Essentials Portfolio
Russell US Equity Class
Russell US Equity Fund
Russell US Equity Pool
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 20, 2009
NP 11-202 Receipt dated July 22, 2009
Offering Price and Description:
Series A, B, E, E-5, E-6, E-7, F, F-5, F-6, F-7, I-5, I-6, I-7, O and OS @ Net Asset Value
Underwriter(s) or Distributor(s):
Russell Investments Canada Limited
Promoter(s):
Russell Investments Canada Limited
Project #1437924

Issuer Name:
Pathway Oil & Gas 2009 Flow-Through Limited Partnership
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated July 20, 2009
NP 11-202 Receipt dated July 22, 2009
Offering Price and Description:
$10,000,000.00 (Maximum Offering) - A Maximum of 1,000,000 Limited Partnership Units @ $10/unit
$2,500,000.00 (Minimum Offering) - A Minimum of 250,000 Limited Partnership Units @ $10/unit
Underwriter(s) or Distributor(s):
Wellington West Capital Inc.
HSBC Securities (Canada) Inc.
Burgeonvest Securities Limited
Canaccord Capital Corporation
Raymond James Ltd.
Blackmont Capital Corporation
Desjardins Securities Inc.
Industrial Alliance Securities Inc.
Laurentian Bank Securities Inc.
Research Capital Corporation
Integral Wealth Securities Limited
Argosy Securities Inc.
Promoter(s):
Pathway Oil & Gas 2009 Inc.
Project #1415852

Issuer Name:
Sabretooth Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated July 21, 2009
NP 11-202 Receipt dated July 22, 2009
Offering Price and Description:
$46,087,400.00 - 53,590,000 Common Shares Issuable Pursuant to 53,590,000 Outstanding Subscription Receipts
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Macquarie Capital Markets Canada Ltd.
First Energy Capital Corp.
National Bank Financial Inc.
Tristone Capital Inc.
GMP Securities L.P.
Promoter(s):
-
Project #1446557

Issuer Name:
TD Asian Growth Fund
TD Balanced Growth Fund
TD Balanced Income Fund
TD Advantage Balanced Portfolio
TD Canadian Blue Chip Equity Fund
TD Canadian Bond Fund
TD Canadian Bond Index Fund
TD Canadian Core Plus Bond Fund
TD Canadian Equity Fund
TD Canadian Index Fund
TD Canadian Money Market Fund
TD Canadian Small-Cap Equity Fund
TD Canadian Value Fund
TD Advantage Conservative Portfolio
TD Corporate Bond Capital Yield Fund
TD Diversified Monthly Income Fund
TD Dividend Growth Fund
TD Dividend Income Fund
TD Dow Jones Industrial Average Index Fund
TD Emerging Markets Fund
TD Energy Fund
TD Entertainment & Communications Fund
TD Advantage Equity Portfolio
TD European Index Fund
TD Global Bond Fund
TD Global Dividend Fund
TD Global Equity Advantage Portfolio
TD Global Multi-Cap Fund
TD Global Select Fund
TD Global Sustainability Fund
TD Global Value Fund
TD Advantage Growth Portfolio
TD Health Sciences Fund
TD High Yield Income Fund
TD Income Advantage Portfolio
TD International Equity Fund
TD International Equity Growth Fund
TD International Index Currency Neutral Fund
TD International Index Fund
TD Japanese Growth Fund
TD Japanese Index Fund
TD Latin American Growth Fund
TD Advantage Moderate Portfolio
TD Monthly Income Fund
TD Mortgage Fund
TD Nasdaq Index Fund
TD North American Dividend Fund
TD Precious Metals Fund
TD Premium Money Market Fund
TD Real Return Bond Fund
TD Resource Fund
TD Science & Technology Fund
TD Short Term Bond Fund
TD U.S. Blue Chip Equity Fund
TD U.S. Equity Advantage Currency Neutral Portfolio
TD U.S. Equity Advantage Portfolio
TD U.S. Index Currency Neutral Fund
TD U.S. Index Fund
TD U.S. Large-Cap Value Currency Neutral Fund
TD U.S. Large-Cap Value Fund
TD U.S. Mid-Cap Growth Fund
TD U.S. Small-Cap Equity Fund

Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 22, 2009
NP 11-202 Receipt dated July 23, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
TD Investment Services Inc. (for Investor Series units)
TD Investment Services Inc.(for Investor Series units)
TD Investment Services Inc. (for Investor Series and e-Series Units)
TD Investment Services Inc. (for Investor Series and e-Series units)
TD Asset Management Inc. (for Investor Series units)
Promoter(s):
TD Asset Management Inc.
Project #1435114

Issuer Name:
TD Asian Growth Fund
TD Balanced Growth Fund
TD Balanced Income Fund
TD Balanced Index Fund
TD Advantage Balanced Portfolio
TD Canadian Blue Chip Equity Fund
TD Canadian Bond Fund
TD Canadian Bond Index Fund
TD Canadian Core Plus Bond Fund
TD Canadian Equity Fund
TD Canadian Index Fund
TD Canadian Money Market Fund
TD Canadian Small-Cap Equity Fund
TD Canadian T-Bill Fund
TD Canadian Value Fund
TD Comfort Balanced Portfolio
TD Comfort Conservative Portfolio
TD Comfort Equity Portfolio
TD Comfort Growth Portfolio
TD Comfort Moderate Portfolio
TD Advantage Conservative Portfolio
TD Corporate Bond Capital Yield Fund
TD Diversified Monthly Income Fund
TD Dividend Growth Fund
TD Dividend Income Fund
TD Dow Jones Industrial Average Index Fund
TD Emerging Markets Fund
TD Energy Fund
TD Entertainment & Communications Fund
TD Advantage Equity Portfolio
TD European Growth Fund
TD European Index Fund
TD Global Bond Fund
TD Global Dividend Fund
TD Global Equity Advantage Portfolio
TD Global Multi-Cap Fund
TD Global Select Fund
TD Global Sustainability Fund
TD Global Value Fund
TD Advantage Growth Portfolio
TD Health Sciences Fund
TD High Yield Income Fund
TD Income Advantage Portfolio
TD International Equity Fund
TD International Equity Growth Fund
TD International Index Currency Neutral Fund
TD International Index Fund
TD Japanese Growth Fund
TD Japanese Index Fund
TD Latin American Growth Fund
TD Advantage Moderate Portfolio
TD Monthly Income Fund
TD Mortgage Fund
TD Nasdaq Index Fund
TD North American Dividend Fund
TD Pacific Rim Fund
TD Precious Metals Fund
TD Premium Money Market Fund
TD Real Return Bond Fund
TD Resource Fund
TD Science & Technology Fund
TD Short Term Bond Fund

TD U.S. Blue Chip Equity Fund
TD U.S. Equity Advantage Currency Neutral Portfolio
TD U.S. Equity Advantage Portfolio
TD U.S. Index Currency Neutral Fund
TD U.S. Index Fund
TD U.S. Large-Cap Value Currency Neutral Fund
TD U.S. Large-Cap Value Fund
TD U.S. Mid-Cap Growth Fund
TD U.S. Money Market Fund
TD U.S. Quantitative Equity Fund
TD U.S. Small-Cap Equity Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 22, 2009
NP 11-202 Receipt dated July 23, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
TD Investment Services Inc.
TD Investment Services Inc. (for Investor Series units)
TD Investment Services Inc. (for Investor Series and e-Series units)
TD Investment Services Inc.(for Investor Series units)
TD Investment Services Inc. (for Investor Series and e-Series Units)
TD Investment Services Inc. (for Investor Series)
TD Asset Management Inc. (for Investor Series units)
TD Investment Services Inc. (for Investor Series and Premium Series units)
Promoter(s):
TD Asset Management Inc.
Project #1435031

Issuer Name:
TD Corporate Bond Pool
TD Opportunities Pool
TD World Bond Pool
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 22, 2009
NP 11-202 Receipt dated July 23, 2009
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1435033

Issuer Name:
Worldwide Promotional Management Inc.
Principal Regulator - British Columbia
Type and Date:
Final Long Form Prospectus dated July 23, 2009
NP 11-202 Receipt dated July 27, 2009
Offering Price and Description:
$550,000.00.00 - 5,500,000 Common Shares - $0.10 per Common Share
Underwriter(s) or Distributor(s):
Leede Financial Markets Inc.
Promoter(s):
Michele Marrandino
Project #1446926

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	AlphaFixe Capital Inc	Extra-Provincial Investment Counsel & Portfolio Manager	June 24, 2009
Consent to Suspension (Rule 33-501 Surrender of Registration) of registration as Investment Counsel and Portfolio Manager	Mak, Allen & Day Capital Partners Inc.	From: Limited Market Dealer, Investment Counsel and Portfolio Manager To: Limited Market Dealer	July 8, 2009
Consent to Suspension (Rule 33-501 Surrender of Registration)	Pictet Private Management Canada Inc.	Investment Counsel and Portfolio Manager	July 22, 2009
New Registration	Hamilton Capital Partners Inc.	Investment Counsel & Portfolio Manager	July 22, 2009
New Registration	Agellan Capital Markets Inc.	Limited Market Dealer	July 23, 2009
Change of Category	Kingsmont Investment Management Inc.	From: Investment Counsel & Portfolio Manager To: Limited Market Dealer, Investment Counsel & Portfolio Manager	July 24, 2009
New Registration	Return on Innovation Capital Ltd.	Limited Market Dealer	July 24, 2009
New Registration	Radiant Investment Management Ltd.	Limited Market Dealer & Investment Counsel & Portfolio Manager	July 27, 2009
New Registration	Excel Investment Counsel Inc.	Investment Counsel & Portfolio Manager	July 27, 2009

Type	Company	Category of Registration	Effective Date
Change of Category	Credit Agricole Asset Management Canada Inc.	From: Extra-Provincial Investment Counsel & Portfolio Manager To: Limited Market Dealer and Extra-Provincial Investment Counsel & Portfolio Manager	July 27, 2009
Consent to Suspension (Rule 33-501 Surrender of Registration)	Rosetta Capital Limited	Non-Canadian Adviser (Investment Counsel & Portfolio Manager)	July 27, 2009
New Registration	Camel Ridge Investment Counsel Inc.	Limited Market Dealer and Investment Counsel & Portfolio Manager	July 27, 2009
New Registration	Annapolis Capital Limited	Limited Market Dealer	July 28, 2009
New Registration	CommunityLend Inc.	Limited Market Dealer and Investment Counsel & Portfolio Manager	July 28, 2009
New Registration	EM Investor Services Inc.	Limited Market Dealer	July 28, 2009
New Registration	Rippling Creek Holdings Incorporated	Limited Market Dealer	July 29, 2009

Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 MFDA Issues Notice of Hearing Regarding Carmine P. Mazzotta

NEWS RELEASE
For immediate release

MFDA ISSUES NOTICE OF HEARING
REGARDING CARMINE P. MAZZOTTA

July 22, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") today announced that it has commenced disciplinary proceedings against Carmine Paul Mazzotta (the "Respondent").

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

> **Allegation #1:** Between June 3, 2004 and January 2005, the Respondent contravened the Member's written direction, dated June 3, 2004, that he refrain from selling, referring or facilitating the sale of investment products offered by Portus Alternative Asset Management Inc. ("Portus") to clients, contrary to MFDA Rules 1.1.2 and 2.5.1 and MFDA Rule 2.1.1.
>
> **Allegation #2:** Between January 2004 and January 2005, the Respondent engaged in securities related business that was not carried on for the account of the Member and through the facilities of the Member by selling, referring or facilitating the sale of approximately $3.6 million of Portus investment products to 27 clients, contrary to MFDA Rules 1.1.1(a) and 2.1.1.
>
> **Allegation #3:** Between January 30, 2004 and January 2005, the Respondent carried on a dual occupation which was not disclosed to and approved by the Member by incorporating and operating a company for processing sales and referrals of Portus investment products, contrary to MFDA Rules 1.2.1(d) and 2.1.1.

The first appearance in this matter will take place by teleconference before a Hearing Panel of the MFDA's Central Regional Council in the Hearing Room located at the offices of the MFDA, 121 King Street West, Suite 1000, Toronto, Ontario on September 29, 2009 at 10:00 a.m. (Eastern) or as soon thereafter as the appearance can be held.

The purpose of the first appearance is to schedule the date for the commencement of the hearing on its merits and to address any other procedural matters. The first appearance is open to the public, except as may be required for the protection of confidential matters. Members of the public attending the first appearance will be able to listen to the proceeding by teleconference.

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

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 145 Members and their approximately 75,000 Approved Persons with a mandate to protect investors and the public interest.

For further information, please contact:
Shaun Devlin
Vice-President, Enforcement
416-943-4672 or sdevlin@mfda.ca

13.1.2 MFDA Adjourns Hearing with Respect to Penalty in the Matter of Gary A. Price

NEWS RELEASE
For immediate release

MFDA ADJOURNS HEARING WITH RESPECT TO PENALTY IN THE MATTER OF GARY A. PRICE

July 23, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Gary Alan Price by Notice of Hearing dated June 23, 2008.

The hearing of this matter resumed today with respect to penalty and was adjourned to October 13, 2009 at 10:00 a.m. (Eastern), or as soon thereafter as the appearance can be held, in the hearing room located at the offices of the MFDA at 121 King St. West, Suite 1000, Toronto, Ontario.

The hearing will be open to the public, except as may be required for the protection of confidential matters.

A copy of the Amended 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, regulating the operations, standards of practice and business conduct of its 145 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

13.1.3 IDA Regulation 200.1(c) – Requirement to Send Quarterly Statements to Clients – Withdrawal of Proposed Rule Amendment

INVESTMENT DEALERS ASSOCIATION OF CANADA

REGULATION 200.1(C) – REQUIREMENT TO SEND QUARTERLY STATEMENTS TO CLIENTS

WITHDRAWAL OF PROPOSED RULE AMENDMENT

I Overview

On February 27, 2004, the Ontario Securities Commission published for comment proposed rule amendments to IDA Regulation 200.1(c) with respect to the requirement to send quarterly statements to clients. However, the proposed Rule amendment was inconsistent with the securities legislation of IIROC's recognizing regulators. On June 1, 2008, the IDA combined with Market Regulation Services Inc. and formed the Investment Industry Regulatory Organization of Canada (IIROC).

II Withdrawal

As changes to securities legislation to accommodate these proposed changes are not forthcoming, IIROC has informed the Canadian Securities Administrators (CSA) that it has withdrawn the proposed rule amendments.

Questions may be referred to:

Richard J. Corner
Vice President, Member Regulation Policy
Investment Industry Regulatory Organization of Canada
(416) 943-6908

13.1.4 IIROC Dealer Member Rules 100.11 and 1900.1 – Over-the-Counter Options and Definition of Option – Withdrawal of Proposed Rule Amendments

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA –

DEALER MEMBER RULES 100.11 AND 1900.1 –

OVER-THE-COUNTER OPTIONS AND DEFINITION OF OPTION

WITHDRAWAL OF PROPOSED RULE AMENDMENTS

I Overview

On July 15, 2005 the Ontario Securities Commission published for comment proposed amendments to Investment Dealers Association of Canada (IDA) Regulations 100.11 and 1900.1 relating to over-the-counter options. On May 21, 2008, these amendments were adopted by the Investment Industry Regulatory Organization of Canada (IIROC) Board of Directors as proposed amendments to Dealer Member Rules 100.11 and 1900.1. On March 16, 2009, IIROC was informed that one of its recognizing regulators had important concerns and was unwilling to proceed with these proposed amendments.

II Withdrawal

IIROC has informed the CSA that it has withdrawn the proposed amendments.

Questions may be referred to:

Richard J. Corner
Vice President, Member Regulation Policy
Investment Industry Regulatory Organization of Canada
416-943-6908

13.1.5 IIROC Form No. 2 and Dealer Member Rules 1300.2, 2500, 2700 and 3200 – Know Your Client Information – Withdrawal of Proposed Rule Amendments

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA –

FORM NO. 2 AND DEALER MEMBER RULES 1300.2, 2500, 2700 AND 3200 –

KNOW YOUR CLIENT INFORMATION

WITHDRAWAL OF PROPOSED RULE AMENDMENTS

I Overview

On April 12, 2006 the Ontario Securities Commission published for comment proposed amendments to Investment Dealers Association of Canada (IDA) Form No.2, Regulation 1300.2 and Policy Nos. 2, 4 and 9 relating to the collection know your client information. On May 21, 2008, these amendments were adopted by the Investment Industry Regulatory Organization of Canada (IIROC) Board of Directors as proposed amendments to Dealer Member Form No. 2 and Rules 1300.2, 2500, 2700 and 3200. In light of Dealer Member Rule amendments IIROC is proposing to make to implement the core principles of the Client Relationship Model and to implement the CSA Registration Reform Project, revisions to these proposed amendments are now necessary.

II Withdrawal

IIROC has informed the CSA that it has withdrawn the proposed amendments. These amendments will be resubmitted once the necessary revisions have been made.

Questions may be referred to:

Richard J. Corner
Vice President, Member Regulation Policy
Investment Industry Regulatory Organization of Canada
416-943-6908

13.1.6 IDA By-law No. 18.8 – Definition of "Non-Retail Clients" – Withdrawal of Proposed Rule Amendment

INVESTMENT DEALERS ASSOCIATION OF CANADA

BY-LAW NO. 18.8 – DEFINITION OF "NON-RETAIL CLIENTS"

WITHDRAWAL OF PROPOSED RULE AMENDMENT

I Overview

On April 12, 2006, the IDA's Board of Directors approved amendments to IDA By-law No. 18.8 with respect to the definition of the term "non-retail clients". The amendments were submitted to the recognizing regulators as housekeeping amendments. The recognizing regulators had concerns on the classification of the amendments as they considered them to be public comment rule amendments. On June 1, 2008, the IDA combined with Market Regulation Services Inc. and formed the Investment Industry Regulatory Organization of Canada (IIROC).

II Withdrawal

IIROC has informed the Canadian Securities Administrators (CSA) that it has withdrawn these proposed rule amendments. These rule amendments will be resubmitted to the CSA at a later date as part a larger package of public comment rule amendments relating to a project to rewrite the IIROC Dealer Member rules in plain language.

Questions may be referred to:

Richard J. Corner
Vice President, Member Regulation Policy
Investment Industry Regulatory Organization of Canada
(416) 943-6908

13.1.7 IDA By-law Nos. 2 and 20 – Membership Application Process – Withdrawal of Proposed Rule Amendments

INVESTMENT DEALERS ASSOCIATION OF CANADA –

BY-LAW NOS. 2 AND 20 - MEMBERSHIP APPLICATION PROCESS

WITHDRAWAL OF PROPOSED RULE AMENDMENTS

I Overview

On April 13, 2007 the Ontario Securities Commission published for comment proposed revisions to the Investment Dealers Association of Canada (IDA) membership application process. On June 1, 2008, the IDA combined with Market Regulation Services Inc. and formed the Investment Industry Regulatory Organization of Canada (IIROC). Due to the formation of IIROC, as approved by the Canadian Securities Administrators (CSA), the amendments are no longer required for the following reasons:

- IIROC General By-law No. 1 includes the previously proposed revisions to IDA By-law No. 2.
- IIROC Dealer Member Rule 20 now includes a specific opportunity for a applicant to be heard in relation to a Dealer Member application, as was contemplated in the previously proposed revisions to IDA By-law No. 20, so revisions to that section are no longer necessary.

II Withdrawal

IIROC has informed the CSA that it has withdrawn the proposed By-law amendments.

Questions may be referred to:

Richard J. Corner
Vice President, Member Regulation Policy
Investment Industry Regulatory Organization of Canada
416-943-6908

13.1.8 MFDA Adjourns Mark Kricievski Matter to a Date to be Determined

NEWS RELEASE
For immediate release

MFDA ADJOURNS MARK KRICIEVSKI MATTER
TO A DATE TO BE DETERMINED

July 27, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding in respect of Mark Kricievski by Notice of Hearing dated June 17, 2009.

As specified in the Notice of Hearing, the first appearance in this proceeding took place today at 10:00 a.m. (Eastern) before a three-member Hearing Panel of the MFDA's Central Regional Council. Following consideration of submissions by the parties, the Hearing Panel adjourned this matter on consent of the parties to a date to be determined. Notice will be given when the next appearance has been scheduled.

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, regulating the operations, standards of practice and business conduct of its 145 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

13.1.9 Proposed Amendments to MFDA Rules of Procedure

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

PROPOSED AMENDMENTS TO MFDA RULES OF PROCEDURE

I. OVERVIEW

A. Current Rules of Procedure

The MFDA Rules of Procedure ("ROP") were initially implemented on December 2, 2004. The ROP assist respondents, MFDA staff and Hearing Panels engaged in proceedings under MFDA By-law No. 1 by providing them with guidance concerning the structure of the proceedings and the manner in which the proceedings are to be conducted. The ROP currently apply to disciplinary hearings, reviews of disciplinary hearings and membership application hearings.

B. The Issues

The proposed amendments to the ROP fall into three categories: (i) minor housekeeping amendments; (ii) enhancements to the current ROP identified by MFDA staff based on proceedings that have been conducted to date; and (iii) new ROP governing applications for interim relief (proposed Part E) and the appointment of monitors to manage the affairs of Members (proposed Part F).

C. Objectives

The proposed amendments will assist Hearing Panels and parties to MFDA proceedings by providing additional guidance on issues not previously addressed, or not fully addressed, by the current ROP. The proposed amendments are intended to enhance the efficiency, effectiveness and fairness of MFDA proceedings by providing greater clarity and transparency with respect to the hearing process.

D. Effect of Proposed Amendments

The proposed amendments will clarify and simplify the process for providing pre-hearing disclosure, the availability of orders excluding witnesses from hearings and the availability of interpreters. Proposed Part E (applications for interim relief) and proposed Part F (the appointment of monitors to manage the affairs of Members) will establish a framework for issues that are not addressed in the current ROP.

II. DETAILED ANALYSIS

A. Relevant History

Pursuant to section 19.12 of MFDA By-law No. 1, the MFDA is permitted to "prescribe rules of procedures (which may be Policies) in respect of all matters relevant to the appointment of Hearing Panels and the conduct of hearings as contemplated by the By-laws." The ROP were last updated on August 21, 2006.

B. Proposed Amendments

(i) Housekeeping Amendments

The MFDA has proposed minor housekeeping amendments to the ROP to ensure consistency of wording between sections, to make the ROP more user-friendly and to make minor corrections. These housekeeping amendments include the following:

Rule 1.2 *Definitions* will be amended to update the definition of "holiday" to account for a new statutory holiday, Family Day. Also in Rule 1.2, the definition of a "Requesting Party" will be added as a result of the proposed addition of Part E. The definition of a "monitor" will also be added as a result of the proposed addition of Part F.

Rule 4.3 *Manner of Service – Other Documents* will be amended to make the wording consistent with Rule 4.2 *Manner of Service – Notice of Hearing*. Subsection 4.3(1)(a) is to be changed from "personally" to "by personal service" and subsection 4.3(1)(b) is to be changed from "by mail or courier" to "by registered and ordinary mail or by courier."

Rule 7.1 (2) *Notice of Hearing* will be amended to make it more user-friendly by inserting a cross-reference to the specific rule (Rule 4.2) governing the required manner of service for a Notice of Hearing.

(ii) Enhancements to the current ROP

The following proposed enhancements to the ROP address matters that are not currently addressed in the ROP and are generally consistent with the practices of other tribunals.

Proposed Rule 10.5 *Order and Directions Concerning Disclosure and Inspections* specifically authorizes a Hearing Panel to make orders and issue directions with respect to the timing and manner of pre-hearing disclosure of documents and the inspection of items. Proposed Rule 10.5 creates an express procedure for a type of order and direction that has frequently been requested by respondents and MFDA staff, and made by Hearing Panels, in proceedings to date. Proposed Rule 10.5 follows logically from ROP 10.1 to 10.4 and tracks the language of those provisions, as well as ROP 1.5 *General Powers of a Panel*.

Proposed Rule 13.6 *Orders Excluding Witnesses* allows a Hearing Panel to order that a witness (other than a respondent) be excluded from the hearing room until it is time for the witness to testify. Proposed Rule 13.6 addresses an issue anticipated to arise with greater frequency as hearings become increasingly complex and involve multiple witnesses.

Proposed Rule 13.7 *Interpreters* provides that it is the responsibility of the party requiring an interpreter in a language other than English or French at a hearing to arrange for and pay the costs of the interpreter. This issue has arisen in one proceeding to date and is reasonably expected to arise in future proceedings. Proposed Rule 13.7 also requires that such interpreters be competent, independent and honest. The MFDA currently provides French and English language interpreters at hearings upon request at its own expense and will continue this practice.

(iii) New ROP

Proposed Part E and proposed Part F are the companion ROP for the recently amended section 24.3 (Applications in Exceptional Circumstances) of MFDA By-law No. 1 and section 24.7 (Monitor) of MFDA By-law No. 1. Part E addresses the conduct and review of applications in exceptional circumstances and Part F addresses the appointment of monitors pursuant to section 24.7 of MFDA By-law No. 1.

C. Issues and Alternatives Considered

In developing the proposed amendments, MFDA staff considered the practices and rules of procedure followed by courts and other tribunals, including other securities regulatory tribunals. MFDA staff also made reference to the model rules and materials published by the Society of Ontario Adjudicators and Regulators ("SOAR"). MFDA staff also considered the cost-benefit implications of the proposed amendments.

D. Comparison with Similar Provisions

MFDA staff considered the practices and rules of procedure followed by courts and other tribunals, including other securities regulatory tribunals. MFDA staff also made reference to the model rules and materials published by the SOAR. As a whole, the MFDA considers the proposed Rules of Procedure to be aligned with the Rules of Procedure of other tribunals, including other security regulatory tribunals.

E. Systems Impact of Amendments

It is not anticipated that there will be a significant systems impact on Members as a result of the proposed amendments.

F. Best Interests of the Capital Markets

The MFDA Board of Directors has determined that the proposed amendments are consistent with the best interests of the capital markets.

G. Public Interest Objective

The proposed amendments are in the public interest and will increase the transparency of the MFDA hearing process. The proposed amendments to the ROP will clarify the structure of the hearing process for the benefit of the parties, Hearing Panels and the public.

III. COMMENTARY

A. Filing in Other Jurisdictions

The proposed amendments will be filed for approval with the Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, and Ontario Securities Commissions and the Saskatchewan Financial Services Commission.

B. Effectiveness

The proposed amendments are simple and effective.

C. Process

The proposed amendments were prepared in consultation with relevant departments within the MFDA. The MFDA Board of Directors approved the proposed amendments on March 5, 2009.

D. Effective Date

The proposed amendments will be effective on a date to be subsequently determined by the MFDA.

IV. SOURCES

Mutual Fund Dealers Association of Canada, Rules of Procedure
Mutual Fund Dealers Association of Canada, By-law No. 1, sections 19.12, 24.3 and 24.7

V. REQUIREMENT TO PUBLISH FOR COMMENT

The MFDA is required to publish for comment the proposed amendments so that the issues referred to above may be considered by the Recognizing Regulators.

The MFDA has determined that the entry into force of the proposed amendments would be in the public interest and is not detrimental to the capital markets. Comments are sought on the proposed amendments. Comments should be made in writing. One copy of each comment letter should be delivered by October 29, 2009 (within 90 days of the publication of this notice), addressed to the attention of Jason Bennett, Corporate Secretary, Mutual Fund Dealers Association of Canada, 121 King St. West, Suite 1000, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of Sarah Corrigall-Brown, Senior Legal Counsel, British Columbia Securities Commission, 701 West Georgia Street, P.O. Box 10142, Pacific Centre, Vancouver, British Columbia, V7Y 1L2.

Those submitting comment letters should be aware that a copy of their comment letter will be made publicly available on the MFDA website at www.mfda.ca.

Questions may be referred to:

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

SCHEDULE A

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

RULES OF PROCEDURE

On March 5, 2009, the Board of Directors of the Mutual Fund Dealers Association of Canada made the following amendments to the Rules of Procedure:

Mutual Fund Dealers Association of Canada
Association canadienne des courtiers de fonds mutuels

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

RULES OF PROCEDURE

UPDATED VERSION:

~~AUGUST 21, 2006~~NOVEMBER 28, 2008

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

RULES OF PROCEDURE

Updated Version: ~~August 21, 2006~~November 28, 2008

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MUTUAL FUND DEALERS ASSOCIATION OF CANADA

RULES OF PROCEDURE

[Made Pursuant to Section 19.12 of MFDA By-law No. 1]

PART A: GENERAL MATTERS
[Applicable to all proceedings under MFDA By-law No. 1]

RULE 1: INTERPRETATION AND APPLICATION

1.1 Application of these Rules

(1) Part A applies to all proceedings under MFDA By-law No. 1.

(2) Part B applies to proceedings conducted pursuant to sections 20 (Disciplinary Hearings), 24.1 (Power of Hearing Panels to Discipline) and 24.4 (Settlement Agreements) of MFDA By-law No. 1.

(3) Part C applies to proceedings conducted pursuant to sections 11.8 (Reviews of Membership Application Hearings) and 24.6.3 (Reviews of Disciplinary Hearings) of MFDA By-law No. 1.

(4) Part ~~E~~D applies to proceedings conducted pursuant to section 11.6 (Membership Application Hearings) of MFDA By-law No. 1.

(5) Part E applies to proceedings conducted pursuant to section 24.3 (Applications in Exceptional Circumstances) of MFDA By-law No. 1.

(6) Part F applies to proceedings conducted pursuant to sections 20 (Disciplinary Hearings), 24.1 (Power of Hearing Panels to Discipline), 24.3 (Applications in Exceptional Circumstances), 24.4 (Settlement Agreements) and 24.7 (Monitor) of MFDA By-law No. 1.

1.2 Definitions

In these Rules:

"**appeal**" means a review hearing conducted pursuant to MFDA By-law No. 1.

"**Appeal Panel**" means a panel appointed to preside over an appeal, including a single-member Appeal Panel appointed to preside over any motion or step in a proceeding.

"**Appellant**" means a party bringing a review hearing.

"**Applicant**" means a party bringing a Membership Application Hearing.

"**Corporation**" means the Mutual Fund Dealers Association of Canada and where these Rules require, includes any director, officer, employee or agent of the Corporation authorized to perform any act on behalf of the Corporation.

"**document**" means any book, record, account, statement, report, correspondence, note, memorandum, file, chart, list, voucher or any other information stored or recorded by any means or by any device, including any sound or video recording, photograph, computer file or e-mail.

"**electronic hearing**" means a hearing held by teleconference, video-conference, or any other technology that allows people to communicate electronically.

"**hearing**" means any hearing conducted pursuant to MFDA By-law No. 1.

"**Hearing Panel**" means:

(i) a panel of three representatives of a Regional Council appointed to preside over a proceeding or a panel of one Public Representative of a Regional Council appointed to preside over a motion, an application or any step in a proceeding; or

(ii) the board of directors of the Corporation, or any panel or committee of directors appointed by the

board of directors under the By-laws of the Corporation, that presides over a proceeding or any step in a proceeding.

"**holiday**" means:

(i) any Saturday or Sunday;
(ii) New Year's Day
(iii) Family Day
(iv) Good Friday;
(v) Easter Monday;
(vi) Victoria Day;
(vii) Canada Day;
(viii) Labour Day;
(ix) Thanksgiving Day;
(x) Remembrance Day;
(xi) Christmas Day;
(xii) Boxing Day; and
(xiii) any other special holiday proclaimed by the federal government or a provincial government which inures to the benefit of any party to a proceeding.

"**Member**" means a member of the Corporation.

"**monitor**" means a person or company appointed to oversee and report on a Member's activities and to act in furtherance of powers granted by a Hearing Panel;

"**Moving Party**" means a party bringing a motion.

"**oral hearing**" means a hearing where the parties attend in person, also called a "hearing in person".

"**Panel**" means a Hearing Panel or an Appeal Panel.

"**party**" means any party to a proceeding brought pursuant to MFDA By-law No. 1, including the Corporation.

"**Pre-hearing Conference Officer**" means a Public Representative of a Regional Council appointed to preside over a pre-hearing conference.

"**proceeding**" means all steps in a disciplinary, membership or appeal proceeding conducted pursuant to MFDA By-law No. 1, from the issuance of the commencing document to the final disposition of the matter.

"**Respondent**" means a Member or person under the jurisdiction of the Corporation named in a Notice of Hearing, Notice of Application or a Settlement Agreement, or a party named in a Notice of Appeal against whom the appeal is brought.

"**Responding Party**" means a party responding to a motion or a review of an application pursuant to section 24.3.6 of MFDA By-law No. 1.

"**Requesting Party**" means a party requesting a review of an application conducted pursuant to section 24.3.6 of MFDA By-law No.1.

"**Rules**" means these Rules of Procedure.

"**Secretary**" means the Secretary of the Corporation.

"**written hearing**" means a hearing held by exchanging documents.

1.3 General Principles

(1) These Rules shall be liberally construed to secure the most expeditious and cost-effective determination of every proceeding on its merits consistent with the requirements of fairness.

(2) Where matters are not provided for in these Rules, the practice may be determined by analogy to them.

1.4 Conflicts

(1) Where any of these Rules are inconsistent or conflict with the provisions of a By-law of the Corporation, the provisions of the By-law shall prevail to the extent of the inconsistency or conflict.

1.5 General Powers of a Panel

(1) A Panel may:

(a) exercise any of its powers under these Rules on its own initiative or at the request of a party;

(b) waive or vary any of these Rules at any time, on such terms as it considers appropriate;

(c) issue directions or make interim orders concerning the practice or procedure to be followed during a proceeding, on such terms as it considers appropriate.

1.6 Admissibility of Evidence

(1) Subject to sub-Rule (3), a Panel may admit as evidence any testimony, document or other thing, including hearsay, which it considers to be relevant to the matters before it and is not bound by the technical or legal rules of evidence.

(2) A Panel may admit a copy of any document or other thing as evidence if it is satisfied that the copy is authentic.

(3) Nothing is admissible in evidence which would be inadmissible by reason of a statute or a legal privilege.

1.7 Defect or Irregularity in Form

(1) No proceeding or document, hearing, decision or step in a proceeding is invalid only by reason of a defect or irregularity in form.

1.8 Hearings Open to the Public

(1) Subject to sub-Rules (2) and (3), all hearings shall be open to the public unless the Panel orders otherwise.

(2) A Panel may order that all or part of a hearing be heard in the absence of the public where the Panel is of the opinion that intimate financial or personal matters or other matters may be disclosed at the hearing which are of such a nature, having regard to the circumstances, that the desirability of avoiding disclosure thereof in the interests of any person affected or in the public interest outweighs the desirability of adhering to the principle that hearings be open to the public.

(3) An electronic hearing shall be open to the public unless the Panel makes an order under sub-Rule (2) or the Panel is of the opinion that it is not practical to hold the electronic hearing in a manner that is open to the public.

(4) A Panel may impose such terms as it considers appropriate for the conduct of a hearing held in the absence of the public.

(5) Exhibits, documents and transcripts relating to that part of a hearing that is held in the absence of the public shall be marked “Confidential” and shall be kept separate from the public record, and access to this material shall only be by order of the Panel.

RULE 2: TIME

2.1 Computation of Time

(1) When computing time periods under these Rules or an order of a Panel:

(a) Where there is a reference to a number of days between two events, they are counted by excluding the day on which the first event happens and including the day on which the second event happens;

(b) Where a period of less than 7 days is prescribed, holidays are not counted;

(c) Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday;

(d) Where a document would be deemed to be received or service would be deemed to be effective on a day that is a holiday, it shall be deemed to be received or effective on the next day that is not a holiday.

2.2 Extension or Abridgment of Time

(1) The time for the performance of any obligation under these Rules may be extended or abridged:

(a) by a Panel, at any time on such terms as it considers appropriate;

(b) on consent of the parties prior to the expiration of the prescribed time.

RULE 3: APPEARANCE AND REPRESENTATION

3.1 Representation before a Panel

(1) In any proceeding, a party may act on his, her or its own behalf or may be represented by counsel or agent.

3.2 Change in Representation

(1) A party represented by counsel or agent may change counsel or agent by immediately advising the Secretary and every other party in writing of the name, address, telephone number, fax number and e-mail address, if any, of the new counsel or agent.

(2) A party acting on his, her or its own behalf may appoint counsel or agent by immediately advising the Secretary and every other party in writing of the name, address, telephone number, fax number and e-mail address, if any, of the counsel or agent.

(3) A party represented by counsel or agent may elect to act on his, her or its own behalf by immediately advising the Secretary and every other party in writing of the address, telephone number, fax number and e-mail address, if any, at which the party may be contacted and served.

(4) Where a counsel or agent ceases to act for a party, the counsel or agent should immediately notify the Secretary and every other party in writing.

RULE 4: SERVICE AND FILING

4.1 Parties to be Served

(1) Any document required to be served under these Rules shall be served on every other party whose interests may be affected by the document.

4.2 Manner of Service – Notice of Hearing

(1) A Notice of Hearing shall be served by one of the following methods:

(a) by personal service on the Respondent;

(b) by registered and ordinary mail or by courier with confirmation of delivery to the Respondent's last known address as recorded in the Corporation's records or in the records of any securities commission with which the Respondent is or was registered;

(c) by providing it to the Respondent's counsel or agent, with the consent of the counsel or agent; or

(d) by any other means, with the consent of the Respondent or by order of the Hearing Panel.

4.3 Manner of Service – Other Documents

(1) Where these Rules require a document other than a Notice of Hearing to be served, it may be served~~by delivering it~~:

(a) ~~personally;~~by personal service;

(b) by registered and ordinary mail or by courier;

(c) by fax, provided that the document does not exceed 16 pages, inclusive of the covering page, unless the party consents or the Panel orders otherwise;

(d) by e-mail, provided that the entire document is capable of being transmitted by e-mail; or

(e) by any other means, with the consent of the party or by order of the Panel.

(2) Where all or part of any document referred to in sub-Rule (1) exists in an electronic format, a Panel or the Secretary may require a party to provide an electronic copy of the document or a portion thereof to any other party, on such terms as may be appropriate.

4.4 Effective Date of Service

(1) Service of a document is deemed to be effective:

(a) if served personally before 5 p.m., on the same day, and after 5 p.m., on the next day;

(b) if sent by mail, on the fifth day after the day of mailing;

(c) if sent by courier, on the second day after the day the document was given to the courier;

(d) if sent by fax or e-mail, on the same day if the transmission was received before 5 p.m., and if received after 5 p.m., on the next day.

(2) Sub-Rule (1) does not apply where a party, counsel or agent, acting in good faith, does not receive the document whether by reason of absence, accident, illness or other cause beyond the person's control.

(3) A document may not be served or service deemed to be effective on a holiday, except with the consent of the party being served or by order of a Panel.

4.5 Proof of Service

(1) Where these Rules require a document to be served, the party required to serve the document shall file a single copy of a document showing proof of service within five days of the effective date of service.

4.6 Filing

(1) Except where these Rules provide otherwise, where these Rules require a document to be filed, the document shall be filed by:

(a) providing 4 copies of the document to the Secretary by personal delivery, mail, or courier; or

(b) transmitting 1 copy of the document to the Secretary by fax, provided that the document does not exceed 16 pages, inclusive of the covering page, unless the Secretary permits otherwise.

(2) Where all or part of any document referred to in sub-Rule (1) exists in an electronic format, a Panel or the Secretary may require a party to file an electronic copy of the document or a portion thereof in addition to or instead of any other copy required to be filed by the party.

4.7 Required Information – Service and Filing

(1) A party serving or filing a document by any means shall include the following information with the document:

(a) the name of the proceeding to which the document relates;

(b) where a party is being served with the document, the name of the party being served; and

(c) the name, address, telephone number, fax number, and e-mail address, if any, of the party, counsel or agent serving or filing the document.

4.8 Order for Substituted Service or Waiver of Service

(1) A Panel may order substituted service or waive the requirement for service of any document where it is satisfied that it is in the public interest to do so or the circumstances giving rise to the requirement to effect service make it unnecessary or impractical to do so.

RULE 5: ELECTRONIC HEARINGS

5.1 When Electronic Hearings may be Held

(1) A Panel may hold an electronic hearing to determine:

(a) any procedural matter; or

(b) any other matter, unless a party objects and the Panel is satisfied that holding an electronic hearing is likely to cause significant prejudice to the party.

(2) A Panel may continue an oral hearing as an electronic hearing, or an electronic hearing as an oral hearing, at the request of a party or on its own initiative, on such terms as it considers appropriate.

(3) In determining whether to hold an electronic hearing, the Panel may consider any relevant factors, including:

(a) convenience;

(b) fairness;

(c) cost, efficiency and timeliness;

(d) public access to and participation in the hearing;

(e) the Panel's mandate;

(f) whether an electronic hearing is appropriate having regard to the evidence and the issues to be considered.

(4) A Panel may impose any terms on an electronic hearing it considers appropriate, including that one or more of the parties to the electronic hearing shall pay all or part of the costs of conducting the electronic hearing.

RULE 6: MOTIONS

6.1 Bringing a Motion

(1) A motion may be brought at any stage of a proceeding.

(2) The Moving Party shall serve on every other party and file a Notice of Motion at least 10 days prior to the date of the motion, unless the nature of the motion or the circumstances giving rise to the motion make it unnecessary or impractical to do so.

6.2 Date for the Hearing of a Motion

(1) Where a motion is to be heard prior to the hearing of a proceeding on its merits, the Moving Party shall obtain a date for the motion from the Secretary before serving the Notice of Motion.

(2) Where a motion is to be heard on a date scheduled for the hearing of the proceeding on its merits, the Panel shall determine the procedure for hearing the motion.

6.3 Motions – To Whom to be Made and Form of Motion

(1) A motion shall be heard by a Panel.

(2) The Moving Party may propose that the motion be conducted as an oral hearing, a written hearing, or an electronic hearing, and the motion shall be heard in that form unless a Responding Party objects or the Panel directs otherwise;

(3) A Responding Party may object to the proposed form of a motion by advising all other parties and the Secretary in writing of the grounds for the objection no later than two days after the effective date of service of the Motion Record;

(4) The Panel shall determine the form of the motion and in doing so may consider any relevant factors, including:

(a) convenience;

(b) fairness;

(c) cost, efficiency and timeliness;

(d) public access to and participation in the hearing;

(e) the Panel's mandate;

(f) whether the proposed form of the motion is appropriate having regard to the evidence and the issues to be considered.

(5) Where the Panel determines that the motion will be heard in a form other than the form proposed by the Moving Party, the Secretary shall notify the parties of the Panel's determination.

6.4 Contents of Notice of Motion

(1) The Notice of Motion shall state:

(a) the date, time and location of the motion;

(b) whether it is proposed that the motion be conducted as an oral hearing, a written hearing, or an electronic hearing;

(c) the relief sought;

(d) a brief summary of the grounds for the relief sought, including reference to any relevant provisions of a By-law, Rule or Policy of the Corporation, these Rules, or a statute or regulation; and

(e) the list of evidence and materials to be relied upon.

6.5 Requirement to Serve and File a Motion Record

(1) The Moving Party shall serve on every other party and file a Motion Record at least 10 days prior to the date of the motion.

6.6 Contents of the Motion Record

(1) The Motion Record shall contain:

(a) the Notice of Motion; and

(b) copies of the evidence and materials to be relied upon.

6.7 Response to a Motion Record

(1) The Responding Party may serve on every other party and file a Responding Record at least 5 days prior to the date of the motion.

6.8 Contents of the Responding Record

(1) A Responding Record shall contain:

(a) a statement of the reasons why the relief should not to be granted; and

(b) copies of any additional evidence or other materials to be relied upon.

6.9 Motions on Consent

(1) Where a motion is made on consent:

(a) the motion shall be heard in writing without the attendance of the parties affected, unless the Panel orders otherwise; and

(b) the Moving Party shall file, in addition to any other materials required for the motion, the written consent of the parties affected and a draft order.

6.10 Disposition of Motions

(1) When a motion is heard by a Panel prior to the hearing of the proceeding on its merits, the Panel may:

(a) grant the relief requested;

(b) dismiss or adjourn the motion, in whole or in part and with or without terms; or

(c) adjourn the motion to be disposed of by the Panel presiding over the hearing of the proceeding on its merits.

PART B: DISCIPLINARY HEARINGS
[Pursuant to Sections 20 (Disciplinary Hearings), 24.1 (Power of Hearing Panels to Discipline) and 24.4 (Settlement Agreements) of MFDA By-law No.1]

RULE 7: COMMENCEMENT OF PROCEEDINGS

7.1 Notice of Hearing

(1) Disciplinary hearings pursuant to sections 20 and 24.1 of MFDA By-law No. 1 shall be commenced by a Notice of Hearing signed by an officer of the Corporation.

(2) The Notice of Hearing shall be served, in accordance with Rule 4.2, on every Respondent at least 30 days prior to the commencement of the hearing or the date of the first appearance in the hearing, unless a Hearing Panel orders otherwise;

(3) In the case of an individual who is named as a Respondent, the Notice of Hearing shall be served on the Member or Members concerned.

7.2 Contents of the Notice of Hearing

(1) The Notice of Hearing shall:

(a) identify the date, time and location of the hearing or the first appearance in the hearing;

(b) state the purpose of the hearing;

(c) identify the authority pursuant to which the hearing is held;

(d) provide a summary of the facts alleged and conclusions drawn by the Corporation on which the Corporation intends to rely at the hearing;

(e) contain the provisions of sections 20.2 (Reply), 20.3 (Acceptance of Facts and Conclusions) and 20.4 (Failure to Reply or Attend) of MFDA By-law No. 1;

(f) describe the penalties and costs which may be imposed on the Respondent pursuant to sections 24.1 and 24.2 respectively of MFDA By-law No. 1;

(g) notify the Respondent of the right to be represented by counsel or agent;

(h) notify the Respondent of the right to appear at the hearing, to make submissions, to call, examine and cross-examine witnesses and to present evidence; and

(i) include any other information that the Corporation considers appropriate.

7.3 Failure to Attend Hearing

(1) Where a Respondent fails to attend the hearing on the date and at the time and location specified in the Notice of Hearing, the Hearing Panel may:

(a) proceed with the hearing without further notice to and in the absence of the Respondent; and

(b) accept the facts alleged and conclusions drawn by the Corporation in the Notice of Hearing as proven and impose any of the penalties and costs described in sections 24.1 and 24.2 respectively of MFDA By-law No. 1.

RULE 8: REPLY TO NOTICE OF HEARING

8.1 Requirement to Reply

(1) A Respondent shall serve on every other party and file a Reply within 20 days of the effective date of service of the Notice of Hearing.

8.2 Contents of Reply

(1) Subject to sub-Rule (2), the Reply shall:

(a) identify the facts alleged and conclusions drawn by the Corporation in the Notice of Hearing which the Respondent,

(i) admits,

(ii) denies, with a summary of the grounds for denying them,

(iii) denies, because the Respondent has no knowledge of them, and

(b) state any additional facts and conclusions on which the Respondent intends to rely at the hearing.

(2) Where the Respondent admits all or substantially all of the facts alleged and conclusions drawn by the Corporation in the Notice of Hearing, the Respondent may state in the Reply circumstances in mitigation of any penalty to be imposed.

8.3 Acceptance of Facts and Conclusions

(1) A Hearing Panel may accept as proven any facts alleged or conclusions drawn by the Corporation in the Notice of Hearing that the Respondent does not specifically deny in the Reply in accordance with Rule 8.2(1)(a)(ii) and (iii).

8.4 Effect of Failure to Deliver a Proper Reply

(1) Where a Respondent fails to serve and file a Reply in accordance with the requirements of Rules 8.1 and 8.2, the Hearing Panel may do any one or more of the following:

(a) proceed with the hearing without further notice to and in the absence of the Respondent;

(b) accept the facts alleged and conclusions drawn by the Corporation in the Notice of Hearing as proven and impose any of the penalties and costs described in sections 24.1 and 24.2 respectively of MFDA By-law No. 1;

(c) order that the Respondent pay costs, at any stage of the proceeding, regardless of the outcome of the proceeding and in addition to any other penalties and costs imposed on the Respondent, in an amount which reflects the extent to which, in the Hearing Panel's discretion, the hearing will be or has been unnecessarily prolonged or complicated by the failure of the Respondent to deliver a proper Reply;

(d) prohibit, restrict, or place terms on the right of the Respondent to call witnesses or present evidence at the hearing.

(2) Where a Hearing Panel determines that a Reply contained false or misleading statements, or differed in a material way from the position taken by the Respondent at the hearing, the Hearing Panel may, regardless of the outcome of the proceeding and in addition to any other penalties and costs imposed on the Respondent, order that Respondent pay costs in an amount which reflects the extent to which, in the Hearing Panel's discretion, the hearing was unnecessarily prolonged or complicated by the failure of the Respondent to deliver a proper Reply.

RULE 9: PRE-HEARING CONFERENCES

9.1 Initiation of a Pre-hearing Conference

(1) At any time prior to the commencement of the hearing of a proceeding on its merits, a party may request a pre-hearing conference by serving on every other party and filing a Request for a Pre-hearing Conference.

(2) There shall not be more than one pre-hearing conference in a proceeding, except on consent of the parties or by order of a Pre-hearing Conference Officer or a Hearing Panel.

(3) A Request for a Pre-hearing Conference shall include the party's proposal as to the form of the pre-hearing conference pursuant to Rule 9.3.

(4) A party may object to the proposed form of a pre-hearing conference by advising all other parties and the Secretary in writing of the grounds for the objection within two days of the effective date of service of the Request for a Pre-hearing Conference.

(5) Where the parties are unable to resolve the objection, the Pre-hearing Conference Officer assigned to the matter shall determine the form of the pre-hearing conference, having regard to the factors set out in Rule 5.1(3).

(6) The Secretary shall notify the parties of the date, time, location and form of the pre-hearing conference.

9.2 Pre-hearing Conference Officer

(1) A pre-hearing conference shall be held before a Public Representative of a Regional Council sitting as a "Pre-hearing Conference Officer".

(2) A Pre-hearing Conference Officer shall not be a member of any subsequent Hearing Panel which presides over the hearing of the proceeding on its merits or any step in the same proceeding, unless all parties consent in writing.

(3) A Pre-hearing Conference Officer may preside over more than one pre-hearing conference in the same proceeding.

9.3 Form of the Pre-hearing Conference

(1) A pre-hearing conference may be held in person or as an electronic hearing.

9.4 Pre-hearing Conference Materials

(1) In advance of the pre-hearing conference, the Secretary shall provide each party with a Pre-hearing Conference Form on which to record information which may be relevant to a consideration of the issues in the proceeding.

(2) Each party shall provide every other party and the Secretary with a copy of the completed Pre-hearing Conference Form at least two days prior to the pre-hearing conference.

(3) The Pre-hearing Conference Forms shall not form part of the public record of the proceeding and may be returned to the parties by the Pre-hearing Conference Officer at the conclusion of pre-hearing conference.

9.5 Issues to be Considered

(1) The Pre-hearing Conference Officer may consider any issue that may assist in the just and expeditious disposition of the proceeding, including:

(a) the settlement of any or all issues in the proceeding, including penalty and costs;

(b) the simplification or clarification of any issues;

(c) the disclosure of documents, including expert reports;

(d) any facts or evidence that the parties agree upon;

(e) identifying any issues as to the admissibility of evidence;

(f) identifying any preliminary objections and scheduling any preliminary motions;

(g) the date by which any steps in the proceeding are to be taken or begun;

(h) identifying and scheduling any anticipated steps in the proceeding; and

(i) any other procedural or substantive matters.

9.6 Orders, Agreements and Undertakings at a Pre-hearing Conference

(1) A Pre-hearing Conference Officer may make such procedural orders with respect to the conduct of the proceeding as the Pre-hearing Conference Officer considers appropriate.

(2) Any orders made by the Pre-hearing Conference Officer, and any agreements and undertakings made or given by the parties, shall be recorded in a memorandum prepared by the Pre-hearing Conference Officer, circulated to the parties for comment, and then approved and signed by the Pre-hearing Conference Officer and distributed to the parties.

(3) Every memorandum recording orders, agreements and undertakings made or given at a pre-hearing conference shall be filed with the Secretary and may be made available to a Hearing Panel.

(4) Any orders, agreements, and undertakings made or given at a pre-hearing conference are binding on the parties, unless a subsequent Pre-hearing Conference Officer or a Hearing Panel orders otherwise.

9.7 Pre-hearing Conference not Public

(1) A pre-hearing conference shall be held in the absence of the public.

(2) Any documents, exhibits and transcripts pertaining to a pre-hearing conference shall not be made available to the public, except a memorandum prepared in accordance with Rule 9.6.

(3) Every memorandum recording orders, agreements, and undertakings made or given at a pre-hearing conference shall be drafted in a manner which gives effect to the principle that pre-hearing conferences are to be conducted in the absence of the public.

9.8 No Communication to a Panel

(1) All oral or written statements made at a pre-hearing conference are without prejudice.

(2) No communication shall be made to a Panel of any oral or written statements made at a pre-hearing conference by the parties or a Pre-hearing Conference Officer, except as may be disclosed in a memorandum made pursuant to Rule 9.6.

RULE 10: DISCLOSURE OF DOCUMENTS

10.1 Obligation to Disclose Documents and Items – Corporation

(1) The Corporation shall, as soon as reasonably practicable after service of the Notice of Hearing, and in any case at least 14 days prior to the commencement of the hearing of the proceeding on its merits, provide the Respondent with copies of all documents, and a list of items other than documents, that the Corporation intends to rely on at the hearing.

(2) The Corporation shall make available for inspection by the Respondent any item referred to in sub-Rule (1).

10.2 Obligation to Disclose Additional Documents and Items - Respondent

(1) A Respondent shall, as soon as reasonably practicable after service of the Notice of Hearing, and in any case at least 14 days prior to the commencement of the hearing of the proceeding on its merits, provide the Corporation and any other Respondent with copies of all documents and a list of all items, other than those already provided by the Corporation, that the Respondent intends to rely on at the hearing.

(2) A Respondent shall make available for inspection by the Corporation or any other Respondent any item referred to in sub-Rule (1).

10.3 Failure to Disclose Documents or Items

(1) If a party fails to provide a document, or make an item available for inspection, in accordance with Rules 10.1 and 10.2, then the party may not rely on the document or item at the hearing without permission of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

10.4 Corporation's Duty to Disclose

(1) Nothing in this Rule 10 derogates from the Corporation's obligation to make disclosure as required by common law, as soon as reasonably practicable after service of the Notice of Hearing.

10.5 Order and Directions Concerning Disclosure and Inspections

(1) The Hearing Panel may at any stage of the proceeding make orders and issue directions with respect to the timing and manner of the disclosure of documents and the inspection of items, on such terms as it considers appropriate.

RULE 11: WITNESS LISTS AND STATEMENTS

11.1 Provision of Witness Lists and Statements

(1) Subject to Rule 12, a party to a proceeding shall provide every other party with:

(a) a list of the witnesses the party intends to call at the hearing of the proceeding on its merits; and

(b) in respect of each witness named on the list, other than a Respondent who has already provided a statement recorded by the Corporation, either:

(i) a witness statement signed by the witness; or

(ii) a transcript of a recorded statement made by the witness; or

(iii) if no signed witness statement or transcript referred to in sub-Rules (i) and (ii) is available, a summary of the evidence that the witness is expected to give at the hearing.

(2) Where a Respondent intends to testify to matters which were not disclosed by the Respondent in any prior recorded statements provided to the Corporation, the Respondent shall provide every other party with a signed witness statement in respect of the additional matters.

(3) The parties shall comply with the requirements of sub-Rules (1) and (2) at least 14 days prior to the commencement of the hearing.

11.2 Contents of Witness Statements

(1) A witness statement, transcript of a recorded statement or summary of the expected evidence of a witness required by Rule 11.1 shall contain:

(a) the substance of the evidence the witness is expected to give at the hearing; and

(b) the name and address of the witness or, in the alternative, the name and address of a person through whom the witness can be contacted.

11.3 Failure to Provide Witness List or Statement

(1) If a party fails to comply with Rule 11.1, the party may not call the witness at the hearing without permission of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

11.4 Incomplete Witness Statement

(1) A party may not call a witness to testify to matters not disclosed pursuant to Rule 11.2 without leave of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

RULE 12: EXPERT WITNESS

12.1 Expert's Report

(1) A party that intends to call an expert witness shall provide every other party with a signed copy of the expert's report at least 60 days prior to the date of the hearing.

12.2 Expert's Report in Response

(1) A party who intends to call an expert witness to respond to the expert witness of another party shall provide a signed copy of the expert's report at least 20 days prior to the date of the hearing.

12.3 Content of Expert's Report

(1) An expert's report shall contain:

(a) the name, address and qualifications of the expert; and

(b) the substance of the expert's opinion.

12.4 Failure to Provide Expert's Report

(1) A party that fails to comply with Rules 12.1, 12.2 or 12.3 may not call the expert as a witness or rely on the expert's report at the hearing without permission of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

RULE 13: CONDUCT OF DISCIPLINARY HEARINGS

13.1 Rights of a Respondent

(1) A Respondent is entitled at the hearing of a proceeding on its merits:

(a) to attend and be heard in person;

(b) to be represented by counsel or an agent;

(c) to present documentary evidence;

(d) to call and examine witnesses;

(e) to cross-examine opposing witnesses; and

(f) to make submissions.

13.2 Order of Presentation

(1) The order of presentation at the hearing of a proceeding on its merits shall be as follows:

(a) The Corporation shall make an opening address and the Respondent may either make an opening address immediately following the Corporation's opening address or prior to presenting its case in (c) below, but not both;

(b) The Corporation shall present its evidence and examine its witnesses and the Respondent shall be permitted to cross-examine each of the Corporation's witnesses, subject to Rule 13.4;

(c) The Respondent shall present its evidence and examine its witnesses and the Corporation shall be permitted to cross-examine each of the Respondent's witnesses, subject to Rule 13.4; and

(d) The Corporation may present any evidence and call any witnesses in reply to any issues raised for the first time by the Respondent during the presentation of its case in (c) above, and the Respondent shall be permitted to cross-examine any such witnesses called by the Corporation, subject to Rule 13.4;

(e) The Corporation, followed by the Respondent, shall make a closing argument and the Corporation shall be permitted to reply to any issues raised by the Respondent.

(2) Following the cross-examination of any witness, reply examination by the party that called the witness is permitted but only in respect of matters raised for the first time in cross-examination.

(3) In addition to any questions asked during the examination or cross-examination of a witness, the Hearing Panel may ask questions of the witness, subject to the right of all parties to ask questions of the witness regarding any matters raised by the Hearing Panel.

(4) Where there are two or more Respondents separately represented, the order of presentation shall be as directed by the Hearing Panel.

13.3 Evidence by Witnesses

(1) Subject to Rule 13.4, a witness at a hearing shall provide oral testimony under oath or affirmation.

(2) The Hearing Panel shall exercise reasonable control over the scope and manner of questioning of a witness so as to protect the witness from undue harassment or embarrassment and may disallow a question put to a witness that is vexatious or irrelevant to any matter at issue in the hearing.

13.4 Evidence by Sworn Statement

(1) The Hearing Panel may allow the evidence of a witness or proof of a particular fact or document to be given by sworn statement unless an adverse party reasonably requires the attendance of the witness at the hearing for cross-examination.

13.5 Where a Respondent Fails to Attend a Disciplinary Hearing

(1) Where a Respondent, having been served with a Notice of Hearing, fails to attend the hearing of the proceeding on its merits, the Hearing Panel may proceed in accordance Rule 7.3.

13.6 Orders Excluding Witnesses

(1) The Hearing Panel may order that one or more witnesses be excluded from the hearing until called to give evidence.

(2) An order under sub-Rule 13.6(1) may not be made in respect of a party or a witness whose presence is essential to instruct counsel or agent for a party, but the Hearing Panel may require any such party or witness to give evidence before any other witnesses are called to give evidence.

(3) Where an order is made excluding a witness from the hearing, there shall be no communication to the witness of any evidence given during his or her absence from the hearing until after the witness has completed giving evidence, except with leave of the Hearing Panel.

13.7 Interpreters

(1) If a party requires an interpreter in a language other than English or French, the party shall notify the Secretary and provide an interpreter at the party's own expense.

(2) If a witness requires an interpreter in a language other than English or French, the party calling the witness shall notify the Secretary and provide an interpreter at the party's own expense.

(3) An interpreter shall be competent and independent and shall swear or affirm that he or she will interpret accurately.

RULE 14: SETTLEMENT AGREEMENTS

14.1 Contents of Settlement Agreements

(1) A Settlement Agreement made pursuant to section 24.4.1 (Settlement Hearings) of MFDA By-law No. 1 shall be in writing and signed by the parties and contain:

(a) a statement of the relevant facts;

(b) a statement of the violations admitted to by the Respondent, with reference to any specific By-law, Rule or Policy of the Corporation or any applicable statutory provision, and a statement as to future compliance therewith;

(c) the consent and agreement of the Respondent to the terms of the Settlement Agreement, including the penalties and costs to be imposed on the Respondent;

(d) a statement that the Respondent waives all rights to any further hearing, appeal and review;

(e) a statement that the Settlement Agreement is conditional upon acceptance by the Hearing Panel; and

(f) such other matters not inconsistent with (a) to (e).

RULE 15: SETTLEMENT HEARINGS

15.1 Settlement Hearing Date

(1) Upon entering into a Settlement Agreement, the Corporation shall request a date for the settlement hearing from the Secretary.

(2) The Secretary shall give written notice of the settlement hearing date to all parties.

15.2 Notice and Public Access

(1) Except where a settlement is reached after the commencement of the hearing of a proceeding on its merits, a Hearing Panel shall not consider a Settlement Agreement unless at least 10 days notice of the settlement hearing has been given by the Corporation in the same manner as a notice of penalty pursuant to section 24.5 (Publication of Notice and Penalties) of MFDA By-law No. 1 specifying:

(a) the date, time and place of the settlement hearing; and

(b) the purpose of the settlement hearing with sufficient information to identify the Member or person involved and the general nature of the allegations which are the subject matter of the settlement.

(2) A Hearing Panel may, on its own initiative or at the request of a party, order that all or part of the settlement hearing be held in the absence of the public, having regard to the principles set out in Rule 1.8.

(3) Where a Settlement Agreement is accepted, the Hearing Panel shall provide reasons for its decision which, along with the record of the settlement hearing, shall be made available to the public, unless the Hearing Panel is of the opinion that all or part of the reasons and the record of the settlement hearing should not be made available to the public, having regard to the principles set out in Rule 1.8.

(4) Where a Settlement Agreement is not accepted, the Hearing Panel may provide on its own initiative, and shall provide at the request of a party, reasons for its decision and the Hearing Panel may order that all or part of the reasons and the record of the settlement hearing should not be made available to the public, having regard to the principles set out in Rule 1.8.

(5) The acceptance or rejection of a Settlement Agreement by a Hearing Panel is final and is not subject to appeal or review pursuant to section 24.6.3 (Reviews of Disciplinary Hearings) of MFDA By-law No. 1.

15.3 Additional Facts Only to be Disclosed on Consent

(1) The Hearing Panel may advise the parties of any additional facts which it considers necessary to assess the settlement but unless the parties consent, any facts which are not contained in the Settlement Agreement shall not be disclosed to the Hearing Panel.

(2) If a Respondent is not present at the settlement hearing, Staff may disclose additional relevant facts, at the request of the Hearing Panel.

PART C: APPEALS
[Pursuant to sections 11.8 (Reviews of Membership Application Hearings) and 24.6.3 (Reviews of Disciplinary Hearings) of MFDA By-law No. 1]

RULE 16: COMMENCEMENT OF AN APPEAL

16.1 Notice of Appeal

(1) ***Disciplinary Hearings*** - An Appellant shall commence an appeal by serving on every other party and filing a single copy of a Notice of Appeal within 30 days of the effective date of service of the decision under appeal.

(2) ***Membership Application Hearings*** - Either an Applicant or the Corporation may commence an appeal by serving on all other parties and filing with the Secretary a Notice of Appeal within 21 days of the effective date of service of any decision of the Hearing Panel made pursuant to section 11.6 of MFDA By-law No. 1.

16.2 Contents of Notice of Appeal

(1) The Notice of Appeal shall contain:

(a) a statement of the relief sought;

(b) a brief summary of the grounds for the appeal; and

(c) a list of the exhibits and transcripts from the hearing that the Appellant believes are required for the appeal.

16.3 Respondent's Notice of Required Evidence

(1) Within 15 days of the effective date of service of the Notice of Appeal, each Respondent may serve on every other party and file a single copy of a Respondent's Notice of Required Evidence listing any additional exhibits and transcripts from the hearing that the Respondent believes are required for the appeal.

RULE 17: APPEAL MATERIALS

17.1 Contents of the Appeal Record

(1) ***Disciplinary Hearings*** - The Appeal Record shall be prepared by the Secretary and contain copies of the following:

(a) the Notice of Appeal;

(b) the Respondent's Notice of Required Evidence;

(c) the Notice of Hearing;

(d) the Reply;

(e) the decision and reasons appealed from;

(f) the order appealed from;

(g) any other orders and decisions made in the proceeding; and

(h) all of the exhibits and transcripts listed in the Notice of Appeal and in any Respondent's Notice of Required Documents that the parties believe are required for the appeal.

(2) ***Membership Application Hearings*** - The Appeal Record shall be prepared by the Secretary and contain copies of the following:

(a) the Notice of Appeal;

(b) the Notice of Required Evidence;

(c) the Request for Membership Application Hearing;

(d) the Applicant's Statement;

(e) the Response;

(f) the decision and reasons appealed from;

(g) the order appealed from;

(h) the proposed disposition;

(i) any other orders or decisions made in the proceeding; and

(j) all of the exhibits and transcripts listed in the Notice of Appeal and the Notice of Required Documents, if filed, that the parties believe are required for the Appeal.

17.2 Costs and Procedure for Ordering Transcripts

(1) Within 45 days of the effective date of service of the Notice of Appeal, each party shall serve and file a single copy of a document showing proof that all of the transcripts that the party believes are required for the appeal have been ordered from the transcribing agency.

(2) When a transcript has been completed, the transcribing agency will notify all of the parties and the Secretary in writing.

(3) Each party shall serve and file, or arrange for the transcribing agency to deliver to every party and the Secretary, a copy of a transcript ordered by the party within 10 days of receiving notice from the transcribing agency that the transcript has been completed.

(4) Each party is responsible for paying the costs of obtaining the transcripts that the party believes are required for the appeal. Where two or more Appellants or Respondents require the same transcript, they may agree to share the cost of obtaining the transcript.

17.3 Completed Appeal Record and Date of Appeal

(1) The Secretary shall provide each party with a copy of the Appeal Record and written notice of the appeal date:

(a) within 21 days of receiving the last transcript required for the appeal; or

(b) where no transcripts have been ordered by any party, within 40 days of the effective date of service of the Notice of Appeal.

17.4 Appeal by way of an Agreed Statement of Facts

(1) Where the parties intend to proceed on appeal by way of an Agreed Statement of Facts, they shall notify the Secretary in writing of their intentions.

(2) Notwithstanding that the parties intend to proceed by way of an Agreed Statement of Facts, a Respondent shall comply with Rule 16.3 and all parties shall comply with Rule 17.2.

(3) The parties will make arrangements with the Secretary to obtain access to or copies of any exhibits required to prepare the Agreed Statement of Facts.

(4) The parties shall file the Agreed Statement of Facts, which may include copies of any exhibits and transcripts:

(a) within 40 days of receiving notice from the transcribing agency that the last transcript required for the appeal has been completed; or

(b) within 60 days of the effective date of service of the Notice of Appeal, where no transcripts have been ordered by any party.

(5) Where the parties reach an Agreed Statement of Facts, the Appeal Record shall contain the items in Rule 17.1(1)(a) to (f), together with the Agreed Statement of Facts, and the Secretary shall provide each party with a copy of the Appeal Record and written notice of the appeal date within 14 days of the Agreed Statement of Facts being filed.

(6) Where the parties are unable to reach an Agreed Statement of Facts, they shall notify the Secretary in writing and the Secretary shall provide each party with a copy of the Appeal Record, containing all of the items in Rule 17.1, and written notice of the appeal date within 21 days of the last day on which the parties could have filed an Agreed Statement of Facts.

17.5 Written Argument

(1) The parties shall prepare a written argument which shall contain:

(a) a statement of the issues to be argued on the appeal;

(b) the facts and law relied upon, with reference to any supporting materials in the Appeal Record; and

(c) the relief sought.

(2) The written argument shall not exceed 25 pages in length, double-spaced, unless the Appeal Panel permits otherwise.

(3) The written argument shall be served and filed as follows:

(a) by the Appellant, within 30 days of receipt of the Appeal Record;

(b) by the Respondent, within 30 days of the effective date of service of the Appellant's written argument.

(4) The Appellant may serve and file a supplementary written argument not exceeding 5 pages in length, double-spaced, in response to any new issues raised in the Respondent's written argument, within 7 days of being served with the Respondent's written argument.

(5) A party should serve and file a Case Book, containing copies of any cases, articles or other materials referred to in its written argument or that the party intends to rely on at the appeal, at the same time as the party serves and files its written argument and, in any event, no later than 5 days prior to the appeal.

17.6 New Evidence

(1) No party shall introduce evidence on an appeal which was not before the Hearing Panel whose decision is under appeal without the permission of the Appeal Panel, which may permit the introduction of such evidence on any terms it considers appropriate.

(2) A party who intends to request permission to introduce evidence on an appeal which was not before the Hearing Panel whose decision is under appeal:

(a) shall, not later than 60 days prior to the appeal date, serve on all other parties to the appeal a sworn statement of the evidence and attach as exhibits any related documents; and

(b) shall not file the statement with the Secretary prior to the appeal date and, in any event, without the permission of the Appeal Panel.

17.7 Failure to Comply with Appeal Procedure

(1) Where a party fails to comply with a required step in the appeal procedure in a timely manner or at all, the Appeal Panel may:

(a) waive compliance with the step;

(b) place terms on the party's obligation or right to perform the required step or any other step in the appeal;

(c) grant, dismiss, or adjourn the appeal, in whole or in part and with or without terms; or

(d) make any other order it considers appropriate.

(2) The Appeal Panel may impose costs on any party to an appeal, regardless of the outcome of the appeal, where the party has, in the opinion of the Appeal Panel, unreasonably required any transcripts or exhibits from the hearing to be included in the Appeal Record.

PART ED: MEMBERSHIP APPLICATION HEARINGS
[Pursuant to Section 11.6 of MFDA By-law No.1]

RULE 18: COMMENCEMENT OF A MEMBERSHIP APPLICATION HEARING

18.1 Request for Membership Application Hearing

(1) A hearing pursuant to section 11.6 of MFDA By-law No. 1 shall be commenced by an Applicant filing a Request for Membership Application Hearing (a "Request for Hearing") with the Secretary.

(2) The Applicant must file a Request for Hearing within 14 days of effective service of a proposal by the Board of Directors to approve its application for membership subject to terms and conditions or to refuse the its application for membership.

(3) A Request for Hearing shall be in the form provided by the Secretary.

(4) If the Applicant fails to request a hearing in accordance with this Rule 18.1, the Hearing Panel may approve the application subject to terms and conditions or refuse the application.

18.2 Applicant's Statement of Relief Sought, Grounds and Particulars

(1) The Applicant shall serve a Statement of Relief Sought, Grounds and Particulars (the "Applicant's Statement") on the Corporation, and file a copy of the Applicant's Statement with the Secretary, within 45 days of the date on which the Request for Membership Application Hearing was filed with the Secretary.

(2) The Applicant's Statement shall state:

(a) the specific relief sought;

(b) the grounds for the relief sought; and

(c) the full particulars of the grounds for the relief sought.

(3) If the Applicant fails to serve and file the Applicant's Statement in accordance with this Rule 18.2, the hearing may be deemed to be abandoned and the Hearing Panel may approve the application subject to terms and conditions or refuse the application.

18.3 Date, Time and Location of Hearing

(1) The Secretary shall notify the parties of the date, time and location of the hearing.

18.4 Failure to Attend Hearing

(1) Where an Applicant fails to attend or otherwise participate in the hearing on the date and at the time and location as notified pursuant to Rule 18.3, the hearing may be deemed to be abandoned and the Hearing Panel may approve the application subject to terms and conditions or refuse the application.

RULE 19: RESPONSE

19.1 Response to the Applicant's Statement

(1) The Corporation shall serve and file a Response to the Applicant's Statement (the "Response") within 30 days of the effective date of service of the Applicant's Statement.

(2) The Response shall contain a statement of the grounds upon which the relief sought by the Applicant should not be granted.

RULE 20: DISCLOSURE OF DOCUMENTS

20.1 Obligation to Disclose Documents and Other Items

(1) A party shall, as soon as reasonably practicable after the date on which the Response is filed, and in any case at least 14 days prior to the commencement of the hearing, provide the other party with copies of all documents, and a list of items other than documents, other than those already provided by the party, upon which the party intends to rely at the hearing.

(2) A party shall make available for inspection by the other party any item referred to in sub-Rule (1).

20.2 Failure to Disclose Documents and Other Items

(1) If a party fails to provide a document, or make any other item available for inspection, in accordance with Rules 20.1, then that party may not rely on the document or item at the hearing without the permission of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

20.3 Common Law Duty to Disclose

(1) Nothing in this Rule 20 derogates from the obligation of the Corporation to make disclosure as required by common law as soon as reasonably practicable after the date on which the Response is filed.

RULE 21: WITNESS LISTS AND STATEMENTS

21.1 Provision of Witness Lists and Statements

(1) Subject to Rule 22, a party to a hearing conducted pursuant to section 11.5.3 of MFDA By-law No. 1 shall provide the other party with:

(a) a list of the witnesses the party intends to call at the hearing; and

(b) in respect of each witness named on the list either:

(i) a witness statement signed by the witness; or

(ii) a transcript of a recorded statement made by the witness; or

(iii) if no signed witness statement or transcript referred to in sub-Rules (i) and (ii) is available, a summary of the evidence that the witness is expected to give at the hearing.

(2) The parties shall comply with the requirements of sub-Rule (1) at least 14 days prior to the commencement of the hearing.

21.2 Contents of Witness Statements

(1) A witness statement, transcript of a recorded statement or summary of the expected evidence of a witness required by Rule 21.1 shall contain:

(a) the substance of the evidence the witness is expected to give at the hearing; and

(b) the name and address of the witness or, in the alternative, the name and address of a person through whom the witness can be contacted.

21.3 Failure to Provide Witness List or Statement

(1) If a party fails to comply with Rule 21.1, the party may not call the witness at the hearing without permission of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

21.4 Incomplete Witness Statement

(1) A party may not call a witness to testify to matters not disclosed in accordance with Rule 21.2 without the permission of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

RULE 22: EXPERT WITNESS

22.1 Expert's Report

(1) A party that intends to call an expert witness shall provide the other party with a signed copy of the expert's report at least 40 days prior to the date of the hearing.

22.2 Expert's Report in Response

(1) A party that intends to call an expert witness to respond to the expert witness of another party shall provide the other party with a signed copy of the expert's report at least 14 days prior to the date of the hearing.

22.3 Contents of Expert's Report

(1) An expert's report shall contain:

(a) the name, address and qualifications of the expert; and

(b) the substance of the expert's opinion.

22.4 Failure to Provide Expert's Report

(1) A party that fails to comply with Rules 22.1, 22.2 or 22.3 may not call the expert as a witness or rely on the expert's report at the hearing without the permission of the Hearing Panel and on such terms as the Hearing Panel considers appropriate.

RULE 23: CONDUCT OF MEMBERSHIP APPLICATION HEARINGS

23.1 Rights of Parties

(1) A party to a hearing conducted pursuant to section 11.5.3 of MFDA By-law No. 1 is entitled:

(a) to attend before the Hearing Panel and be heard in person;

(b) to be represented by counsel or an agent;

(c) to present documentary evidence;

(d) to call and examine witnesses;

(e) to cross-examine opposing witnesses; and

(f) to make submissions on matters at issue in the Hearing.

23.2 Order of Presentation

(1) The order of presentation at a hearing shall be as follows:

(a) The Applicant shall make an opening address and the Corporation may either make an opening address immediately following the Applicant's opening address or prior to presenting its case in (c) below, but not both;

(b) the Applicant shall present its evidence, examine its witnesses and make submissions and the

Corporation shall be permitted to cross-examine each of the Applicant's witnesses, subject to Rule 23.3;

(c) the Corporation shall present its evidence, examine its witnesses and make submissions and the Applicant shall be permitted to cross-examine each of the Corporation's witnesses, subject to Rule 23.3;

(d) the Applicant may present any evidence and call any witnesses in reply to any issues raised for the first time by the Corporation during the presentation of its case in sub-Rule (c), and the Corporation shall be permitted to cross-examine any such witnesses called by the Applicant, subject to Rule 23.3;

(e) The Applicant, followed by the Corporation, shall be permitted to make a closing argument.

(2) Subject to the Hearing Panel's discretion, the Applicant may request that the order of presentation be reversed.

23.3 Evidence by Sworn Statement

(1) The Hearing Panel may allow the evidence of a witness or proof of a particular fact or document to be given by sworn statement unless the other party reasonably requires the attendance of the witness at the hearing for cross-examination.

23.4 Evidence by Witnesses

(1) Subject to Rule 23.3, a witness at a hearing shall provide oral testimony under oath or affirmation.

(2) The Hearing Panel shall exercise reasonable control over the scope and manner of questioning of a witness so as to protect the witness from undue harassment or embarrassment and may disallow a question put to a witness that is vexatious or irrelevant to the matters at issue in the hearing.

PART E: APPLICATIONS IN EXCEPTIONAL CIRCUMSTANCES
[Pursuant to Section 24.3 (Applications in Exceptional Circumstances) of MFDA By-law No. 1]

RULE 24: COMMENCEMENT OF PROCEEDINGS

24.1 Notice of Application

(1) An application pursuant to section 24.3 of MFDA By-law No. 1 shall be commenced by a Notice of Application signed by an officer of the Corporation.

(2) The application may be made:

(a) with notice to the Respondent; or

(b) without notice pursuant to sections 24.3.1(b) or 24.3.2(b) of MFDA By-law No. 1.

24.2 Contents of the Notice of Application

(1) A Notice of Application shall state:

(a) the specific relief sought;

(b) whether notice has been provided to the Respondent;

(c) whether it is proposed that the application be conducted as an oral hearing, a written hearing or an electronic hearing;

(d) the date, time and location of the application, if applicable;

(e) the grounds for the relief sought including reference to any relevant provision of a By-law, Rule or Policy of the Corporation, these Rules, or a statute or regulation; and

(f) the list of evidence and materials to be relied upon.

24.3 Date of Application

(1) Where the application is to be conducted as an oral hearing or an electronic hearing, the Corporation shall obtain a date for the application from the Secretary.

(2) Where the application is to be conducted as a written hearing, no date will be set.

24.4 Application – To Whom to be Made and Form of Application

(1) The application shall be heard by a Hearing Panel.

(2) The Corporation may propose that the application be conducted as an oral hearing, a written hearing or an electronic hearing and the application shall be heard in that form unless the Hearing Panel directs otherwise.

(3) The Hearing Panel shall determine the form of the application and in doing so may consider any relevant factors, including:

(a) convenience;

(b) fairness;

(c) cost, efficiency and timeliness;

(d) public access to and participation in the hearing;

(e) the Hearing Panel's mandate;

(f) whether the proposed form of the application is appropriate having regard to the evidence and the issues to be considered.

24.5 Filing of Application Record

(1) The Corporation shall file a copy of the Application Record as soon as practicable.

24.6 Contents of the Application Record

(1) The Application Record shall contain copies of:

(a) the Notice of Application; and

(b) the evidence and materials to be relied upon.

24.7 Application With Notice

(1) Where notice has been provided to a Respondent, the Respondent may object to the proposed form of the application by advising all other parties and the Secretary in writing of the grounds for the objection as soon as practicable.

(2) Where notice has been provided to a Respondent and the Hearing Panel determines that the application will be heard in a form other than the form proposed by the Corporation, the Secretary shall notify the parties of the Hearing Panel's determination.

(3) In the case of a person who is named as a Respondent and who has been provided with notice, a copy of the Notice of Application shall be served on the Member or Members concerned.

(4) Where notice has been provided to a Respondent, and the Respondent has confirmed their attendance at the application, the Corporation shall serve a copy of the Application Record on the Respondent as soon as practicable, unless the Hearing Panel directs otherwise.

(5) Where the Corporation proceeds with notice to the Respondent or at any stage of the application, the Hearing Panel requires that notice of the application be given to the Respondent, the Corporation shall serve a copy of the Notice of Application on the Respondent:

(a) In a manner reasonably likely to bring the application to the attention of the Respondent; or

(b) On such terms and condition as the Hearing Panel considers appropriate.

24.8 Responding Record

(1) Where notice has been provided to a Respondent, the Respondent may serve on every other party and file a Responding Record as soon as practicable, unless the Hearing Panel directs otherwise.

(2) The Responding Record shall contain:

(a) a statement of the reasons why the relief should not be granted; and

(b) copies of any additional evidence or other materials to be relied upon.

24.9 Order

(1) Once the Hearing Panel makes an order in the application the Corporation shall forthwith:

(a) serve a copy of the reasons for decision, if any and the order on the Respondent and Member or Members concerned;

(b) where notice has not been provided to a Respondent, serve a copy of the Notice of Application and at the discretion and on such terms and conditions as the Hearing Panel may consider as appropriate such evidence and material relied upon in the application; and

(c) advise the Respondent in writing of the right to request a review pursuant to section 24.3.6 of MFDA By-law No. 1.

RULE 25: REVIEW OF APPLICATION

25.1 Notice of Request for Review

(1) A request for a review of an application pursuant section 24.3.6 of MFDA By-law No. 1. shall be commenced by a Notice of Request for Review.

(2) The Requesting Party shall serve on every other party and file with the Secretary a Notice of Request for Review within 30 days of the notice of the penalty being given in accordance with section 24.5 of MFDA By-law No. 1.

25.2 Contents of Notice of Request for Review

(1) A Notice of Request for Review shall state:

(a) the specific relief sought;

(b) the grounds for the relief sought including reference to any relevant provision of a By-law, Rule or Policy of the Corporation, these Rules, or a statute or regulation; and

(c) evidence and materials required for the review of the application that were not in the Application Record, the Responding Record or filed at the application.

25.3 Reply to a Review of an Application

(1) Responding Party may serve on every other party and file a Reply as soon as practicable and in any event at least seven days prior to the date of the review of the application, unless the Hearing Panel directs otherwise.

(2) The may contain statements and documents pertaining to matters raised in the Notice of Application or in the Notice of Request for Review.

25.4 Date of Review of an Application

(1) Notice of the date, time and location of the review of an application will be provided to the parties by the Secretary.

(2) The date of the review of an application shall be no later than 21 days after the filing of the Notice of Request for Review unless a Hearing Panel directs or the parties agree otherwise.

25.5 Ordering Transcripts

(1) Where the application has been conducted as an oral hearing or an electronic hearing, upon request, the Secretary will provide the Requesting Party and the Responding Party with a copy of the transcript of the application.

PART F: MONITOR
[Pursuant to Sections 20 (Disciplinary Hearings), 24.1 (Power of Hearing Panels to Discipline), 24.3 (Applications in Exceptional Circumstances), 24.4 (Settlement Agreements) and 24.7 (Monitor) of MFDA By-law No.1]

RULE 26: APPOINTMENT OF MONITOR

26.1 Factors to Consider for Appointment of a Monitor

(1) In exercising its discretion to appoint a monitor, a Panel may consider:

(a) the harm or potential harm to the investing public;

(b) the financial solvency of the Member;

(c) the adequacy of the Member's internal controls and operating procedures;

(d) the failure of the Member to respond to requests by the Corporation to address deficiencies in its internal controls and operating procedures;

(e) the failure of the Member to comply with any agreement with the Corporation;

(f) the Member's ability to maintain regulatory capital requirements;

(g) any previous suspension of the Member for failing to meet regulatory capital requirements;

(h) regulatory history of Member or key persons at Member;

(i) the costs to the Member associated with the appointment of the monitor; and

(j) any other relevant factors.

26.2 Terms, Conditions and Costs

(1) In exercising its discretion to appoint a monitor, a Panel shall:

(a) appoint a monitor on such terms as it considers appropriate; and

(b) require that the Member pay the whole or part of the expenses related to a monitor.

13.1.10 MFDA Sets Date for Michael Rosenfelder Hearing in Toronto, Ontario

NEWS RELEASE
For immediate release

MFDA SETS DATE FOR
MICHAEL ROSENFELDER HEARING
IN TORONTO, ONTARIO

July 28, 2009 (Toronto, Ontario) – The Mutual Fund Dealers Association of Canada ("MFDA") commenced a disciplinary proceeding against Michael Rosenfelder by Notice of Hearing dated June 25, 2009.

As specified in the Notice of Hearing, the first appearance in this matter took place today before a three-member Hearing Panel of the MFDA's Central Regional Council.

The hearing of this matter on its merits has been scheduled to take place on April 20, 2010 commencing at 10:00 a.m. (Eastern), or as soon thereafter as the hearing can be held, in the Hearing Room located at the offices of the MFDA at 121 King Street West, Suite 1000, Toronto, Ontario. The hearing 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, regulating the operations, standards of practice and business conduct of its 145 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

13.1.11 MFDA Hearing Panel Issues Reasons for Decision with Respect to Barry J. Raymer Settlement Hearing

NEWS RELEASE
For immediate release

MFDA HEARING PANEL ISSUES REASONS
FOR DECISION WITH RESPECT TO
BARRY J. RAYMER SETTLEMENT HEARING

July 28, 2009 (Toronto, Ontario) – A Hearing Panel of the Central Regional Council of the Mutual Fund Dealers Association of Canada ("MFDA") has issued its Reasons for Decision in connection with the settlement hearing held in Toronto, Ontario on July 20, 2009 in the matter of Barry James Raymer.

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

The MFDA is the self-regulatory organization for Canadian mutual fund dealers, regulating the operations, standards of practice and business conduct of its 145 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

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