The Ontario Securities Commission

OSC Bulletin

July 23, 2010

Volume 33, Issue 29

(2010), 33 OSCB

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

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Published under the authority of the Commission by:
Carswell, a Thomson Reuters business
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2075 Kennedy Road
Toronto, Ontario
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ISSN 0226-9325
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1.1 Notices

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July 23, 2010

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

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Carol S. Perry	—	CSP
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

August 4-6, 2010 October 4-8, 2010 October 13-15, 2010 10:00 a.m.	**Sextant Capital Management Inc., Sextant Capital GP Inc., Otto Spork, Robert Levack and Natalie Spork** s. 127 T. Center in attendance for Staff Panel: JDC/CSP
August 5, 2010 11:00 a.m.	**Paladin Capital Markets Inc., John David Culp and Claudio Fernando Maya** s. 127 C. Price in attendance for Staff Panel: JEAT
August 10-13, 2010 10:00 a.m.	**Robert Joseph Vanier (a.k.a. Carl Joseph Gagnon)** s. 127 S. Horgan in attendance for Staff Panel: JEAT/PLK
August 13, 2010 10:00 a.m.	**Axcess Automation LLC, Axcess Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver and David Rutledge, Steven M. Taylor and International Communication Strategies** s. 127 Y. Chisholm in attendance for Staff Panel: CSP
August 16, 2010 2:30 p.m.	**Albert Leslie James, Ezra Douse and Dominion Investments Club Inc.** s. 127 and 127.1 H. Daley in attendance for Staff Panel: TBA

September 1, 2010 1:00 p.m.	**Global Energy Group, Ltd., New Gold Limited Partnerships, Christina Harper, Vadim Tsatskin, Michael Schaumer, Elliot Feder, Oded Pasternak, Alan Silverstein, Herbert Groberman, Allan Walker, Peter Robinson, Vyacheslav Brikman, Nikola Bajovski, Bruce Cohen and Andrew Shiff** s. 37, 127 and 127.1 H. Craig in attendance for Staff Panel: JDC
September 1, 2010 1:00 p.m.	**Christina Harper, Howard Rash, Michael Schaumer, Elliot Feder, Vadim Tsatskin, Oded Pasternak, Alan Silverstein, Herbert Groberman, Allan Walker, Peter Robinson, Vyacheslav Brikman, Nikola Bajovski, Bruce Cohen and Andrew Shiff** s. 127 H. Craig in attendance for Staff Panel: JDC
September 1, 2010 1:00 p.m.	**Global Energy Group, Ltd. and New Gold Limited Partnerships** s. 127 H. Craig in attendance for Staff Panel: JDC
September 2, 2010 10:00 a.m.	**Abel Da Silva** s. 127 M. Boswell in attendance for Staff Panel: TBA
September 3, 2010 10:00 a.m.	**Gold-Quest International, Health and Harmoney, Iain Buchanan and Lisa Buchanan** s. 127 H. Craig in attendance for Staff Panel: JEAT/CSP/SA
September 7-10, 2010 10:00 a.m.	**Maple Leaf Investment Fund Corp., Joe Henry Chau (aka: Henry Joe Chau, Shung Kai Chow and Henry Shung Kai Chow), Tulsiani Investments Inc., Sunil Tulsiani and Ravinder Tulsiani** s. 127 M. Vaillancourt/T. Center in attendance for Staff Panel: TBA
September 8, 2010 10:00 a.m.	**TBS New Media Ltd., TBS New Media PLC, CNF Food Corp., CNF Candy Corp., Ari Jonathan Firestone and Mark Green** s. 127 H. Craig in attendance for Staff Panel: TBA
September 8, 2010 10:30 a.m.	**Lehman Brothers & Associates Corp., Greg Marks, Michael Lehman (a.k.a. Mike Laymen), Kent Emerson Lounds and Gregory William Higgins** s. 127 H. Craig in attendance for Staff Panel: TBA
September 13, 15-24, 2010 10:00 a.m.	**New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., L. Jeffrey Pogachar, Paola Lombardi and Alan S. Price** s. 127 M. Britton in attendance for Staff Panel: TBA
September 13-24; October 4-8; October 13-19, 2010 10:00 a.m.	**Sulja Bros. Building Supplies, Ltd., Petar Vucicevich, Kore International Management Inc., Andrew Devries, Steven Sulja, Pranab Shah, Tracey Banumas and Sam Sulja** s. 127 and 127.1 J. Feasby in attendance for Staff Panel: TBA

September 15-17, 20-21 and 24, 2010 October 4, 6-8, 13-15, 18-19, 25 and 27-29, 2010 10:00 a.m.	**Coventree Inc., Geoffrey Cornish and Dean Tai** s. 127 J. Waechter in attendance for Staff Panel: JEAT/MGC/PLK
September 22, 2010 9:00 a.m.	**Rezwealth Financial Services Inc., Pamela Ramoutar, Chris Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc. and Sylvan Blackett** s. 127(1) and (5) A. Heydon in attendance for Staff Panel: TBA
September 27 – October 1, 2010 10:00 a.m.	**Chartcandle Investments Corporation, CCI Financial, LLC, Chartcandle Inc., PSST Global Corporation, Stephen Michael Chesnowitz and Charles Pauly** s. 127 and 127.1 S. Horgan in attendance for Staff Panel: TBA
September 29 – October 1, 2010 10:00 a.m.	**Wilton J. Neale, Multiple Streams of Income (MSI) Inc., and 360 Degree Financial Services Inc.** s. 127 and 127.1 H. Daley in attendance for Staff Panel: TBA
October 13, 2010 10:00 a.m.	**Ameron Oil and Gas Ltd. and MX-IV, Ltd.** s. 127 M. Boswell in attendance for Staff Panel: TBA
October 13, 2010 10:30 a.m.	**QuantFX Asset Management Inc., Vadim Tsatskin, Lucien Shtromvaser and Rostislav Zemlinsky** s. 127 H. Craig in attendance for Staff Panel: TBA
October 21, 2010 10:00 a.m.	**Ciccone Group, Medra Corporation, 990509 Ontario Inc., Tadd Financial Inc., Cachet Wealth Management Inc., Vince Ciccone, Darryl Brubacher, Andrew J. Martin., Steve Haney, Klaudiusz Malinowski and Ben Giangrosso** s. 127 P. Foy in attendance for Staff Panel: TBA
October 25-29, 2010 10:00 a.m.	**IBK Capital Corp. and William F. White** s. 127 M. Vaillancourt in attendance for Staff Panel: TBA
November 15-18; November 24 – December 2, 2010 10:00 a.m.	**Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)** s. 127 and 127.1 D. Ferris in attendance for Staff Panel: TBA

November 29, 2010 9:30 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: MGC
December 2, 2010 9:30 a.m.	**Richvale Resource Corp., Marvin Winick, Howard Blumenfeld, Pasquale Schiavone, and Shafi Khan** s. 127(7) and 127(8) H. Craig in attendance for Staff Panel: TBA
January 10, 12-21 and 24, 2011 10:00 a.m.	**Carlton Ivanhoe Lewis, Mark Anthony Scott, Sedwick Hill, Leverage Pro Inc., Prosporex Investment Club Inc., Prosporex Investments Inc., Prosporex Ltd., Prosporex Inc., Prosporex Forex SPV Trust, Networth Financial Group Inc., and Networth Marketing Solutions** s. 127 and 127.1 H. Daley in attendance for Staff Panel: TBA
January 17-21, 2011 10:00 a.m.	**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
January 31 – February 7; February 9-18; February 23, 2011 10:00 a.m.	**Anthony Ianno and Saverio Manzo** s. 127 and 127.1 A. Clark in attendance for Staff Panel: TBA
January 31, February 1-7 and 9-11, 2011 10:00 a.m.	**Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk** s. 37, 127 and 127.1 C. Price in attendance for Staff Panel: TBA
February 11, 2011 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: TBA
February 14-18; February 23 – March 7; March 9-11, 2011 10:00 a.m.	**Agoracom Investor Relations Corp., Agora International Enterprises Corp., George Tsiolis and Apostolis Kondakos (a.k.a. Paul Kondakos)** s. 127 T. Center in attendance for Staff Panel: TBA
February 25, 2011 10:00 a.m.	**Hillcorp International Services, Hillcorp Wealth Management, Suncorp Holdings, 1621852 Ontario Limited, Steven John Hill, and Danny De Melo** s. 127 A. Clark in attendance for Staff Panel: TBA
March 1-7; 9-11; 21; and 23-31, 2011 10:00 a.m.	**Paul Donald** s. 127 C. Price in attendance for Staff Panel: TBA

March 7, 2011 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
March 30, 2011 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
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	**Gregory Galanis** s. 127 P. Foy 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 C. Price in attendance for Staff Panel: TBA
TBA	**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: TBA

TBA

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: TBA

TBA

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

TBA

Lehman Cohort Global Group Inc., Anton Schnedl, Richard Unzer, Alexander Grundmann and Henry Hehlsinger

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA

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

s. 127

C. Johnson in attendance for Staff

Panel: TBA

TBA

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

TBA

Rene Pardo, Gary Usling, Lewis Taylor Sr., Lewis Taylor Jr., Jared Taylor, Colin Taylor and 1248136 Ontario Limited

s. 127

M. Britton/J.Feasby in attendance for Staff

Panel: TBA

TBA

Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan

s. 127

M. Boswell in attendance for Staff

Panel: TBA

TBA

Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt

s. 127

M. Boswell in attendance for Staff

Panel: TBA

TBA

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

TBA

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

s. 127(1) and (5)

J. Feasby in attendance for Staff

Panel: TBA

TBA **M P Global Financial Ltd., and Joe Feng Deng**

s. 127 (1)

M. Britton in attendance for Staff

Panel: TBA

TBA **Nelson Financial Group Ltd., Nelson Investment Group Ltd., Marc D. Boutet, Stephanie Lockman Sobol, Paul Manuel Torres, H.W. Peter Knoll**

s. 127

P. Foy in attendance for Staff

Panel: TBA

TBA **Peter Robinson and Platinum International Investments Inc.**

s. 127

M. Boswell in attendance for Staff

Panel: TBA

TBA **Sunil Tulsiani, Tulsiani Investments Inc., Private Investment Club Inc., and Gulfland Holdings LLC**

s. 127

J. Feasby in attendance for Staff

Panel: TBA

TBA **Shane Suman and Monie Rahman**

s. 127 and 127(1)

C. Price in attendance for Staff

Panel: JEAT/PLK

TBA **Paladin Capital Markets Inc., John David Culp and Claudio Fernando Maya**

s. 127

C. Price in attendance for Staff

Panel: TBA

TBA **York Rio Resources Inc., Brilliante Brasilcan Resources Corp., Victor York, Robert Runic, George Schwartz, Peter Robinson, Adam Sherman, Ryan Demchuk, Matthew Oliver, Gordon Valde and Scott Bassingdale**

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA **Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York**

s. 127

H. Craig 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

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

Hollinger Inc., Conrad M. Black, F. David Radler, John A. Boultbee and Peter Y. Atkinson

1.1.2 Notice of Commission Approval – Material Amendments to CDS Rules and Procedures – TRAX

CDS CLEARING AND DEPOSITORY SERVICES INC.

MATERIAL AMENDMENTS TO CDS RULES AND PROCEDURES

TRAX

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on July 20, 2010, amendments filed by CDS to its rules and procedures relating to the implementation of a newly developed web application, TRAX, to facilitate communications between transfer agents and participants. A copy and description of the rule amendments were published for comment on May 7, 2010 at (2010) 33 OSCB 4260 and a copy and description of the procedure amendments were published for comment on May 28, 2010 at (2010) 33 OSCB 4929. No comments were received.

1.1.3 CSA Staff Notice 52-326 – IFRS Transition Disclosure Review

CSA Staff Notice 52-326 – *IFRS Transition Disclosure Review* is reproduced on the following internally numbered pages. Bulletin pagination resumes at the end of the Staff Notice.

CSA STAFF NOTICE 52-326
IFRS TRANSITION DISCLOSURE REVIEW

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

CSA STAFF NOTICE 52-326
IFRS TRANSITION DISCLOSURE REVIEW

Introduction

Canadian Securities Administrators (CSA) staff conducted a review to assess the extent and quality of International Financial Reporting Standards (IFRS) transition disclosure made by issuers in 2009 annual Management's Discussion & Analysis (MD&A). We compared the IFRS transition disclosure of 196 calendar year-end issuers to the disclosure guidance provided in CSA Staff Notice 52-320 *Disclosure of Expected Changes in Accounting Policies Relating to Changeover to International Financial Reporting Standards* (SN 52-320). SN 52-320 provides guidance on the requirement in Form 51-102F1 *Management's Discussion & Analysis* (Form 51-102F1) for an issuer's disclosure of expected changes in accounting policies related to IFRS changeover for the three year period prior to financial years beginning on or after January 1, 2011 (the changeover date).

We expected issuers to have provided in their 2009 annual MD&A a progress update on their IFRS changeover plans. In addition, issuers should have described the major identified differences between their current accounting policies and those they will be required to apply, or expect to apply, in preparing their IFRS financial statements.

Based on these expectations, our review focused on the disclosure of an issuer's IFRS changeover plan and the related discussion of the accounting policy effects of IFRS on the issuer's financial reporting. Overall, we found improvement in the amount and quality of IFRS transition disclosure provided by issuers. Issuers recognized the importance of this disclosure to their stakeholders and demonstrated a willingness to provide disclosure consistent with the guidance in SN 52-320. However, we identified areas where disclosure could be improved and consequently we asked, when appropriate, that these issuers confirm future MD&A filings would contain enhanced IFRS transition disclosure.

This notice summarizes the results of our review and provides additional guidance for issuers preparing their MD&A. We did not assess an issuer's preparedness for IFRS transition. That assessment is best done by an issuer's management, board of directors and external advisors. Issuers and their directors and advisors, should take this notice into account when assessing the extent to which future MD&A disclosure meets the requirements of securities legislation and their investors' need for meaningful IFRS disclosure.

It is critical that issuers communicate the potential impact of the IFRS changeover. Investors need to be properly informed during the IFRS transition on whether reported changes in financial performance relate to the adoption of different accounting standards or relate to a change in the issuer's business. Changes in accounting policies necessitated by transition to IFRS may result in greater volatility in reported results depending upon the issuer's industry and its entity-specific circumstances.

As discussed in SN 52-320, issuers should provide detailed information about the impacts of adopting IFRS in their 2010 interim and annual filings. Staff will continue to review IFRS transition disclosure provided by issuers as part of our continuous disclosure review program.

Investor Impact

The changeover from Canadian GAAP to IFRS could have a material impact on an issuer's business functions and reported financial results. Disclosure is important to assist investors in assessing an issuer's readiness to transition to IFRS and the related impact that the adoption of IFRS may have on the entity.

The disclosure expectations outlined in SN 52-320 for 2009 annual MD&A directs issuers to provide investors with the following information:

- A status update on their IFRS changeover plan, including a detailed discussion of each of the key elements of the plan;
- A discussion of the significant differences between the issuer's current accounting policies and those the issuer is required or expects to apply in preparing IFRS financial statements;
- A description of the impact that the above noted differences may have on the issuer's reported financial statements and results; and
- Whether the transition to IFRS has, or will, result in a change to the issuer's business functions and activities.

Issuers that provide sufficient information about their conversion process and its effects prior to the changeover date will reduce the level of investor uncertainty about IFRS readiness and inform readers about the potential for volatility in future reported results. This disclosure should lead to a more stable and less disruptive transition to IFRS, which will be beneficial to both issuers and their investors.

Summary of Findings

Overall, we found an improvement in the amount and quality of IFRS transition disclosure provided by issuers in their 2009 annual MD&A compared to the prior year. Such improvement should be expected since we are closer to the changeover date and issuers generally are farther along in implementing their changeover plans and assessing the impact of accounting policy differences. A summary of our findings follows:

- 95% of issuers reviewed disclosed their IFRS changeover plan, which is a significant improvement over the prior year. We did, however, note some areas where investors would benefit from more information. In particular, issuers should have provided an in-depth discussion of all key elements which were assessed as part of their changeover plan.
- 60% of issuers described milestones and anticipated timelines associated with each of the key elements of their IFRS changeover plan. All issuers should continue to focus on enhancing disclosure in this area so that investors can readily assess whether the project is progressing in accordance with the IFRS changeover plan.
- 82% of issuers identified significant accounting policy differences between Canadian GAAP and IFRS. However, issuers could improve their discussion of accounting differences to enhance investors'

understanding of the impact of adopting IFRS on the issuer. Specifically, disclosure should have linked accounting differences to various financial statement categories in the balance sheet or the income statement. Such disclosure would have provided a basis for discussing the quantified effects of IFRS conversion in future MD&A filings.

- 80% of issuers provided an update of IFRS transition information from disclosure made in 2008 annual MD&A and 2009 interim MD&A. This improvement over the prior year suggests that investors are generally being provided with information that is timely, reflecting an issuer's IFRS transition efforts.

Findings

This section discusses the results of our review in detail.

IFRS Changeover Plan

No Disclosure of a Changeover Plan

SN 52-320 states that if an issuer has developed an IFRS changeover plan, this plan should be disclosed in its MD&A. The vast majority of issuers reviewed, 95%, disclosed a changeover plan. This is a significant improvement over the prior year. For those issuers that did not provide IFRS disclosure, a reader was unable to assess whether the issuer is taking the appropriate steps to manage its transition to IFRS. If an issuer does not have a changeover plan, we generally believe this to be material information that should have been disclosed in its MD&A.

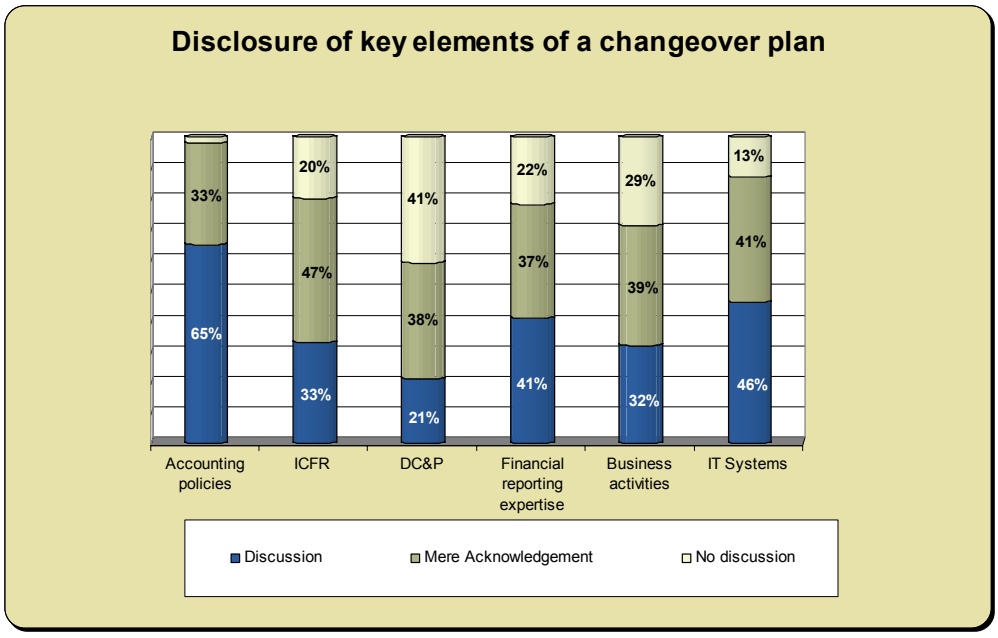
Given the short time remaining before the changeover date, we are concerned that issuers without a plan may be at greater risk of not meeting their future filing obligations. We asked issuers without a changeover plan to provide us with their assessment of how they intend to meet future reporting obligations in the absence of a comprehensive plan. Management and audit committees need to carefully consider this issue and the impact on their investors if they have not planned for IFRS transition.

If issuers continue filing financial statements using Canadian GAAP after the changeover date, the issuer's principal regulator may issue a cease trade order that will prohibit trading in securities of the issuer in accordance with the guidance in National Policy 12-203 *Cease Trade Orders for Continuous Disclosure Defaults.* Furthermore, if an issuer determines that it will not be able to prepare IFRS financial statements by the required deadlines after the changeover date, this will often be a material change that the issuer should immediately communicate to the securities marketplace by way of a news release and material change report in accordance with Part 7 of NI 51-102 *Continuous Disclosure Obligations.*

Disclosure of a Changeover Plan

As outlined in SN 52-320, discussion in the 2009 annual MD&A should have provided an update to an issuer's previously disclosed IFRS changeover plan. This includes an update on the key elements specific to the issuer's changeover plan that address the impact of IFRS and may include accounting policies, internal control over financial reporting (ICFR), disclosure controls and procedures (DC&P), financial reporting expertise, business activities, information technology systems (IT) or other elements. For the 95% of issuers that included IFRS

transition disclosure in their 2009 MD&A, the chart below shows the extent to which each of the potential key elements outlined in SN 52-320 were specifically addressed.



Generally, we noted improvement in the extent to which issuers discussed each of these key elements in their 2009 annual MD&A over the prior year. Many issuers provided entity-specific and comprehensive information that would be useful to investors. We did, however, note some areas where investors would benefit from more information. Specifically, we found that many issuers provided an in-depth discussion of certain key elements of their changeover plan, most commonly accounting policies and IT systems, while other key elements that were considered as part of their plan were not discussed.

In response to our comment letters, some issuers explained that they had assessed a specific element as part of their IFRS changeover plan and had determined there was no impact as a result of the changeover to IFRS. Rather than disclose the results of this assessment, issuers only discussed the elements that would likely be impacted by IFRS. A comprehensive discussion of the assessment, and related conclusion, for all key elements included in their changeover plan would have enhanced a reader's understanding of the IFRS impacts on the issuer and reduced the potential for investor uncertainty. As a result, we asked these issuers to discuss the complete results of this assessment in their next MD&A filing.

For each key element of an IFRS changeover plan discussed in MD&A, issuers should have described the significant milestones and anticipated timelines. This provides a reader with the information necessary to assess an issuer's readiness to meet the changeover to IFRS.

Our review found 60% of issuers described the significant milestones and anticipated timelines associated with each of the plan's key elements. While this represents an improvement over the prior year, issuers still need to focus on enhancing their disclosure in this area. We also noted that some issuers did not discuss conclusions

reached as these milestones were completed. It is important that issuers discuss the outcomes and implications associated with the completion of key milestones so that investors can readily assess whether the project is progressing in accordance with the changeover plan.

Identified Differences between Canadian GAAP and IFRS

As outlined in SN 52-320, issuers should have described the major identified differences between the issuer's current accounting policies and those the issuer is required to apply, or expects to apply, in preparing IFRS financial statements. Such differences should have included any difference due to an expected change in accounting policy even though the issuer's existing policy under Canadian GAAP is permissible under IFRS. The discussion should have been comprehensive enough for an investor to understand the impact of these policy changes on the issuer's financial statements.

Of the issuers reviewed, 82% identified differences between the accounting policies currently applied under Canadian GAAP and those policies required, or expected, to be applied under IFRS. However, we noted improvements could be made. For example, rather than simply listing the accounting standards to be adopted upon transition, and providing a limited description of accounting policy differences between Canadian GAAP and IFRS, an issuer should have explained the full implications of these differences on the issuer's expected reporting under IFRS. The discussion should have focused on only the policy differences that would likely be material to the issuer. While we expected this information to likely only be narrative for 2009, enhanced entity-specific disclosure would have provided an investor with information about the potential impact of identified IFRS accounting policy differences on an issuer's future balance sheet, income statement and key performance metrics.

Our review identified two types of accounting differences - differences that are common across various industries and differences that are industry-specific. We discuss each of these differences in more detail below and provide examples of entity-specific disclosures that may assist issuers in preparing their MD&A. These examples form only one part of a complete IFRS transition discussion and are for illustrative purposes only. Accordingly, they may not be sufficient or appropriate for any particular issuer depending on its circumstances and the needs of its investors. Responsibility for making sufficient and appropriate disclosure and complying with applicable securities legislation remains with issuers.

Common accounting policy differences

We reviewed issuers from various industries, including biotechnology, financial services, insurance, manufacturing, mining, real estate, oil and gas, retail, services and technology and found many accounting policy differences that were common to each of these industries. For differences that are common across industries and entities, it is imperative the issuer discuss the potential entity-specific impact of these differences on its financial reporting to increase an investor's understanding of the full implications of the IFRS transition. Some of the common accounting differences disclosed by issuers included impairment of assets, revenue recognition and property, plant and equipment. An example of entity-specific disclosure for each of these accounting differences is provided below.

Impairment of assets

Under IFRS, the methods for recognizing and measuring impairment losses vary from existing Canadian GAAP. Issuers commonly identified that IFRS only requires a one-step impairment process, which may increase the amount of recognized impairment losses. In addition, unlike existing Canadian GAAP, IFRS generally permits the reversal of impairment losses if there is a change in the estimate used to determine the asset's recoverable amount.

We found an issuer's disclosure was limited to identifying these IFRS differences. More meaningful information to investors would have identified and explained that such differences in the measurement and recognition of impairment losses and reversals could lead to increased income statement volatility under IFRS. We have provided below an entity-specific example of accounting policy disclosure related to the method of calculating impairment losses under IFRS.

Entity-Specific Impairment of Assets Disclosure:

Canadian GAAP generally uses a two-step approach to impairment testing: first comparing asset carrying values with undiscounted future cash flows to determine whether impairment exists, and then measuring impairment by comparing asset carrying values to their fair value (which is calculated using discounted cash flows). IAS 36 *Impairment of Assets* (IAS 36) uses a one-step approach for testing and measuring impairment, with asset carrying values compared directly with the higher of fair value less costs to sell and value in use (which uses discounted cash flows). This may potentially result in write-downs where the carrying value of assets were previously supported under Canadian GAAP on an undiscounted cash flow basis, but could not be supported on a discounted cash flow basis. This difference could lead to income statement and earnings volatility in future periods. The Company assessed the carrying value of its assets in accordance with IAS 36 and found that no impairment losses were required to be recognized as at the date of transition, January 1, 2010.

Revenue recognition

Revenue is often the single largest item reported in an issuer's financial statements. In addition to the direct impact that it has on an issuer's bottom line, investors also place great importance on revenue when making investment decisions. Our review found issuers were generally silent on revenue recognition accounting differences. We would have expected issuers to focus on the IFRS accounting standards governing revenue recognition, including the absence of detailed standards in IFRS compared to Canadian GAAP.

Disclosure addressing the potential timing differences in revenue recognition would have provided important information to readers of the issuer's financial statements. Absent this disclosure, an investor may have difficulty interpreting a change in accounting policy versus a change in an issuer's revenue generating activities during the

year of IFRS adoption. We have provided below an example of disclosure related to revenue recognition accounting policy differences specific to an entity.

Entity-Specific Revenue Recognition Disclosure:

In reviewing IAS 18 *Revenue*, we have determined that certain changes will be made in the manner in which we recognize revenue in arrangements that have multiple deliverables. In accordance with Canadian GAAP, we recognize revenue for all delivered elements in an arrangement when there is objective and reliable evidence of fair value for the undelivered elements (commonly referred to as the residual method). Under the residual method, the amount of consideration allocated to the delivered elements equals the total arrangement consideration less the fair value of the undelivered item. However, in accordance with IFRS, revenue is allocated and recognized for each separately identifiable component in a multiple deliverable arrangement. The residual method is not permitted. As a result, for certain arrangements, the amount and timing of revenue recorded for each identifiable components may differ under IFRS.

Property, plant and equipment (PP&E)

IAS 16 *Property, plant and equipment* requires separate accounting for the different components of an asset when the associated depreciation methods or rates are different. While existing Canadian GAAP also refers to componentization of PP&E, the requirements in IFRS on this issue are more explicit. IFRS also permits PP&E to be revalued to fair value at the end of each reporting period.

We found issuers generally discussed both of these differences. However, to have provided meaningful information to investors, issuers should have disclosed the effects of asset componentization on the balance sheet and depreciation expense in net income. For those issuers identifying the revaluation option as a possible alternative, disclosure would have provided the impact of the revaluation surplus amount on equity. An example of entity-specific disclosure on the effects of componentization of PP&E is provided below.

Entity-Specific Property, Plant and Equipment Disclosure:

The Company expects the carrying value of certain property, plant and equipment may decrease upon conversion to IFRS compared to the carrying value under Canadian GAAP. The decrease may result from increased depreciation expense due to asset componentization and the requirement to depreciate property, plant and equipment when the assets are available for use, rather than when the assets are put into use. Asset componentization, which may result in increased depreciation expense, involves breaking down an asset by identifying significant individual components and separately depreciating those individual components over their useful lives.

Industry specific accounting policy differences

While performing our review we also noted various industry issues. We have highlighted below some of the industry-specific issues identified in our review.

Mining

The most common accounting standard identified by issuers in the mining sector was IFRS 6 *Exploration for and Evaluation of Mineral Resources* (IFRS 6). IFRS 6 allows issuers to follow an approach similar to Canadian GAAP, and therefore, exploration and evaluation (E&E) expenditures can be either expensed or capitalized. Our review found that half of the mining issuers reviewed discussed this standard in enough detail for an investor to understand the policy choices available to the issuer under IFRS.

While we found many issuers plan to continue to apply their current accounting policy for E&E expenditure post-IFRS transition, not all issuers discussed the accounting policy they expect to adopt for these costs. Given that IFRS permits the alternative of expensing or capitalizing E&E expenditures, issuers should have had discussed their accounting policy choice, including any possible changes that this choice would likely have on its balance sheet and income statement. Alternatively, an issuer should have disclosed that it is still considering its accounting policy decision. Below is an example of entity-specific disclosure related to IFRS 6 accounting differences.

Entity-Specific Mining Disclosure:

IFRS 6, *Exploration for and Evaluation of Mineral Resources* (IFRS 6), applies to expenditures incurred on properties in the exploration and evaluation (E&E) phase. The E&E phase begins when an entity obtains the legal rights to explore a specific area and ends when the technical feasibility and commercial viability of extracting a mineral resource are demonstrable. IFRS 6 requires entities to select and consistently apply an accounting policy specifying which E&E expenditures are capitalized and which are expensed. Our project team is developing a policy that includes defining the E&E phase and accounting for E&E expenditures.

The Company expects to establish an accounting policy to expense, as incurred, all costs relating to E&E until such time as it is determined that a property has economically recoverable reserves. On adoption of IFRS, the carrying value of the unproven properties will be reduced to zero (at the transition date), with a corresponding adjustment to accumulated deficit. All subsequent E&E expenditure will be expensed as incurred until such time as it has been determined that a property has economically recoverable reserves.

Oil & Gas

Most oil and gas issuers currently apply full cost accounting under Canadian GAAP. Full cost accounting allows an issuer to capitalize costs incurred to locate, acquire and develop reserves for multiple projects in a cost

centre which may be a large geographical area. IFRS 6 limits this type of accounting to exploration and evaluation activities only. Costs incurred for all other activities must be accounted for on a successful efforts or comparable basis. Many issuers currently applying full cost accounting disclosed that they will have to revise their accounting policy for the recognition of these costs and assess the appropriateness of their current depletion policies. Issuers should also have described the potential impact on the key balance sheet and income statement areas that are expected to be affected as a result.

Some issuers also discussed the IFRS 1 *First-time Adoption of International Financial Reporting Standards* (IFRS 1) exemptions that were applicable. An entity that currently uses full cost accounting can elect to measure E&E assets at the amount determined under Canadian GAAP and to measure oil and natural gas assets in the development or production phases by allocating the amount determined under the Canadian GAAP to the underlying assets pro rata using reserve volumes or reserve values as of the date of adoption. This is a significant exemption that many oil and gas issuers expect to adopt, therefore, disclosure of this fact was expected. An example of an oil and gas issuer's PP&E disclosure is provided below.

Entity-Specific Oil and Gas Disclosure for PP&E:

Under Canadian GAAP, the Company follows the CICA's guidance on full cost accounting, while IFRS has no equivalent guideline. Under GAAP, the Company accounts for its petroleum and natural gas properties whereby all costs directly associated with the exploration and development of natural gas reserves are capitalized. Upon transition to IFRS, the Company will be required to adopt new accounting policies to account for certain of these expenditures.

According to IFRS 6, *Exploration for and Evaluation of Mineral Resources* (IFRS 6), pre-exploration costs must be expensed in the period incurred. Currently, the Company capitalizes and depletes pre-exploration costs; however, these costs have been insignificant for the Company in the past, therefore, this difference is not expected to be material.

IFRS 6 defines exploration and evaluation (E&E) expenditures under IFRS and states that, upon transition, the Company will need to reclassify all E&E expenditures that are currently included in PP&E on the balance sheet as E&E assets. Under IFRS, the Company will have the option to initially capitalize these costs as E&E assets on the balance sheet or expense them in the period incurred. The Company has not concluded at this time the preferred accounting policy for E&E assets.

Under IFRS, the Company will continue to capitalize development and production costs in PP&E on the balance sheet. However, the depletion basis for these costs will likely change from a country cost centre to a smaller unit of measure. The Company has not finalized the inputs to be utilized in the unit-of-production depletion calculation. Under GAAP, the Company calculates depletion expense using the unit-of-production method based on estimated proved natural gas reserves. The Company can comply with IFRS by using a reserve base of either proved reserves or proved plus probable reserves. The Company has concluded at this time that it will continue to use proved reserves as the basis, therefore this difference is not anticipated to be material.

Real estate

The real estate industry faces potential significant changes in financial reporting with the adoption of IFRS. IAS 40 *Investment Property* (IAS 40) gives issuers the option to record investment property at fair value on the balance sheet with the gains and losses recorded through income in each reporting period. Alternatively, an issuer can elect to continue measuring investment property using the historical cost model as currently required under Canadian GAAP; however, IFRS requires the fair value of the investment property to be disclosed in the financial statement notes.

We noted many issuers expect to use the fair value method to account for their investment properties. Given this is a significant difference from existing Canadian GAAP and will likely lead to greater volatility in reported results, issuers should have described the potential impact to the balance sheet and income statement resulting from this accounting policy choice. An example of entity-specific IAS 40 disclosure is provided below.

Entity-Specific Real Estate Disclosure:

IFRS defines investment property as property held by the owner to earn rental income, capital appreciation or both. Assets classified as income producing properties on the balance sheet of the Company qualify as investment property under IFRS.

Under IFRS, the Company has a choice of measuring investment property using the historical cost model or the fair value model. The cost model is generally consistent with Canadian GAAP and would require that the fair value be disclosed in the notes to the financial statements. Under the fair value model, investment property is measured at fair value, and changes in fair value are recorded through income each reporting period. Under the fair value model there are no charges for depreciation like under the cost model.

The Company expects to use the fair value model when preparing its IFRS financial statements. The Company has substantially completed the design of the investment property valuation process and has commenced implementation. The magnitude of the impact to the Company's balance sheet cannot be quantified at this time but is expected to be significant.

Quarterly Updates

SN 52-320 sets out an incremental approach to disclosure of the impact of IFRS changeover leading up to 2011. Issuers should provide more detailed disclosure in each successive reporting period as the changeover date approaches. Alternatively, disclosure should confirm that no progress has been made during the quarter.

Our review found that 80% of issuers provided an update on the status of their IFRS changeover plan when comparing disclosure in 2009 annual MD&A to 2009 Q3 interim MD&A. This represents an improvement over the quarterly progress updates provided by issuers in 2008. We expect updates in each reporting period in 2010.

Future Action

We expect incremental disclosure will become more robust and complete as transition approaches. It is critical for investors that issuers provide timely transition disclosure. Issuers with calendar year-ends only have the remaining reporting periods in 2010 to communicate the potential impact of IFRS transition. Since IFRS will be implemented in the first quarter of 2011 for calendar year-end issuers, we expect issuers to provide, through interim and annual 2010 MD&A disclosure, more detailed disclosure of their changeover plan and information about key decisions on policy choices under IFRS 1 and other standards to the extent these choices were not disclosed in 2009 MD&A.

As required by Form 51-102F1, disclosure of expected changes in accounting policies should include a discussion of the expected effect on the issuer's financial statements or a statement that the issuer cannot reasonably estimate the effect. During late 2009 and the first half of 2010, many companies started preparing quantitative information for the opening IFRS statement of financial position. As the process for preparing this information continues, more quantitative information will become available during 2010, and we believe it is important for investors to start to understand the quantitative impacts that they will begin to see in 2011. Given this, issuers should consider when they can communicate quantified information in their 2010 interim and annual MD&A prior to final approval of IFRS balances. For example, in communicating the expected effects of IFRS changeover on significant financial statement items, issuers may want to consider indicating, directionally, how significant asset and liability balances may change as a result of accounting policy decisions, or providing estimates of balances relating to the transition date balance sheet.

We will continue to review IFRS transition disclosure as part of our overall continuous disclosure review program. Issuers should anticipate staff requests for re-filings of MD&A in the future if an issuer has not met its disclosure obligations.

Questions

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1.1.4 Notice of Commission Approval – CNSX Markets Inc. Rule Change – Rule 1-101 Definitions and Rule 11-102 Qualification for Alternative Market

CNSX MARKETS INC.

RULE 1-101 DEFINITIONS AND
RULE 11-102 QUALIFICATION FOR ALTERNATIVE MARKET

NOTICE OF COMMISSION APPROVAL

On July 13, 2010, the Ontario Securities Commission approved proposed amendments to Rule 1-101 *Definitions* "Alternative Market security" and Rule 11-102 *Qualification for Alternative Market* (collectively, Amendments) that were published for comment May 14, 2010 at (2010) 33 OSCB 4522. No comments were received.

The substantive changes to the rules relating to Alternative Market security expand the range of securities that may be traded in the Alternative Market to all Canadian recognized stock exchanges, including CNSX Markets Inc. and clarify the requirements for qualification for the Alternative Market.

1.1.5 Revisions to OSC Staff Notice 21-703 – Transparency of the Operations of Stock Exchanges and Alternative Trading Systems

REVISIONS TO OSC STAFF NOTICE 21-703 –
TRANSPARENCY OF THE OPERATIONS OF
STOCK EXCHANGES AND ALTERNATIVE TRADING SYSTEMS

OSC Staff Notice 21-703 (Notice) published on October 9, 2009 outlines a process whereby both stock exchanges recognized by the Ontario Securities Commission (Commission) and alternative trading systems (ATSs) submit proposed changes to certain operations for review by Commission staff and for public comment.

The Notice has been revised to apply to the process and filing of certain aspects relating to the initial operations of an ATS seeking to carry on business in Ontario.

OSC Staff Notice 21-703 – Transparency of the Operations of Stock Exchanges and Alternative Trading Systems (Revised – Previously published October 9, 2009)

I. Introduction

Staff of the Ontario Securities Commission (Staff) have been examining the regulatory requirements for stock exchanges recognized by the Commission (Exchanges) and alternative trading systems (ATSs) set out in National Instrument 21-101 *Marketplace Operation* (NI 21-101) and National Instrument 23-101 *Trading Rules* (together, the Marketplace Rules) and the practices set out around those requirements in various recognition orders, rule protocols and staff practices. The purpose of this examination is to consider ways to align the processes for Exchanges and ATSs where appropriate. This notice applies to both equity and debt marketplaces.

The first phase of this review has been focused on initiatives that can be taken in the short-term and on the transparency of filings by Exchanges and ATSs in areas where their operations are similar (including new order types and other issues regarding trading). The next phase will be a review of the requirements set out in NI 21-101 and its Forms to ensure that the Marketplace Rules are able to provide for flexibility in a competitive environment while providing regulators with the information they need to meet their mandate.

This notice sets out Staff's process for reviewing the initial filings for Exchanges and ATSs and changes to certain of the operations of Exchanges and ATSs, after they have started operating. The objective of this process is to foster fair and efficient capital markets. To do so, we expect an appropriate degree of transparency for certain aspects of the operations of Exchanges and ATSs, so that investors and market participants may be better informed as to how securities trade on these marketplaces. At the same time, this process seeks to treat similar information and changes to the operations of Exchanges and ATSs in a similar fashion.

II. Characteristics of Exchanges and ATSs

A fundamental characteristic of stock and derivatives exchanges globally, even those that are structured as for-profit entities, is their regulation function. This is also the case in Canada. Under NI 21-101, only an exchange or quotation and trade reporting system can set requirements (i.e. rules) governing the conduct of marketplace participants and discipline marketplace participants. Even where an Exchange has outsourced this function, the ultimate responsibility for the regulation of the trading on the Exchange remains with the Exchange. Unlike Exchanges, ATSs are not permitted to have a regulatory function or set rules or requirements. They are required to retain a regulation services provider that sets rules to regulate trading on their marketplace.

Despite this, ATSs have trading activities that are similar to Exchanges. We recognize that in the competitive landscape of the Canadian capital markets, it is important to align processes for initial filings and ongoing changes in those areas where the marketplaces compete.

III. Review of Initial Operations

(a) Exchanges

An Exchange that seeks to carry on business in Ontario must apply for recognition under section 21 of the *Securities Act* (Ontario) (Act) (Application). An Application includes a description of the operations of the Exchange and how the Exchange meets criteria that deal with a number of significant operational areas, for example, fees, access, regulation of the products and participants, rulemaking, clearing and settlement, and systems and technology. The rules of the Exchange also form part of the Application and often describe the order types and market design. As part of the process, an applicant for recognition as an Exchange also files Form 21-101F1 (F1)[1]. The F1 contains detailed information about many of the aspects described in the Application. However, because the F1 contains intimate financial, commercial and technical information, the F1 is kept confidential.[2]

The Application along with the Exchange's rules, policies and a draft recognition order are published for a 30 day comment period in the OSC bulletin and on the OSC website. Once all issues raised during the comment process are resolved, the Commission may, in its discretion, recognize the Exchange.

[1] The F1 includes information about the Exchange that describes, among other things, the governance of the Exchange, the manner of operation of its trading system, including a detailed description of the market, procedures governing entry of orders, the means of access and the Exchange's listing criteria, fees, and regulation.

[2] See subsection 6.1(2) of Companion Policy 21-101CP.

(b) ATSs

Pursuant to section 6.1 of NI 21-101, an ATS cannot carry on business in Ontario unless it registers as a dealer and is a member of a self-regulatory organization. An ATS must file Form 21-101F2 (F2)[3] at least 30 days before an ATS begins to carry on business.[4] The information in the F2 is similar to that provided in an Exchange's F1 and in the Application and is also kept confidential.

Unlike the process for dealing with an Application filed by an Exchange, information about ATS operations is not published for comment. Staff review the F2 and, in coordination with the registration of the ATS as an investment dealer, seek to resolve any regulatory issues that arise in connection with the information contained in the F2. Depending on the issues that arise, this process may take longer than 30 days.

IV. Review of Changes to Operations

(a) Exchanges

In addition to being subject to the Marketplace Rules, Exchanges are subject to the terms and conditions of their recognition order. Some of the terms and conditions relate to the types of rules that an Exchange must have and the requirement that it comply with its rule protocol. Section 5.5 of NI 21-101 requires an Exchange to file with the Commission all rules, policies, and other similar instruments, and any amendments to these instruments, while the rule protocol sets out the process for making and changing rules.[5] As previously noted, the rules of Exchanges are publicly available on their websites.

Under their rule protocols, Exchanges must file all proposed rule changes with the Commission and categorize them as either (i): "public interest", or as (ii): "non-public interest" or "housekeeping". Public interest rule changes are published in the OSC Bulletin for a 30-day comment period and are reviewed by Staff prior to being submitted for Commission approval. In contrast, non-public interest or housekeeping rule changes are effective on filing with the Commission and are not published for comment.

In addition to the rule protocol, Exchanges are subject to subsection 3.2(1) of NI 21-101, which requires an Exchange to file an amendment to its F1 at least 45 days before implementing a significant change. Other changes are required to be filed quarterly. Subsection 6.1(3) of Companion Policy 21-101CP provides guidance about what the securities regulatory authorities consider to be a "significant change". Currently, the policy states that a significant change includes a change to the information contained in certain exhibits to the F1.[6] Changes to an F1 are not published for comment unless they are contained in an Exchange rule that is subject to the public comment process described above.

(b) ATSs

As stated above, the operational details of an ATS are outlined in its F2 and the process governing changes to the information in the F2 is set out in subsection 6.4(2) of NI 21-101. If making a significant change to the information in the F2, an ATS must file an amendment to the F2 at least 45 days before implementing the significant change. As with Exchanges, subsection 6.1(6) of Companion Policy 21-101CP provides that a significant change includes a change to the information in certain exhibits to the F2.[7]

Staff review all changes filed and, depending on the issues that arise due to the change, this review may take longer than 45 days. However, unlike public interest rule changes for Exchanges, there is no requirement for the publication for comment of significant changes to ATS operations and no requirement for Commission approval of such changes. We note, however, that the current practice is that an ATS will not implement a change until Staff have indicated that they have no further comments and that all issues raised have been addressed.

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[3] The F2 includes information about the ATS that describes, among other things, the classes of subscribers, the types of securities traded, a detailed description of the market structure of the ATS, and the manner of operations of the ATS, including procedures governing entry of orders, the means of access, fees charged by the ATS, and procedures governing executing, reporting, and clearing transactions.

[4] See section 6.4 of NI 21-101.

[5] Changes to the rules of the Toronto Stock Exchange (TSX) are governed by the Protocol for Commission Oversight of Toronto Stock Exchange Rule Proposals. Changes to the rules of the Canadian National Stock Exchange (CNSX) are governed by the Rule Review Process at Appendix B to the Commission order recognizing CNSX as an exchange.

[6] The Companion Policy to NI 21-101 provides that a significant change includes a change to the information contained in Exhibits A, B, G, I, J, K, M, N, P and Q of Form 21-101F1.

[7] The Companion Policy to NI 21-101 provides that a significant change includes a change to the information contained in Exhibits A, B, C, F, G, I, and J of Form 21-101F2.

V. Notice and Filing Process for Initial Operations and Changes to Operations

Staff's view is that an appropriate degree of transparency for certain aspects of the operations of Exchanges and ATSs contributes to the fairness and efficiency of capital markets. While the fact that Exchanges have regulatory responsibilities that ATSs do not have justifies some differences in regulatory treatment and oversight, Staff also believe that Exchanges and ATSs should be subject to a similar degree of transparency when proposing to carry on business and when making changes to their operations.

With this Notice, we are implementing a process applicable to all marketplaces that would make public summary information about initial operations and proposed changes to their operations. The process provided for in this Notice does not change the current process by which marketplaces file changes to their F1 and F2 filings. It does, however, provide for a new process by which certain information initially filed and subsequent changes would be transparent. We also note that we expect both Exchanges and ATSs to publicly display on their websites a detailed description of how their market or facility operates and the order types available and order features or characteristics. Pursuant to section 12.3 of NI 21-101, all marketplaces are also currently required to make publically available all technology requirements regarding interfacing with and accessing the marketplace.

(a) Initial Operations

As noted above, when proposing to carry on business as an ATS in Ontario, an ATS is required to file an F2 at least 30 days before the planned implementation date. Accompanying the F2 filing, we expect the ATS to also file a notice containing the information that describes the operations of the ATS including:

- access requirements;
- a description of the securities to be traded;
- the order types to be offered or features/characteristics of orders;
- how orders are entered, displayed (if applicable), executed and how they interact; and
- the special facilities or sessions of the marketplace (for example, pre-opening and market-on-close facilities)

The ATS' notice would be accompanied by a notice published by Staff that would provide market participants with an opportunity to provide feedback within 30 days.

The review process by Staff continues to be similar to the review process for an Exchange Application. Once all issues are resolved, the registration as an investment dealer would be issued. Where an existing investment dealer is proposing to operate an ATS, Staff would perform a full review of the F2.

Exchanges seeking to carry on business in Ontario would continue to be subject to the current Application process requiring public comment.

(b) Changes to Operations

The publication process described below would not apply to all changes filed by marketplaces. We expect that this process would apply to:

- order types (i.e. new or existing order types) or features/characteristics of orders;
- procedures governing how orders are entered, displayed (if applicable), executed and how they interact; and
- changes to the procedures relating to special facilities or sessions of the marketplace (for example, pre-opening and market-on-close facilities)

OSC staff may request that other changes be published if they raise regulatory concerns.

In the case of ATSs, these matters would generally be filed as amendments to Exhibits C and G, paragraphs 1, 2, and 5 to the F2. In the case of Exchanges, these matters are set out in Exhibit G, paragraphs 1, 3 and 4 to the F1. If the change requires a rule amendment, then the publication of the proposed rule change would suffice and no additional marketplace notice would be necessary.

If a marketplace is unsure as to whether a notice should go out, we expect the marketplace to contact OSC staff to request clarification.

On proposing a change to the Exhibits described above and at least 45 days prior to implementation, we expect Exchanges and ATSs to file the proposed change (a clean and blacklined version) with the Commission and publish a notice of the proposed change in the OSC Bulletin. The marketplace's notice should describe the proposed change, the rationale for the change, the expected impact of the change, any consultations the marketplace undertook in formulating the change, discussion of any alternatives considered by the marketplace and, if applicable, whether the proposed change currently exists in the market.

The marketplace's notice would be accompanied by a notice published by Staff that would:

- provide market participants with an opportunity to provide feedback within 30 days of the date of publication of the notice; and

- indicate that if the proposal does not raise any regulatory concerns, the proposed change would be implemented within 45 days from the date of publication of the notice.

Staff would review and evaluate the proposed change for the purpose of identifying any regulatory concerns with the proposal. Staff may also request any additional information from the marketplace to facilitate its review. Following this review, and in the absence of any regulatory concerns identified by Staff, the proposed change would take effect 45 days after the date of publication. The marketplace would then send out a notice confirming the original implementation date.

If regulatory concerns are identified, implementation of the proposed change may be delayed. Staff would discuss the concerns with the marketplace and attempt to resolve them. We would then issue a further notice identifying the concerns, the marketplace's response, and Staff's position. If the issues are resolved, the notice would also provide the implementation date. In the event that Staff's concerns and discussions with the marketplace result in material amendments to the proposed change, the publication of a second notice by the marketplace may be necessary.

There is presently no requirement that ATSs obtain approval by the Commission for changes to their operations but, under the rule review protocols, Exchange rule changes need to be approved. Rule amendments relating to the changes identified in this notice will be presented to the Commission for approval within 45 days if no comments are received or objections raised. If the change relates only to an F1 change and there is no accompanying rule change, no Commission approval is required.

Staff expect that proposed rule changes that affect an Exchange's regulatory responsibilities, such as changes to listing requirements, would continue to be subject to the current process requiring public comment and Commission approval. Similarly, non-public interest or housekeeping changes to Exchange rules would continue to be effective on filing.

VI. Conclusion

Staff are of the view that, from an operational and trading perspective, proposals filed by Exchanges and ATSs should be subject to an appropriate degree of transparency so that investors and market participants may be adequately informed of the nature and effect of such proposals. We believe that this process will achieve this goal while at the same time aligning the process by which Exchanges and ATSs begin operating in Ontario and subsequently make changes to certain of their operations.

VII. Questions

Questions may be referred to any of:

Tracey Stern
Ontario Securities Commission
(416) 593-8167

Emily Sutlic
Ontario Securities Commission
(416) 593-2362

July 23, 2010

1.3 News Releases

1.3.1 Canadian Securities Regulators Propose Regulatory Regime for Credit Rating Organizations

FOR IMMEDIATE RELEASE
July 16, 2010

CANADIAN SECURITIES REGULATORS PROPOSE REGULATORY REGIME FOR CREDIT RATING ORGANIZATIONS

Toronto – The Canadian Securities Administrators (CSA) has published for comment proposed National Instrument 25-101 *Designated Rating Organizations* and related consequential amendments, which are aimed at introducing securities regulatory oversight of credit rating organizations.

Central to the proposal is the requirement for credit rating organizations to apply to become a "designated rating organization" (DRO) to allow their ratings to be used for various purposes within securities legislation. For example, access to the short form prospectus system will only be available for certain debt securities if a credit rating is obtained from a DRO.

Once designated, a rating organization would be required to have and enforce a code of conduct that is based on a code published by the International Organization of Securities Commissions (IOSCO). A DRO would also be required to establish policies and procedures to manage conflicts of interest, prevent inappropriate use of information, appoint a compliance officer and make an annual filing. In addition, DROs could be subject to regulatory compliance reviews and/or enforcement action. The CSA will not oversee the content or methodology of ratings.

"Many investors consider credit ratings as one of the factors in making investment decisions, and ratings continue to be referred to within securities legislation, so it is important to develop a formal regulatory regime for the oversight of credit rating organizations," said Jean St-Gelais, Chair of the CSA and President and Chief Executive Officer of the Autorité des marchés financiers (Québec). "This CSA initiative is consistent with international developments in addressing the oversight of credit rating agencies, which can have a significant impact upon financial markets."

In developing the proposed regime, the CSA considered comments from stakeholders on the CSA consultation paper released in October 2008, titled *Securities Regulatory Proposals Stemming from the 2007-08 Credit Market Turmoil and its Effect on the ABCP Market in Canada*.

CSA members who participate in the passport system have proposed that credit rating organizations will be able to rely on this system to apply to their principal regulator to be designated as a DRO, in all passport jurisdictions. As such, the materials include consequential amendments to instruments and the introduction of proposed policies to facilitate use of the passport system.

Copies of the proposed instrument, consequential amendments to other instruments and additional background information are available on the websites of CSA members.

The CSA are seeking input from all stakeholders on the proposals. The comment period is open until October 25, 2010.

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

For more information:

Theresa Ebden
Ontario Securities Commission
416-593-8307

Sylvain Théberge
Autorité des marchés financiers
514-940-2176

Mark Dickey
Alberta Securities Commission
403-297-4481

Ken Gracey
British Columbia Securities Commission
604-899-6577

Ainsley Cunningham
Manitoba Securities Commission
204-945-4733

Wendy Connors-Beckett
New Brunswick Securities Commission
506-643-7745

Shirley P Lee
Nova Scotia Securities Commission
902-424-5441

Barbara Shourounis
Saskatchewan Financial Services Commission
306-787-5842

Janice Callbeck
PEI Securities Office
Office of the Attorney General
902-368-6288

Doug Connolly
Financial Services Regulation Div.
Newfoundland and Labrador
709-729-2594

Graham Lang
Yukon Securities Registry
867-667-5466

Louis Arki
Nunavut Securities Office
867-975-6587

Donn MacDougall
Northwest Territories
Securities Office
867-920-8984

1.4 Notices from the Office of the Secretary

1.4.1 TBS New Media Ltd. et al.

FOR IMMEDIATE RELEASE
July 15, 2010

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

AND

IN THE MATTER OF
TBS NEW MEDIA LTD., TBS NEW MEDIA PLC,
CNF FOOD CORP., CNF CANDY CORP.,
ARI JONATHAN FIRESTONE AND MARK GREEN

TORONTO – The Commission issued an Order pursuant to subsections 127 (7) and (8) of the Act that the Temporary Order, as amended by this Order, is extended to September 9, 2010; and that the Hearing is adjourned to September 8, 2010 at 10:00 a.m.

A copy of the Order dated July 12, 2010 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

Theresa Ebden
Senior Communications Specialist
416-593-8307

Robert Merrick
Senior Communications Specialist
416-593-2315

For investor inquiries:

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

1.4.2 Juniper Fund Management Corporation et al.

FOR IMMEDIATE RELEASE
July 15, 2010

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

AND

IN THE MATTER OF
THE JUNIPER FUND MANAGEMENT CORPORATION, JUNIPER INCOME FUND, JUNIPER EQUITY GROWTH FUND AND ROY BROWN (a.k.a. ROY BROWN-RODRIGUES)

TORONTO – The Commission issued an order which provides that another pre-hearing conference shall be held on September 23, 2010 at 9:30 a.m. in the above named matter.

A copy of the Order dated July 14, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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416-593-8120

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416-593-8307

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

1.4.3 Nest Acquisitions and Mergers et al.

FOR IMMEDIATE RELEASE
July 16, 2010

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

AND

IN THE MATTER OF
NEST ACQUISITIONS AND MERGERS, IMG INTERNATIONAL INC., CAROLINE MYRIAM FRAYSSIGNES, DAVID PELCOWITZ, MICHAEL SMITH, AND ROBERT PATRICK ZUK

TORONTO – The Commission issued an Order in the above named matter which provides that this matter is adjourned to November 25, 2010 at 2:00 p.m. for the purpose of a continued confidential pre-hearing conference; and the hearing on the merits is set down for the period January 31, 2011 to February 11, 2011 (except for February 8, 2011).

A copy of the Order dated July 15, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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416-593-8120

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For investor inquiries:

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

1.4.4 Magna International Inc. et al.

FOR IMMEDIATE RELEASE
July 16, 2010

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

AND

IN THE MATTER OF
MAGNA INTERNATIONAL INC.

AND

IN THE MATTER OF
THE STRONACH TRUST AND
446 HOLDINGS INC.

TORONTO – The Commission issued an order with certain provisions in the above named matter.

A copy of the Order dated July 16, 2010 is available at **www.osc.gov.on.ca**.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:

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Director, Communications & Public Affairs
416-593-8120

Theresa Ebden
Senior Communications Specialist
416-593-8307

Robert Merrick
Senior Communications Specialist
416-593-2315

For investor inquiries:

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

1.4.5 Notice of Approval – OSC Rules of Procedure, Rule 12

FOR IMMEDIATE RELEASE
July 20, 2010

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

TORONTO – The Commission today approved the adoption of a new Rule 12 of the Commission's *Rules of Procedure* (2009) 32 OSCB 1991 which applies immediately to all proceedings to approve settlement agreements between staff of the Commission's Enforcement Branch and respondents.

A copy of the Notice of Amendments to Rule 12 of the *Rules of Procedure* of the Ontario Securities Commission 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

Theresa Ebden
Senior Communications Specialist
416-593-8307

Robert Merrick
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416-593-2315

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

1.4.6 Notice of Amendments to OSC *Rules of Procedure*, Rule 12

FOR IMMEDIATE RELEASE
July 20, 2010

NOTICE OF AMENDMENTS TO RULE 12
OF THE RULES OF PROCEDURE OF THE ONTARIO SECURITIES COMMISSION

Introduction

The Ontario Securities Commission (Commission) has approved the adoption of a new rule to replace existing Rule 12 of the Commission's *Rules of Procedure* (2009) 32 OSCB 1991 (Rules) which applies to procedures for hearings to approve settlement agreements between staff of the Commission's Enforcement Branch ("Staff") and respondents.

The Rules apply to all proceedings before the Commission where the Commission is required under the *Securities Act*, R.S.O. 1990, c. S.5 and 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 new Rule 12 is attached to this Notice as Annex "A". The existing Rule 12 is repealed and replaced by the new Rule as of the date of this Notice. The new Rule will apply immediately to all proceedings before the Commission, including proceedings commenced by a Notice of Hearing issued prior to the adoption of the new Rule.

The new Rule will be implemented pursuant to section 25.1 of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22 (SPPA).

Background

The proposed new Rule is designed to ensure the fair and efficient resolution of proceedings before the Commission to approve settlement agreements between Staff and respondents in the most expeditious and cost-effective manner, consistent with the Commission's objective to make its adjudicative processes transparent and accessible.

During the comment process on the Rules in 2008-09, a number of comments were received on the Commission's procedures for approving settlement agreements which suggested that the Commission consider reviewing its procedures for approving settlement agreements. Although there was a broad consensus among the commentators that those procedures should be revised, there was no specific consensus at that time on what those revisions should be. Therefore, when the Commission adopted the Rules in April 2009, it decided that it would not amend the existing procedures for approving settlement agreements, but undertook to review those procedures during 2009-10.

The Commission began the review of its settlement approval process in September 2009 by inviting members of the respondents' bar and Staff to participate in an informal round-table discussion on the process. Following the informal consultation process, the Commission published the proposed Rule for comment on March 12, 2010 for a comment period of sixty (60) days. No comments were received.

New Rule 12

The new Rule will enhance the settlement agreement approval process by:

- increasing the efficiency of the Commission's settlement process, reducing costs, encouraging settlements and decreasing the number of lengthy merits hearings;
- providing a degree of flexibility to avoid high costs and time delays;
- balancing the requirement for open, transparent proceedings and the parties' desire for greater certainty of outcome; and
- supporting the settlement negotiation process by recognizing that joint submissions on facts and sanctions are arrived at through active negotiation between the parties and that settlement agreements should normally be approved where they are reasonable in the circumstances.

Under the new Rule, settlement agreements between Staff and respondents will still be required to be approved by the Commission through a hearing for which a public notice will be issued. However, the new Rule provides for a settlement conference before a panel of one or more Commissioners ("Panel") to be held prior to proceeding to a public hearing to approve the settlement.

A settlement conference will be held only if both Staff and the respondent jointly request the conference. There *must* be at least one settlement conference before a settlement agreement can proceed to a hearing before a Panel for approval. A settlement conference would likely be held at the stage where the parties have reached a settlement (which might be evidenced by a draft settlement agreement or a joint memorandum of settlement) that they propose to present to a Panel for approval at a public hearing. At the settlement conference, the Panel will indicate whether or not it would be prepared to approve the settlement agreement if it were submitted to it for approval at a public hearing.

If, during the settlement conference, the Panel concludes that it would be unlikely to approve the settlement agreement, it will discuss the grounds for its conclusions with the parties. It is, however, not intended that the Panel conduct any "mediation" or similar function, merely that it will identify for the parties any matter that, in the view of the Panel, would likely lead it to refuse to approve the settlement in the public interest if presented at a hearing.

If the Panel presiding at the settlement conference indicates that it would likely reject the proposed settlement agreement, the parties may consider the Panel's grounds for rejection and continue to negotiate another settlement that the parties believe would be more likely to be approved by the Commission, or they may abandon the settlement process and proceed in the normal course.

If the parties jointly request, a settlement conference *may* be held at an earlier stage before they have reached full agreement. If the parties have reached agreement on most substantive matters but have outstanding issues on which they wish to seek the Commission's views, they may jointly request a settlement conference. Although the Panel will participate in discussions on the outstanding issues identified by the parties, the Panel will generally limit its role to expressing views that might be of assistance to the parties in reaching a settlement. The Panel will not conduct a mediation or similar function.

Settlement conferences will be held *in camera* without public notice and all settlement discussions will be without prejudice. No record of the settlement conference will be made unless the parties request otherwise.

Once a Panel presiding at a settlement conference has indicated that it would be prepared to approve the settlement agreement if it were presented to the Panel at a public hearing, the parties may file a joint application for a hearing to consider the settlement agreement for final approval. A public Notice of Hearing to consider the application to approve the settlement agreement will be issued accompanied by a copy of the final signed settlement agreement. The Panel presiding at the hearing to approve the settlement agreement will consist of one or more of the members of the Panel who presided at the settlement conference. At the public hearing to approve the settlement agreement, it is anticipated that the parties will make submissions to support a finding that the settlement agreement is in the public interest. If the settlement agreement presented at the hearing is the same as the draft settlement agreement or is on terms substantially the same as the joint settlement memorandum presented at the settlement conference, it will in the normal course be approved by the Panel. The Panel's approval may be given by endorsement on the record and the issuance of an order. However, if the Panel determines that it is appropriate in the circumstances to issue oral and/or written reasons, it may do so. The approved settlement agreement, the Panel's order and reasons, if any, will be posted on the Commission's website and published in the *Bulletin*.

John P. Stevenson
Secretary to the Commission

ANNEX A

Amended Rule 12 of the Commission's *Rules of Procedure* (2009) 32 OSCB 1991

Rule 12 – Settlement Agreements

12.1 Purpose of Settlement Conference

(1) The purpose of a settlement conference is to provide the parties with the opportunity, prior to proceeding to a hearing under this Rule to approve a settlement agreement, to make confidential submissions on a proposed settlement to a Panel in order to obtain guidance on whether the terms of the proposed settlement would, in the view of the Panel, be in the public interest.

(2) At least one settlement conference shall be held before a hearing to approve the settlement agreement.

12.2 Application for a Settlement Conference

(1) An application for a settlement conference shall be filed jointly by the parties to the proposed settlement no later than 5 days before the settlement conference.

(2) The application shall be accompanied by:

(a) the consent in writing of the parties to participate in the settlement conference;

(b) an agreement concerning the confidentiality of the settlement discussions and any document or thing presented at the settlement conference; and

(c) a draft of the proposed settlement agreement or a joint memorandum setting out the terms of the proposed settlement between the parties.

12.3 Notice of Settlement Conference

(1) The Secretary shall issue a Notice of Settlement Conference for an application referred to in subrule 12.2(1) only after all the documents required to be filed pursuant to subrule 12.2(2) have been filed.

(2) The Notice of Settlement Conference shall be issued only to the parties to the settlement conference and shall not be published or otherwise made available to the public.

12.4 Oral or Electronic

A settlement conference may be held in person or by way of electronic hearing, as the Panel may direct.

12.5 In Camera Proceeding

(1) The settlement conference shall be held *in camera* and no transcript or other record of the proceeding shall be made unless the parties to the settlement request otherwise, except that the Panel may make such record of the conference as it deems necessary for its own record and use.

(2) Rule 5.1 shall not apply to any document or thing filed under Rule 12.1 or presented at a settlement conference or any record made by the Panel pursuant to subrule 12.5(1), and any such document or thing shall be kept confidential pursuant to Rule 9 of the SPPA and shall not be made available to the public.

12.6 No Communication to Panel Hearing the Merits

In the event that the matter subject to the settlement conference proceeds to a hearing on the merits, the Panel presiding at the settlement conference shall not participate in the hearing on the merits and no communication made at the settlement conference shall be disclosed to the Panel hearing the matter on the merits.

12.7 Application for a Hearing to Approve the Settlement

(1) An application for a hearing to approve a settlement shall be filed jointly by the parties to the settlement no later than 2 days before the hearing.

(2) The application shall be accompanied by:

(a) a draft order;

(b) the respondent's consent to the order; and

(c) the settlement agreement signed by the settling parties.

12.8 Notice of Settlement Hearing

The Secretary shall issue a Notice of Hearing for an application referred to in subrule 12.7(1) only after all the documents required to be filed pursuant to subrule 12.7(2) have been filed.

12.9 Settlement Hearing Panel

The Panel presiding at the hearing to approve the settlement shall be one or more of the members of the Panel that presided at the settlement conference.

12.10 Public Settlement Hearing

(1) A hearing to approve an application under subrule 12.7(1) shall be open to the public.

(2) The Panel may issue oral or written reasons if it deems it appropriate to do so.

12.11 Publication of Settlement Agreement When Approved

The order approving the settlement agreement, the settlement agreement, and the Panel's reasons, if any, shall be posted on the Commission's website and in the *Bulletin* forthwith following approval of the settlement agreement by the Panel, unless otherwise ordered by the Panel.

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Crombie Real Estate Investment Trust

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Multilateral Instrument 61-101, s. 9.1 Protection of Minority Security Holders in Special Transactions – issuer is an income trust with an interest in underlying assets – entity to hold interest in issuer through units of entity underlying issuer – units redeemable into units of issuer – issuer may include entity's indirect interest in issuer when calculating issuer's market capitalization for purposes of using 25% market capitalization exemption for certain related party transactions

Applicable Legislative Provisions

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, ss. 5.5(a), 5.7(a), 9.1.

July 9, 2010

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
CROMBIE REAL ESTATE INVESTMENT TRUST
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision pursuant to section 9.1 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") that the Filer be granted an exemption from the minority approval and formal valuation requirements under Part 5 of MI 61-101 relating to any related party transaction of the Filer entered into indirectly through Crombie Limited Partnership ("**Crombie LP**") or a subsidiary entity (as such term is defined in MI 61-101) of Crombie LP, if that transaction would qualify for the transaction size exemptions set out in sections 5.5(a) and 5.7(a) of MI 61-101 if the indirect equity interest of ECL Developments Ltd. ("**ECL**") in the Filer, held in the form of limited partnership units of Crombie LP, were included in the calculation of the Filer's market capitalization (the "**Requested Relief**").

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

(a) the Ontario Securities Commission (the "**Decision Maker**") 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 Quebec.

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 an unincorporated open-ended real estate investment trust established pursuant to a declaration of trust dated January 1, 2006, as amended and restated (the "**Declaration of Trust**") formed under, and governed by, the laws of the Province of Ontario. The principal, registered and head office of the Filer is located at 115 King Street, Stellarton, Nova Scotia, B0K 1S0. The Ontario Securities Commission (the "**OSC**") has been selected as the principal regulator for this application in accordance with the guidelines set out in Section 3.6 of NPS 11-203 on the basis that the Filer is a trust formed under, and governed by, Ontario law, the Filer maintains an office in Toronto, the Filer owns approximately twice as many properties in Ontario as it does in Quebec and the Filer's Units are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**").

2. The Filer is authorized to issue an unlimited number of units (the "**Units**") and an unlimited number of special voting units (the "**Special Voting Units**"). As at June 30, 2010, there were 32,045,298 Units and 28,925,730 Special Voting Units issued and outstanding. The number of Special Voting Units outstanding at any point in time is equivalent to, and accompanies the number of Exchangeable LP Units outstanding.

3. The Units are currently listed and posted for trading on the TSX under the symbol "CRR.UN".

4. The Filer is a reporting issuer, or has equivalent status, under securities legislation in all provinces of Canada and is not in default of any of the requirements of such legislation.

5. The Filer invests in income-producing retail, office and mixed use properties in Canada, with a future growth strategy focused primarily on the acquisition of retail properties. As at June 30, 2010, the Filer owned a portfolio of 118 commercial properties in seven provinces comprising approximately 11.5 million square feet of gross leaseable area.

6. Crombie LP is a limited partnership formed under the laws of the Province of Nova Scotia and governed by a second amended and restated limited partnership agreement dated March 23, 2006 (the "**Crombie LP Agreement**") among Crombie General Partner Limited ("**Crombie GP**"), ECL (as successor in interest to ECL Properties Limited) and Crombie Subsidiary Trust ("**CS Trust**") and is the operating entity through which the Filer conducts its business.

7. Crombie GP, a corporation incorporated under the laws of the Province of Nova Scotia, is the general partner of Crombie LP and is wholly owned by CS Trust.

8. Under the Crombie LP Agreement, Crombie LP is authorized to issue an unlimited number of class A limited partnership units (the "**Class A LP Units**") and an unlimited number of class B limited partnership units (the "**Exchangeable LP Units**" and collectively with the Class A LP Units, the "**LP Units**"), as well as an unlimited number of general partnership units.

9. All the outstanding Class A LP Units are held by CS Trust (a wholly-owned subsidiary of the Filer), all the Exchangeable LP Units are held by ECL, and all the outstanding general partnership units are held by Crombie GP.

10. ECL holds 28,925,730 Exchangeable LP Units representing an approximately 47.4% economic interest in the Filer.

11. The Exchangeable LP Units are in all material respects, equivalent to the Units on a per unit basis. Pursuant to the terms of an exchange agreement dated March 23, 2006 among the Filer, CS Trust, Crombie GP, Crombie LP and ECL (the "**Exchange Agreement**"), each Exchangeable LP Unit is exchangeable at the option of the holder for one Unit of the Filer. Each Exchangeable LP Unit also has the same economic rights and entitlements to distributions as a Unit of the Filer, and is accompanied by one Special Voting Unit, which provides for the same voting rights in the Filer as a Unit.

12. The Exchangeable LP Units represent part of the equity value of the Filer and provide the holder of the Exchangeable LP Units with economic rights which are, as nearly as possible, equivalent to the Units. Moreover, the economic interests that underlie the Exchangeable LP Units are identical to those underlying the Units; namely, the assets and operations held directly or indirectly by the operating entities.

13. The Exchangeable LP Units are not listed and posted for trading on the TSX or any other stock exchange.

14. ECL is a wholly-owned subsidiary of Empire Company Limited ("**Empire**"). The Filer was formed by Empire in 2006 and has acquired most of its properties from subsidiaries of Empire in a number of transactions upon and since its formation. Crombie LP is party to a development agreement with ECL which gives Crombie LP a preferential right to

acquire retail properties developed by ECL, and the Filer has regularly disclosed its relationship with ECL in its public filings as one of its competitive strengths.

15. As a result of ECL's ownership of Exchangeable LP Units and Special Voting Units, transactions involving the Filer entered into indirectly through Crombie LP or a subsidiary entity (as such term is defined in MI 61-101) and ECL or other affiliates of Empire are related party transactions subject to MI 61-101.

16. MI 61-101 requires, unless an exemption is available:

    (a) pursuant to Section 5.4 the preparation of a formal independent valuation of the non-cash assets involved in the transaction; and

    (b) pursuant to Section 5.6, approval by a majority of the votes cast by disinterested Unitholders (excluding votes cast by ECL), entitled to vote on the proposed transaction at a duly constituted meeting of Unitholders held to consider the proposed transaction ((a) and (b) collectively, the "**Minority Protections**").

17. A related party transaction that is subject to MI 61-101 may be exempt from the Minority Protections if at the time the transaction is agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction exceeds 25% of the issuer's market capitalization.

18. The Filer may not be entitled to rely on the automatic transaction size exemptions available under the Legislation from the requirements relating to related party transactions in MI 61-101 because although the definition of market capitalization in MI 61-101 includes the value of equity securities of the issuer that are convertible into listed equity securities of the issuer, it does not contemplate securities of another entity that are exchangeable into equity securities of the issuer.

19. If the Exchangeable LP Units are not included in the market capitalization of the Filer, the equity value of the Filer will be understated by the value of ECL's limited partnership interest in Crombie LP, approximately 47.4%. As a result, related party transactions by the Filer that are entered into directly or indirectly through Crombie LP may be subject to the Minority Protections in circumstances where the fair market value of the transactions are effectively less than 25% of the fully diluted market capitalization of the Filer.

Decision

The Decision Maker is satisfied that decision meets the test set out in MI 61-101 for the Requested Relief.

The decision of the Decision Maker is that the Requested Relief is granted provided that:

(a) the transaction would qualify for the market capitalization exemption contained in MI 61-101 if the Exchangeable Units were considered an outstanding class of equity securities of the Filer that were convertible into Units;

(b) there be no material change to the terms of the Exchangeable LP Units and the Special Voting Units, as described above and in the Exchange Agreement, the Declaration of Trust and the Crombie LP Agreement; and

(c) any annual report or equivalent of the Filer that is required to be filed in accordance with applicable securities laws, contain the following disclosure, with any immaterial modifications as the context may require:

> *"Multilateral Instrument 61-101 —Protection of Minority Shareholders in Special Transactions ("**MI 61-101**") provides a number of circumstances in which a transaction between an issuer and a related party may be subject to valuation and minority approval requirements. An exemption from such requirements is available when the fair market value of the transaction is not more than 25% of the market capitalization of the issuer. The Crombie Real Estate Investment Trust (the "**REIT**") has applied for exemptive relief from the requirements of MI 61-101 that, subject to certain conditions, would permit it to be exempt from the minority approval and valuation requirements for transactions that would have a value of less than 25% of the REIT's market capitalization if Empire Company Limited's indirect economic and voting interest in the REIT was included in the calculation of the REIT's market capitalization. As a result, the 25% threshold above which the minority approval and valuation requirements would apply would be increased to reflect the approximately 47.4% indirect interest in the REIT held by Empire Company Limited."*

"Naizam Kanji"
Deputy Director, Corporate Finance
Ontario Securities Commission

2.1.2 CI Investments Inc. et al.

Headnote

NP 11-203 – Coordinated Review – Lapse date of mutual fund prospectus extended for merger of the funds – Extension of lapse date will not affect the currency or accuracy of the information contained in the prospectus – Securities Act (Ontario).

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 62(1.1), 147.

July 13, 2010

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
CI INVESTMENTS INC.
(THE FILER)

AND

IN THE MATTER OF
ARTISAN CANADIAN T-BILL PORTFOLIO
ARTISAN MOST CONSERVATIVE PORTFOLIO
ARTISAN CONSERVATIVE PORTFOLIO
ARTISAN MODERATE PORTFOLIO
ARTISAN GROWTH PORTFOLIO
ARTISAN HIGH GROWTH PORTFOLIO
ARTISAN MAXIMUM GROWTH PORTFOLIO
ARTISAN NEW ECONOMY PORTFOLIO
(THE ARTISAN PORTFOLIOS)

INSTITUTIONAL MANAGED INCOME POOL
INSTITUTIONAL MANAGED CANADIAN EQUITY POOL
INSTITUTIONAL MANAGED US EQUITY POOL
INSTITUTIONAL MANAGED INTERNATIONAL EQUITY POOL
(THE INSTITUTIONAL MANAGED POOLS)

SELECT INCOME MANAGED CORPORATE CLASS
SELECT 100I MANAGED PORTFOLIO CORPORATE CLASS
(THE SELECT CORPORATE CLASSES)

(THE ARTISAN PORTFOLIOS,
THE INSTITUTIONAL MANAGED POOLS AND
THE SELECT CORPORATE CLASSES,
COLLECTIVELY, THE 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**) that the time limit pertaining to the distribution of securities of the Funds under their respective simplified prospectuses (the **Prospectuses**) be extended to permit the continued distribution of securities of the Funds until September 18, 2010 (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 intended to be relied upon in each of the other provinces and territories of Canada (collectively, with Ontario, the **Jurisdictions**).

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 and the Funds:

The Filer

1. The Filer is the manager of the Funds. The Filer and the Funds are not in default of any of the requirements of the Legislation.

2. The Funds are reporting issuers under the Legislation. Securities of the Select Corporate Classes are currently qualified for distribution in all Jurisdictions under a simplified prospectus and annual information form dated July 18, 2009, as amended (the **Select Corporate Classes Prospectus**). Securities of the Artisan Portfolios are currently qualified for distribution in all Jurisdictions under a simplified prospectus and annual information form dated July 25, 2009, as amended (the **Artisan Prospectus**). Securities of the Institutional Managed Pools are currently qualified for distribution in all Jurisdictions under a simplified prospectus and annual information form dated July 25, 2009, as amended (the **IMP Prospectus**).

3. Pursuant to the Legislation, the lapse date for the distribution of securities under the Select Corporate Classes Prospectus is July 18, 2010 and the lapse date for the distribution of securities

under the Artisan Prospectus and the IMP Prospectus is July 25, 2010 (collectively, the **Lapse Dates**).

4. Pursuant to the Legislation, in order to renew each Prospectus of the Funds, the following matters (among others) are required in order for the Funds to be eligible to rely on the provisions deeming continuous prospectus qualification contained in section 2.5(4) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* and section 62(2) of the *Securities Act* (Ontario):

   (a) a pro forma simplified prospectus and annual information form is required to be filed 30 days prior to the Lapse Date of the Prospectus; and

   (b) the final version the simplified prospectus is required to be filed not later than 10 days following the Lapse Date of the Prospectus and a receipt for such final prospectus must be issued within 20 days following the Lapse Date of the Prospectus.

5. On June 11, 2010, the Filer announced by press release, in connection with which a material change report and amendments to each Prospectus were filed on SEDAR, that it is proposing to streamline its mutual fund line-up by merging the Funds into other mutual funds managed by it.

6. The independent review committee of the Funds has reviewed all of the proposed mergers with respect to conflict of interest matters and determined that the mergers will achieve a fair and reasonable result for investors. Subject to obtaining all applicable investor, regulatory and other required approvals, the Filer intends to effect the mergers on or about September 18, 2010, after which the Funds will be wound up.

7. The mergers will be effected in accordance with applicable requirements of the Legislation, including National Instrument 81-102 *Mutual Funds*, National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) and National Instrument 81-107 *Independent Review Committee for Investment Funds*.

8. Special meetings of the securityholders of the Funds will be held on September 17, 2010 to approve the mergers of the Funds into other mutual funds managed by the Filer.

9. In view of the proposed mergers, the Filer does not intend to file renewal prospectuses for the Funds. Securities of the Funds will therefore not be qualified for distribution during the period from the Lapse Date of the Prospectus to the effective date of the mergers unless the Exemption Sought is granted. The Filer wishes to continue to distribute securities of the Funds during that period and expects sales principally to be to existing investors in the Funds participating in systematic trading programs, including pre-authorized purchase plans, automatic rebalancing services and pre-authorized switching plans. An extension of the Lapse Dates to September 18, 2010 is therefore requested.

10. If the Exemption Sought is not granted:

   (a) a pro forma simplified prospectus for the Select Corporate Classes would have been required to be filed by June 18, 2010 and a final simplified prospectus would be required to be filed by July 28, 2010; and

   (b) pro forma simplified prospectuses for the Artisan Portfolios and Institutional Managed Pools would have been required to be filed by June 25, 2010 and final simplified prospectuses would be required to be filed by August 4, 2010,

   in accordance with the existing time limits for the renewal of each Prospectus, notwithstanding that the Funds will be wound up after the effective date of the mergers. No pro forma simplified prospectuses were filed in order to avoid the costs and potential confusion which may result from the Funds having renewal prospectuses that would be used for less than two months.

11. There have been no material changes in the affairs of the Funds other than those for which amendments to each Prospectus have been filed. Accordingly, each Prospectus represents the current information regarding the Funds.

12. The extension requested will not affect the currency or accuracy of the information contained in each Prospectus, as it may be further amended in accordance with NI 81-106, and accordingly will not be prejudicial to the public interest.

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.

"James E.A. Turner"
Vice Chair
Ontario Securities Commission

"Paulette L. Kennedy"
Commissioner
Ontario Securities Commission

2.1.3 Burntsand Inc. – s. 1(10)

Headnote

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

Applicable Legislative Provisions

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

July 14, 2010

Burntsand Inc.
38 Leek Crescent
Richmond Hill, ON
L4B 4N8

Dear Sirs/Mesdames:

Re: Burntsand Inc. (the Applicant) – application for a decision under the securities legislation of Alberta, Manitoba, Ontario, Québec and Saskatchewan (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

2.1.4 Radius Resources Corp.

Headnote

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

Applicable Legislative Provisions

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

Citation: Radius Resources Corp., Re, 2010 ABASC 316

July 14, 2010

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

AND

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

AND

**IN THE MATTER OF
RADIUS RESOURCES CORP.
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer be deemed to have ceased to be a reporting issuer under the Legislation (the **Exemptive Relief Sought**).

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

(a) the Alberta 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

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

1. The Filer is incorporated under the *Business Corporations Act* (Alberta) (the **Act**).

2. The Filer's registered and head office is located in Alberta.

3. The Filer has 1 Class A common share issued and outstanding (the **Common Shares**).

4. Pursuant to a purchase and sale agreement dated March 18, 2010 and as part of a reorganization under the *Bankruptcy and Insolvency Act* (the **Reorganization**), by way of a proposal filed by the Filer, Argosy Energy Inc. (**Argosy**) acquired all of the issued and outstanding shares of the Filer, being 1 Class A Common Share on May 14, 2010.

5. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer other than the requirement to file its annual audited financial statements, related management's discussion and analysis, and certifications for the year ended December 31, 2009 (the **Filings**).

6. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* as it is in default of making the Filings.

7. The Filer surrendered its reporting issuer status in British Columbia pursuant to British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status*. The Filer ceased to be a reporting issuer in British Columbia on June 7, 2010.

8. The Filer has no current plans to seek public financing by way of an offering of securities in Canada.

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

10. The Common Shares were delisted from the TSX Venture Exchange effective the close of business on May 26, 2010.

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

12. The Filer 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.

Decision

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

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

"Blaine Young"
Associate Director, Corporate Finance

2.1.5 Michigan Consolidated Gas Company

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – clause 1(10)(b) of the Securities Act – Application by United States issuer for a decision that it is not a reporting issuer – Only debt securities of the issuer are held by the public – Issuer is a wholly-owned subsidiary of parent company - Issuer has *de minimis* market presence in Canada – Other than one beneficial holder of one series of debt securities, residents of Canada do not beneficially own more than 2% of each class or series of outstanding securities of the issuer worldwide and do not comprise more than 2% of the total number of securityholders of the issuer worldwide – However, when considering all series of debt securities in the aggregate, residents of Canada represent only 0.84% of the aggregate principal amount of the issuer's outstanding debt securities worldwide and only 0.14% of the total number of beneficial holders of the issuer's publicly issued debt securities worldwide – In the preceding 12 months, the issuer has not taken any steps that indicate there is a market for its securities in Canada – The issuer's securities are not listed on any stock exchange or publicly traded on a marketplace – The issuer has no current intention to distribute any securities to the public – Under the trust indentures that created the debt securities, issuer will still be required to provide audited annual financial statements and unaudited interim financial statements – This continuous disclosure is posted on website of parent company and filed on EDGAR profile of parent company – Parent company is subject to public company reporting obligations in the United States – Issuer will provide to its holders of debt securities in Canada all disclosure material that is required to be provided under the trust indentures – Issuer issued a press release announcing that it had applied for a decision to be released from public company reporting obligations in Canada – Requested relief granted.

Applicable Legislative Provisions

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

July 14, 2010

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

AND

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

AND

IN THE MATTER OF
MICHIGAN CONSOLIDATED GAS COMPANY
(the "Filer")

DECISION

Background

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

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

(a) the Ontario Securities Commission is the principal regulator for the 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

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

1. The Filer is a corporation which was incorporated in 1898 as a Michigan corporation. The Filer's head office is located at One Energy Plaza, Detroit, Michigan 48226.

2. The Filer is an indirect wholly-owned subsidiary of DTE Energy Company (the "**Parent Company**"). The Parent Company is required to make public company filings in the United States and the financial results of the Filer are included in the consolidated financial results of the Parent Company. The Parent Company is not a reporting issuer in any jurisdiction in Canada.

3. The Filer has been a reporting issuer in the Jurisdictions since May 1997 when it obtained a receipt for a final prospectus in Ontario, British Columbia, Alberta and Saskatchewan in respect of two series, Series B and Series C, of the Filer's First Mortgage Bonds. The Filer is not a reporting issuer in any other jurisdiction in Canada.

4. All of the First Mortgage Bonds, Series C distributed under the 1997 prospectus were redeemed in 2003.

5. The Filer's publicly issued outstanding debt securities are Senior Notes designated as:

(a) First Mortgage Bonds designated as 7.06% Secured Medium Term Notes, Series B, due May 1, 2012;

(b) First Mortgage Bonds 8.25% Bonds, due May 1, 2014;

(c) 2004 Series E, 5.00% Senior Notes, due October 1, 2019; and

(d) 2003 Series A, 5.70% Senior Notes, due 2033.

6. The Filer also issued the following six series of debt securities in 2008, all by way of private placement:

(a) 2008 Senior Notes Series A, 5.26%, due April 15, 2013;

(b) 2008 Senior Notes Series B, 6.04%, due April 15, 2018;

(c) 2008 Senior Notes Series C, 6.44%, due April 15, 2023;

(d) 2008 Senior Notes Series F, 6.78%, due April 15, 2028;

(e) 2008 Senior Notes Series H, 5.94%, due September 1, 2015; and

(f) 2008 Senior Notes Series I, 6.36%, due September 1, 2020.

7. The amount of outstanding debt securities of the Filer is approximately $890 million (USD). This amount represents 100% of the outstanding long term debt of the Filer and 45% of the total capitalization of the Filer as at March 31, 2010. The Filer has no outstanding debt securities other than the debt securities enumerated in paragraphs 5 and 6 above. None of the debt securities are guaranteed by the Parent Company. The Filer has no outstanding shares of preferred stock or preference stock.

8. There is 1 beneficial holder of the publicly issued debt securities of the Filer resident in Canada. This individual (the "**Ontario Holder**") resides in Ontario and holds 2003 Series A, 5.70% Senior Notes having a principal amount of $10,000 (USD), representing 0.005% of the aggregate principal amount of the 2003 Series A, 5.70% Senior Notes outstanding worldwide and representing 0.09% of the total number of beneficial holders of the 2003 Series A, 5.70% Senior Notes worldwide. There are 1,141 beneficial holders of the 2003 Series A, 5.70% Senior Notes worldwide.

9. An institutional holder (the "**Manitoba Holder**") in Manitoba holds 2008 Senior Notes Series F having a principal amount of $7.5 million (USD), representing 10% of the aggregate principal amount of the 2008 Senior Notes Series F outstanding worldwide and representing 14.3% of the total number of beneficial holders of the 2008 Senior Notes Series F worldwide (there are 7 beneficial holders of that series). However,

(a) The principal amount of debt securities of the Filer held by the Ontario Holder and the Manitoba Holder represent only 0.84% of the aggregate principal amount of the Filer's outstanding debt securities worldwide; and

(b) The Ontario Holder and the Manitoba Holder represent only 0.14% of the total number of beneficial holders of the Filer's publicly issued debt securities worldwide (there are 1,474 beneficial holders of such securities).

Furthermore, the 2008 Senior Notes Series F were issued by way of a private placement that was not marketed in Canada. The $7.5 million (USD) principal amount of 2008 Senior Notes Series F held by the Manitoba Holder represent only 1.67% of the aggregate principal amount of all debt securities issued by the Filer in 2008. The total principal amount of all the debt securities issued by the Filer in 2008 is $450 million (USD).

10. The information regarding the beneficial holders of the Filer's debt securities was obtained through:

(a) Broadridge Financial Solutions, Inc. ("**Broadridge**") which conducted a geographical survey of all beneficial holders using the CUSIP identifier for each series of debt securities issued publicly by the Filer. Broadridge reported to the Filer that there is 1 beneficial holder of the publicly issued debt securities of the Filer resident in Canada (the Ontario Holder). The information is current to September 14, 2009.

(b) Citibank, the trustee for the 6 series of debt securities of the Filer issued by way of private placement (the "**Trustee**"), which conducted a search of their debt securities registers for any beneficial holders who are resident in Canada. The Trustee reported to the Filer that there is 1 beneficial holder of the privately placed debt securities of the Filer resident in Canada (the Manitoba Holder). The information is current to September 8, 2009.

11. Based upon the information and diligent inquiries set out above, the Filer has concluded that residents of Canada, other than the beneficial

holder of one series mentioned in paragraph 9 above, do not:

(a) directly or indirectly beneficially own more than 2% of each class or series of outstanding securities of the Filer worldwide, and

(b) directly or indirectly comprise more than 2% of the total number of securityholders of the Filer worldwide.

12. The Filer's securities are not listed on any stock exchange or publicly traded on a marketplace (as defined in National Instrument 21-101 *Marketplace Operation*).

13. In the preceding 12 months, the Filer has not taken any steps that indicate there is a market for its securities in Canada.

14. The Filer has no current intention to distribute any securities to the public.

15. On August 9, 2007, the Filer filed a Form 15 *Certification and Notice of Termination of Registration under Section 12(g) of the Securities Exchange Act of 1934 or Suspension of Duty to File Reports under Sections 13 and 15(d) of the Securities Exchange Act of 1934* (the "**Form 15 Filing**") with the Securities and Exchange Commission ("**SEC**") to terminate its reporting obligations in the United States. The Filer made the Form 15 Filing pursuant to Rule 12h-3(b)(1)(i) under the 1934 Act on the basis that each class of its relevant securities were held of record by less than 300 persons. The last continuous disclosure documents of the Filer that were filed on the Filer's EDGAR file with the SEC were in respect of the interim financial period ended March 31, 2007. As a result of the Form 15 Filing, the Filer no longer has any obligation to make U.S. public company filings under U.S. securities legislation.

16. However, the Parent Company posts on its website and furnishes to the SEC, by way of filings on Form 8-K under the 1934 Act made on the Parent Company's EDGAR file, annual audited financial statements and quarterly unaudited financial statements of the Filer. These filings are made pursuant to obligations under the trust indentures that created the debt securities of the Filer, including the 2003 Series A, 5.70% Senior Notes and the 2008 Senior Notes Series F (the "**Trust Indentures**"). Under the Trust Indentures, the annual audited financial statements of the Filer are to be filed within 90 days of the end of the Filer's financial year and the quarterly unaudited financial statements of the Filer are to be filed within 45 days after the end of each of the first three quarters of each financial year of the Filer.

17. Although the Filer is seeking to be released from its reporting obligations in Canada, the Parent Company will continue to post on its website and file, on the Parent Company's EDGAR file, the annual audited financial statements and quarterly unaudited financial statements of the Filer required under the Trust Indentures.

18. As a result of certain remedial filings and payments in the Jurisdictions in June 2010 (the "**Remedial Filings**"), the Filer has now filed in the Jurisdictions all continuous disclosure documents required under the Legislation (and has now paid in the Jurisdictions all related filing, participation and similar fees required under the Legislation) for financial periods or events up to and including the interim financial period ended March 31, 2007. Consequently, the Filer is not in default of securities legislation in any jurisdiction in Canada except as follows:

(a) the Filer has not filed annual financial statements and annual management discussion and analysis in the Jurisdictions pursuant to sections 4.1, 4.2 and 5.1 of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**") for the financial years ended December 31, 2007, December 31, 2008 and December 31, 2009;

(b) the Filer has not filed CEO/CFO certificates in connection with the annual financial statements in the Jurisdictions pursuant to section 4.1 of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**") for the financial years ended December 31, 2007, December 31, 2008 and December 31, 2009;

(c) the Filer has not filed interim financial statements and interim management discussion and analysis in the Jurisdictions pursuant to sections 4.3, 4.4 and 5.1 of NI 51-102 for any interim financial period after the interim financial period ended March 31, 2007;

(d) the Filer has not filed CEO/CFO certificates in connection with the interim financial statements in the Jurisdictions pursuant to section 5.1 of NI 52-109 for any interim financial period after the interim financial period ended March 31, 2007;

(e) the Filer has not filed any other continuous disclosure documents in the Jurisdictions in respect of any disclosure obligation under the Legislation arising since the interim financial period ended March 31, 2007; and

(f) the Filer has not paid any filing, participation or similar fees in the Jurisdictions in respect of any payment obligation under the Legislation arising since the interim financial period ended March 31, 2007.

19. The defaults that required the Remedial Filings arose through inadvertence as a result of the departure of personnel from the Filer who were aware of its public reporting obligations in Canada and the Filer's unintentional failure to continue effecting Canadian public filings thereafter.

20. Other than the Form 15 Filing or as disclosed in the SEC filings of the Parent Company, the Filer has not had any material change since the interim period ended March 31, 2007.

21. The Filer will provide to its holders of debt securities in Canada all disclosure material that is required to be provided under the Trust Indentures.

22. The Filer is currently subject to a cease trade order ("**CTO**") in Alberta for failure to file continuous disclosure documents. The CTO was made on October 10, 2008.

23. The Filer is also subject to a CTO in British Columbia for failure to file an interim financial statement for the nine month period ended September 30, 2001. The CTO was made on March 5, 2002.

24. Upon the grant of the Exemptive Relief Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada. The British Columbia CTO will be revoked concurrently with the grant of the Exemptive Relief Sought. The Filer has applied to the securities regulatory authority in Alberta for an order revoking the Alberta CTO and expects that it will be revoked soon after this decision is issued.

25. On March 17, 2010, the Filer issued a press release announcing that it had applied for a decision to be released from public company reporting obligations under Canadian securities legislation and that if the decision is granted, the Filer will not be required to file continuous disclosure documents in the Jurisdictions. The press release was disseminated in Canada.

Decision

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

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

"Carol S. Perry"
Commissioner
Ontario Securities Commission

"Paulette L. Kennedy"
Commissioner
Ontario Securities Commission

2.1.6 James Lawton

Headnote

Passport System for Exemptive Relief Applications – s. 3.3 of National Policy 11-203 – s. 4.1 of National Instrument 31-103 Registration Requirements and Exemptions – An individual registered with a firm is prohibited from acting as an officer, partner, or director of another registered firm that is not an affiliate of the first mentioned firm – The individual was a director of long standing of the other registered firm prior to NI 31-103 coming in to force – Policies in place to handle potential conflicts of interest – disclosure of relationships made to clients - Filer exempted from prohibition.

Applicable Legislative Provisions

Securities Act , R.S.O. 1990, c. S.5, as am., s. 25.
National Instrument 31-103 Registration Requirements and Exemptions, s. 3.3.

July 9, 2010

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

AND

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

AND

IN THE MATTER OF
JAMES LAWTON
(the "Filer")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each, a "Decision Maker") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "Legislation") that allows the Filer to serve as a director, officer or partner of Cardinal Capital Management, Inc. ("Cardinal") despite the Filer being a registered dealing representative of a company that is not an affiliate of Cardinal.

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

(a) The Manitoba Securities Commission is the principal regulator for the 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 and Saskatchewan; and

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

Interpretation

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

Representations

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

1. The Filer is a resident of Manitoba.

2. The Filer is registered in the Jurisdictions as a dealing representative of Lawton Partners Financial Planning Services Ltd. ("LPFPS"), which is registered under NI 31-103 as a dealer in the category of mutual fund dealer.

3. Cardinal was incorporated under the laws of the Province of Manitoba on August 14, 1992, and its head office is located in Winnipeg, Manitoba.

4. Cardinal is registered under NI 31-103 in all provinces and territories of Canada, including the Jurisdictions, as an advisor in the category of portfolio manager.

5. On April 30, 2001, Value Partners Inc. (now called ICPM Holdings Inc.) acquired an equity interest in Cardinal (the "Investment"). As a condition of the Investment, the Filer was elected as a director of Cardinal on April 30, 2001.

6. The Filer is not now and has never been an employee of Cardinal, and has never had any supervisory or compliance responsibilities for Cardinal, other than in his capacity as a director.

7. The Filer has an indirect beneficial ownership interest in Cardinal.

8. At the time of the Investment, Cardinal was only registered in Manitoba. There were no laws in force in Manitoba at the time that precluded the Filer from serving as a director of Cardinal.

9. When Cardinal applied for registration as an Extra-Provincial Advisor (ICPM) in Ontario in late 2002, Cardinal became subject to OSC Rule 31-501 (Registrant Relationships). As required by section 2.1 of that rule:

   - Cardinal disclosed to the Ontario Securities Commission the details of the relationship that Cardinal had with the Filer and the business reasons for the relationship.

- Cardinal adopted policies and procedures to minimize the potential for conflict of interest arising from the relationship.

- Cardinal instituted appropriate relationship disclosure and consent policies.

10. On October 29, 2002, Cardinal obtained its registration in Ontario as an Extra-Provincial Advisor (ICPM). Subsequently, Cardinal obtained registration as a portfolio manager in all other provinces and territories of Canada.

11. The specific policies and procedures that Cardinal adopted at the time of the Investment and subsequently were aimed at ensuring full disclosure and transparency to clients with respect to Cardinal's relationship with the Filer. Specifically:

    a. Where the Filer refers clients to Cardinal, the fact that the Filer serves as a director of Cardinal and the fact that the Filer has an indirect beneficial ownership interest in Cardinal, as well as the fact that the Filer receives a referral fee for the referral of clients, is fully disclosed in writing on referral fee acknowledgment forms which are signed by the client.

    b. Where Cardinal clients are invested in VPI Cardinal Series Units of the Value Partners Pools (a mutual fund series which Cardinal sub-advises), the client receives and signs a disclosure that sets out the fact that the Filer serves as a director of Cardinal and the fact that the Filer has an indirect beneficial ownership interest in Cardinal, as well as the Filer's connection to Value Partners Investments Inc., the investment fund manager.

12. The business relationships and referral arrangements between LFPS and Cardinal comply with the requirements of NI 31-103.

13. As a director, the Filer provides valuable strategic guidance and advice to the Board and senior management at quarterly Board meetings.

14. Cardinal is not an "affiliate" of LPFPS, ICPM Holdings Inc. or any other company

Decision

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

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

The decision shall cease to be operative if the Filer:

(a) Ceases to be registered as a dealing representative of LFPS; or

(b) Ceases to be a director of Cardinal.

"Chris Besko"
Deputy-Director Legal
The Manitoba Securities Commission

2.1.7 Elden Wittmier

Headnote

Passport System for Exemptive Relief Applications – s. 3.3 of National Policy 11-203 – s. 4.1 of National Instrument 31-103 Registration Requirements and Exemptions – An individual registered with a firm is prohibited from acting as an officer, partner, or director of another registered firm that is not an affiliate of the first mentioned firm – The individual was a director of long standing of the other registered firm prior to NI 31-103 coming in to force – Policies in place to handle potential conflicts of interest – disclosure of relationships made to clients – Filer exempted from prohibition.

Applicable Legislative Provisions

Securities Act , R.S.O. 1990, c. S.5, as am., s. 25.
National Instrument 31-103 Registration Requirements and Exemptions, s. 3.3.

July 9, 2010

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

AND

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

AND

IN THE MATTER OF
ELDEN WITTMIER
(the "Filer")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each, a "Decision Maker") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "Legislation") that allows the Filer to serve as a director, officer or partner of Cardinal Capital Management, Inc. ("Cardinal") despite the Filer being a registered dealing representative of a company that is not an affiliate of Cardinal.

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

(a) The Manitoba Securities Commission is the principal regulator for the 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 and Saskatchewan; and

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

Interpretation

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

Representations

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

1. The Filer is a resident of Manitoba.

2. The Filer is registered in the Jurisdictions as a dealing representative of Lawton Partners Financial Planning Services Ltd. ("LPFPS"), which is registered under NI 31-103 as a dealer in the category of mutual fund dealer.

3. Cardinal was incorporated under the laws of the Province of Manitoba on August 14, 1992, and its head office is located in Winnipeg, Manitoba.

4. Cardinal is registered under NI 31-103 in all provinces and territories of Canada, including the Jurisdictions, as an advisor in the category of portfolio manager.

5. On April 30, 2001, Value Partners Inc. (now called ICPM Holdings Inc.) acquired an equity interest in Cardinal (the "Investment"). As a condition of the Investment, the Filer was elected as a director of Cardinal on April 30, 2001.

6. The Filer is not now and has never been an employee of Cardinal, and has never had any supervisory or compliance responsibilities for Cardinal, other than in his capacity as a director.

7. The Filer has an indirect beneficial ownership interest in Cardinal.

8. At the time of the Investment, Cardinal was only registered in Manitoba. There were no laws in force in Manitoba at the time that precluded the Filer from serving as a director of Cardinal.

9. When Cardinal applied for registration as an Extra-Provincial Advisor (ICPM) in Ontario in late 2002, Cardinal became subject to OSC Rule 31-501 (Registrant Relationships). As required by section 2.1 of that rule:

   - Cardinal disclosed to the Ontario Securities Commission the details of the relationship that Cardinal had with the Filer and the business reasons for the relationship.

- Cardinal adopted policies and procedures to minimize the potential for conflict of interest arising from the relationship.

- Cardinal instituted appropriate relationship disclosure and consent policies.

10. On October 29, 2002, Cardinal obtained its registration in Ontario as an Extra-Provincial Advisor (ICPM). Subsequently, Cardinal obtained registration as a portfolio manager in all other provinces and territories of Canada.

11. The specific policies and procedures that Cardinal adopted at the time of the Investment and subsequently were aimed at ensuring full disclosure and transparency to clients with respect to Cardinal's relationship with the Filer. Specifically:

    a. Where the Filer refers clients to Cardinal, the fact that the Filer serves as a director of Cardinal and the fact that the Filer has an indirect beneficial ownership interest in Cardinal, as well as the fact that the Filer receives a referral fee for the referral of clients, is fully disclosed in writing on referral fee acknowledgment forms which are signed by the client.

    b. Where Cardinal clients are invested in VPI Cardinal Series Units of the Value Partners Pools (a mutual fund series which Cardinal sub-advises), the client receives and signs a disclosure that sets out the fact that the Filer serves as a director of Cardinal and the fact that the Filer has an indirect beneficial ownership interest in Cardinal, as well as the Filer's connection to Value Partners Investments Inc., the investment fund manager.

12. The business relationships and referral arrangements between LFPS and Cardinal comply with the requirements of NI 31-103.

13. As a director, the Filer provides valuable strategic guidance and advice to the Board and senior management at quarterly Board meetings.

14. Cardinal is not an "affiliate" of LPFPS, ICPM Holdings Inc. or any other company

Decision

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

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

The decision shall cease to be operative if the Filer:

(a) Ceases to be registered as a dealing representative of LFPS; or

(b) Ceases to be a director of Cardinal.

"Chris Besko"
Deputy-Director Legal
The Manitoba Securities Commission

2.1.8 Wayne Townsend

Headnote

Passport System for Exemptive Relief Applications – s. 3.3 of National Policy 11-203 – s. 4.1 of National Instrument 31-103 Registration Requirements and Exemptions – An individual registered with a firm is prohibited from acting as an officer, partner, or director of another registered firm that is not an affiliate of the first mentioned firm – The individual was a director of long standing of the other registered firm prior to NI 31-103 coming in to force – Policies in place to handle potential conflicts of interest – disclosure of relationships made to clients – Filer exempted from prohibition.

Applicable Legislative Provisions

Securities Act , R.S.O. 1990, c. S.5, as am., s. 25.
National Instrument 31-103 Registration Requirements and Exemptions, s. 3.3.

July 9, 2010

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

AND

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

AND

IN THE MATTER OF
WAYNE TOWNSEND
(the "Filer")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each, a "Decision Maker") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "Legislation") that allows the Filer to serve as a director, officer or partner of Cardinal Capital Management, Inc. ("Cardinal") despite the Filer being a registered dealing representative of a company that is not an affiliate of Cardinal.

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

(a) The Manitoba Securities Commission is the principal regulator for the 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 Saskatchewan; and

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

Interpretation

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

Representations

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

1. The Filer is a resident of Manitoba.

2. The Filer is registered in the Jurisdictions as a dealing representative of Lawton Partners Financial Planning Services Ltd. ("LPFPS"), which is registered under NI 31-103 as a dealer in the category of mutual fund dealer.

3. Cardinal was incorporated under the laws of the Province of Manitoba on August 14, 1992, and its head office is located at 506-1780 Wellington Avenue, Winnipeg, Manitoba R3H 1B3.

4. Cardinal is registered under NI 31-103 in all provinces and territories of Canada, including the Jurisdictions, as an advisor in the category of portfolio manager.

5. On April 30, 2001, Value Partners Inc. (now called ICPM Holdings Inc.) acquired an equity interest in Cardinal (the "Investment"). As a condition of the Investment, the Filer was elected as a director of Cardinal on April 30, 2001.

6. The Filer is not now and has never been an employee of Cardinal, and has never had any supervisory or compliance responsibilities for Cardinal, other than in his capacity as a director.

7. The Filer has an indirect beneficial ownership interest in Cardinal.

8. At the time of the Investment, Cardinal was only registered in Manitoba. There were no laws in force in Manitoba at the time that precluded the Filer from serving as a director of Cardinal.

9. When Cardinal applied for registration as an Extra-Provincial Advisor (ICPM) in Ontario in late 2002, Cardinal became subject to OSC Rule 31-501 (Registrant Relationships). As required by section 2.1 of that rule:

   - Cardinal disclosed to the Ontario Securities Commission the details of the relationship that Cardinal had with the

Filer and the business reasons for the relationship.

- Cardinal adopted policies and procedures to minimize the potential for conflict of interest arising from the relationship.

- Cardinal instituted appropriate relationship disclosure and consent policies.

10. On October 29, 2002, Cardinal obtained its registration in Ontario as an Extra-Provincial Advisor (ICPM). Subsequently, Cardinal obtained registration as a portfolio manager in all other provinces and territories of Canada.

11. The specific policies and procedures that Cardinal adopted at the time of the Investment and subsequently were aimed at ensuring full disclosure and transparency to clients with respect to Cardinal's relationship with the Filer. Specifically:

    a. Where the Filer refers clients to Cardinal, the fact that the Filer serves as a director of Cardinal and the fact that the Filer has an indirect beneficial ownership interest in Cardinal, as well as the fact that the Filer receives a referral fee for the referral of clients, is fully disclosed in writing on referral fee acknowledgment forms which are signed by the client.

    b. Where Cardinal clients are invested in VPI Cardinal Series Units of the Value Partners Pools (a mutual fund series which Cardinal sub-advises), the client receives and signs a disclosure that sets out the fact that the Filer serves as a director of Cardinal and the fact that the Filer has an indirect beneficial ownership interest in Cardinal, as well as the Filer's connection to Value Partners Investments Inc., the investment fund manager.

12. The business relationships and referral arrangements between LFPS and Cardinal comply with the requirements of NI 31-103.

13. As a director, the Filer provides valuable strategic guidance and advice to the Board and senior management at quarterly Board meetings.

14. Cardinal is not an "affiliate" of LPFPS, ICPM Holdings Inc. or any other company

Decision

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

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

The decision shall cease to be operative if the Filer:

(a) ceases to be registered as a dealing representative of LFPS; or

(b) ceases to be a director of Cardinal.

"Chris Besko"
Deputy-Director Legal
The Manitoba Securities Commission

2.1.9 Elliott & Page Limited

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from requirement to deliver a renewal prospectus to mutual fund investors who purchase units pursuant to pre-authorized investment plans, subject to certain conditions.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 71, 147.

July 13, 2010

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
ELLIOTT & PAGE LIMITED
(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**) that the requirement in the Legislation to deliver the latest prospectus and any amendment to the prospectus together with the right not to be bound by an agreement of purchase and sale (the **Delivery Requirement**) not apply in respect of a purchase and sale of securities of the publicly offered mutual funds that are managed from time to time by the Filer or by an affiliate or successor of the Filer (the **Funds**) pursuant to a pre-authorized investment plan, including employee purchase plans, capital accumulation plans, or any other contract or arrangement for the purchase of a specified amount of securities on a regularly scheduled basis (an **Investment Plan**).

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

(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* (**M1 11-102**) is intended to be relied upon in Alberta, British Columbia, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (the **Non-principal Jurisdictions**).

Interpretation

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

Representations

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

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

2. The Funds are, or will be, reporting issuers in one or more of the Jurisdiction and the Non-principal Jurisdictions. Securities of the Funds are, or will be, offered for sale on a continuous basis pursuant to a simplified prospectus.

3. Securities of each of the Funds are, or will be, distributed through broker dealers or mutual fund dealers (**Distributors**) which may, or may not, be affiliated with the manager of the Funds.

4. Each of the Funds may offer investors the opportunity to invest in a Fund on a regular or periodic basis pursuant to an Investment Plan.

5. Under the terms of an Investment Plan, an investor instructs a Distributor to accept additional contributions on a pre-determined frequency and/or periodic basis and to apply such contributions on each scheduled investment date to additional investments in a specified Fund(s) (which instructions may be amended from time to time). The investor authorizes a Distributor to debit a specified account or otherwise makes funds available in the amount of the additional contributions. An investor may terminate the instructions at any time.

6. An investor who establishes an Investment Plan (a **Participant**) receives a copy of the current simplified prospectus relating to the Funds at the time an Investment Plan is established.

7. Pursuant to the Legislation, a Distributor not acting as agent of the purchaser, who receives an order or subscription for a security of a Fund offered in a distribution to which the Delivery Requirement applies, must, unless it has previously done so, send by prepaid mail or deliver to the purchaser the latest prospectus and any amendment to the prospectus filed either before entering into an agreement of purchase

and sale resulting from the order or subscription or not later than midnight on the second day, exclusive of Saturdays, Sundays and holidays, after entering into such agreement.

8. Pursuant to the Legislation, an agreement referred to in paragraph 7 is not binding on the purchaser if the Distributor receives notice of the intention of the purchaser not to be bound by the agreement of purchase and sale within a specified time period.

9. The terms of an Investment Plan are such that an investor can terminate the instructions to the Distributor at any time. Therefore, there is no agreement of purchase and sale until a scheduled investment date arrives and the instructions have not been terminated. At this point the securities are purchased.

10. A Distributor not acting as an agent for the applicable investor is required pursuant to the Legislation to mail or deliver to all Participants who purchase securities of a Fund pursuant to an Investment Plan, the current simplified prospectus of the applicable Fund at the time the investor enters into the Investment Plan and thereafter, any new prospectus or amendment thereto (a **Renewal Prospectus**) filed pursuant to the Legislation.

11. There is significant cost involved in the annual printing and mailing or delivery of the Renewal Prospectus to Participants. The annual cost of production of a Renewal Prospectus is borne by the applicable Fund. In addition, mailing costs are incurred.

12. Securityholders of the Funds who are currently Participants will be sent a notice (the **Notice**) advising them of the terms of the relief and that Participants will not receive any Renewal Prospectus of the applicable Fund, unless they request it. The Notice will also advise the Participants that they may request the Renewal Prospectus by calling a toll-free phone number, by e-mail or by facsimile, and the Manager will send the Renewal Prospectus to any Participant that requests it. Participants will receive with the Notice a request form (the **Request Form**) under which the Participant may request, at no cost to the Participant, to receive the Renewal Prospectus.

13. The Notice will advise Participants that the Renewal Prospectus and any amendments thereto may be found either on the SEDAR website or on the applicable Funds' website. The Notice will also advise Participants that they can subsequently request the current Renewal Prospectus and any amendments thereto by contacting the applicable Distributor and will provide a toll-free number for this purpose. The Notice will advise Participants that they will not have a right to withdraw (a **Withdrawal Right**) from an agreement of purchase and sale in respect of purchases pursuant to an Investment Plan, but that they will have a right (a **Misrepresentation Right**) of action for damages or rescission in the event the Renewal Prospectus contains a misrepresentation, whether or not they request the Renewal Prospectus; and that they will continue to have the right to terminate the Investment Plan at any time before a scheduled investment date.

14. Future investors who choose to become Participants and invest in any of the Funds in respect of which this relief applies will be advised in the documents they receive in respect of their participation in the Investment Plan or in the simplified prospectus of the Funds (in the section of the prospectus that describes the Investment Plan) of the terms of the relief and that Participants will not receive a Renewal Prospectus unless they request it at the time they decide to enroll in the Investment Plan or subsequently request it from the applicable Distributor. They will also be advised that a Renewal Prospectus and any amendments thereto may be found either on the SEDAR website or on the Funds' website. Future Participants will also be advised that they will not have a Withdrawal Right in respect of purchases pursuant to an Investment Plan, other than in respect of the initial purchase and sale, but they will have a Misrepresentation Right, whether or not they request the Renewal Prospectus, and they will have the right to terminate the Investment Plan at any time before a scheduled investment date.

15. Participants will also be advised annually in writing (in an account statement sent by the Distributor or otherwise) how they can request the current Renewal Prospectus and any amendments thereto and that they have a Misrepresentation Right.

16. The Filer is not in default of the securities legislation of any jurisdiction of Canada.

Decision

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

The decision of the principal regulator under the Legislation is that:

1. the Funds and the Distributors are not required to comply with the Delivery Requirement in respect of purchases and sales of securities of the Funds to Participants who purchase the securities pursuant to an Investment Plan which is in existence on the date of this decision provided that:

(a) Participants who are current security-holders of a Fund are or have been sent the Notice described in paragraph 12 above containing the information described in paragraph 13 above, together with the Request Form referred to in paragraph 12 above, or are or have been advised, in the simplified prospectus of the applicable Funds or in the documents they receive in respect of their participation in the Investment Plan, of the information described in paragraph 14 above;

(b) under the terms of the Investment Plan, a Participant can terminate participation in the Investment Plan at any time;

(c) Participants are advised annually in writing (in an account statement sent by the Distributor or otherwise) how they can request the current Renewal Prospectus and any amendments thereto and that they have a Misrepresentation Right; and

(d) the Misrepresentation Right in the securities legislation of a jurisdiction is maintained in respect of a Participant whether or not a Renewal Prospectus is requested or received,

and

2. the Funds and the Distributors are not required after the date of the applicable next Renewal Prospectus to comply with the Delivery Requirement in respect of purchases and sales of securities of the Funds to Participants who purchase the securities pursuant to an Investment Plan which is established after the date of this decision provided that:

(a) Participants are advised, in the simplified prospectus of the applicable Fund or in the documents they receive in respect of their participation in the Investment Plan, of the information described in paragraph 14 above;

(b) under the terms of the Investment Plan, a Participant can terminate participation in the Investment Plan at any time;

(c) Participants are advised annually in writing (in an account statement sent by the Distributors or otherwise) how they can request the current Renewal Prospectus and any amendments thereto and that they have a Misrepresentation Right; and

(d) the Misrepresentation Right in the securities legislation of a jurisdiction is maintained in respect of a Participant whether or not a Renewal Prospectus is requested or received.

The decision, as it relates to a jurisdiction, will terminate one year after the publication in final form of any legislation or rule dealing with the Delivery Requirement.

"James E.A. Turner"
Vice-Chair
Ontario Securities Commission

"Paulette L. Kennedy"
Commissioner
Ontario Securities Commission

2.1.10 Medicago Inc. et al.

Headnote

Dual application for exemptive relief – Equity line of credit distribution – Company to enter into an equity purchase agreement with a purchaser acting as an underwriter to distribute shares of the Company through the facilities of the TSX in the context of an equity line of credit distribution – Company granted exemption from the Prospectus Disclosure Requirements, subject to conditions – Subscriber granted exemption from the Dealer Registration Requirement and Prospectus Delivery Requirement, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25(1), 71, 74(1), 147.
National Instrument 44-101 Short Form Prospectus Distributions.
National Instrument 44-102 Shelf Distributions.

TRANSLATION

June 22, 2010

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

AND

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

AND

IN THE MATTER OF
MEDICAGO INC. (the "Company"),
YA GLOBAL MASTER SPV LTD. (the "Subscriber")
AND YORKVILLE ADVISORS, LLC (the "Manager",
and together with the Company and the Subscriber,
the "Filers")

DECISION

Background

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

(a) that the following prospectus disclosure requirements under the Legislation (the "**Prospectus Disclosure Requirements**") do not fully apply to the Company in connection with the Distribution (as defined below):

  (i) the statement in the Prospectus Supplement (as defined below) respecting statutory rights of withdrawal and rescission in the form prescribed by item 20 of Form 44-101F1 of *Regulation 44-101 respecting Short Form Prospectus Distributions* ("**Regulation 44-101**"); and

  (ii) the statements in the Base Shelf Prospectus (as defined below) required by subsections 5.5(2) and (3) of *Regulation 44-102 respecting Shelf Distributions* ("**Regulation 44-102**");

(b) that the prohibition from acting as a dealer unless the person is registered as such (the "**Dealer Registration Requirement**") does not apply to the Subscriber and the Manager in connection with the Distribution; and

(c) that the requirement that a dealer send a copy of the Prospectus (as defined below) to a subscriber or purchaser in the context of a distribution (the "**Prospectus Delivery Requirement**") does not apply to the Subscriber, the Manager or the dealer(s) through whom the Subscriber sells the Shares (as defined below) and that, as a result, rights of withdrawal or rights of rescission, price revision or damages for non-delivery of the Prospectus do not apply in connection with the Distribution,

(collectively, the "**Exemptive Relief Sought**").

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

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

(b) the Filers have provided notice that subsection 4.7(1) of *Regulation 11-102 respecting Passport System* ("**Regulation 11-102**") is intended to be relied upon in the provinces of Alberta and British Columbia; 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 *Regulation 14-101 respecting Definitions* and Regulation 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:

The Company

1. The Company is incorporated under Part IA of the *Companies Act* (Québec) and its head office is located at 1020, route de l'Église, Suite 600 in Québec, province of Québec.

2. The Company is a biotechnology company focused on developing highly effective and affordable vaccines based on proprietary manufacturing technologies and Virus-Like Particles (VLP).

3. The Company is a reporting issuer under the securities legislation of the provinces of Alberta, British Columbia, Ontario and Québec (collectively, the "**Provinces**") and is not in default of the securities legislation of any jurisdiction of Canada.

4. The authorized share capital of the Company currently consists of an unlimited number of common shares (the "**Shares**"), without par value, and an unlimited number of preferred shares, without par value, issuable in series. As at May 25, 2010, a total of 118,231,856 Shares were issued and outstanding and no preferred shares were issued and outstanding.

5. The Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**"). Based on their closing price of $0.43 on May 27, 2010, the market capitalization of the Company was approximately $50,840,000.

6. The Company is qualified to file a short form prospectus under section 2.2 of Regulation 44-101 and therefore is also qualified to file a base shelf prospectus under Regulation 44-102.

7. The Company intends to file with the securities regulator in each of the Provinces a base shelf prospectus pertaining to various securities of the Company, including the Shares (such base shelf prospectus and any amendment thereto, the "**Base Shelf Prospectus**").

8. The statements required by subsections 5.5(2) and (3) of Regulation 44-102 contained in the Base Shelf Prospectus will be qualified by adding the following statement: "*except in cases where an exemption from such delivery requirements has been obtained.*"

The Subscriber and the Manager

9. The Subscriber is an Exempt Company incorporated in the Cayman Islands with limited liability and its head office is located at 101 Hudson Street, Suite 3700 in Jersey City, New Jersey, United-States.

10. The Subscriber is managed by the Manager, a limited liability company incorporated under the laws of Delaware and having its head office at 101 Hudson Street, Suite 3700, in Jersey City, New Jersey, United-States.

11. Neither the Subscriber nor the Manager is a reporting issuer or registered as a registered firm as defined in *Regulation 31-103 respecting Registration Requirements and Exemptions* in any jurisdiction of Canada. The Subscriber and the Manager are not in default of securities legislation in any jurisdiction of Canada.

The Distribution Agreement

12. The Company entered into a standby equity distribution agreement on May 13, 2010 with the Subscriber (the "**Distribution Agreement**") pursuant to which the Subscriber has agreed to subscribe for, and the Company has the right but not the obligation to issue and sell, up to $10,000,000 of Shares (the "**Aggregate Commitment Amount**") over a period of 36 months in a series of drawdowns.

13. Under the Distribution Agreement, the Company has the sole ability to determine the timing and the amount of each drawdown, subject to certain conditions, including a maximum investment amount per drawdown and the Aggregate Commitment Amount.

14. The subscription price per Share and therefore the number of Shares to be issued to the Subscriber for each drawdown will be calculated based on a predetermined percentage discount from the daily volume-weighted average price of the Shares traded on the TSX (or the TSX Venture Exchange, the New York Stock Exchange or NASDAQ, provided that the Shares are listed for trading on such exchange (each, "**Another Exchange**")) over a period of ten trading days following a drawdown notice sent by the Company (the "**Drawdown Pricing Period**"). The Company may fix in such drawdown notice a minimum purchase price below which it will not issue any Shares for any given trading day.

15. On the 11th trading day following the date of each drawdown notice (each, a "**Settlement Date**"), the amount of the drawdown will be paid by the Subscriber in consideration for the relevant number of newly issued Shares.

16. At the time of each drawdown notice and at each Settlement Date, the Company will make a representation to the Subscriber that the Base Shelf Prospectus, as supplemented (the "**Prospectus**"), contains full, true and plain disclosure of all material facts relating to the Company and the Shares. The Company would therefore be unable to issue, or decide to issue, Shares when it is in possession of undisclosed information that would constitute a material fact or a material change.

17. On or after each Settlement Date, the Subscriber may seek to sell all or a portion of the Shares subscribed under the drawdown.

18. During the term of the Distribution Agreement, the Subscriber and its affiliates, associates or insiders, as a group, will not own at any time, directly or indirectly, Shares representing more than 9.9 % of the issued and outstanding Shares.

19. The Subscriber, the Manager and their affiliates, associates or insiders, will not hold a "net short position" in Shares during the term of the Distribution Agreement. However, the Subscriber may, after the receipt of a drawdown notice, seek to short-sell Shares to be subscribed for under the drawdown, or engage in hedging strategies, in order to reduce the economic risk associated with its commitment to subscribe for Shares, provided that:

    (a) the Subscriber and the Manager comply with applicable rules of the TSX (and/or Another Exchange, as the case may be) and applicable securities regulation;

    (b) the Subscriber, the Manager and their affiliates, associates or insiders, will not, during the Drawdown Pricing Period, directly or indirectly, sell Shares or grant any right to purchase or acquire any right to dispose of, nor otherwise dispose for value of, any securities of the Company or any securities convertible into or exchangeable for any securities of the Company, for gross proceeds in aggregate exceeding the amount of the drawdown; and

    (c) notwithstanding the foregoing, the Subscriber, the Manager and their affiliates, associates or insiders, will not, directly or indirectly, sell Shares or grant any right to purchase or acquire any right to dispose of, nor otherwise dispose for value of, any securities of the Company or any securities convertible into or exchangeable for any securities of the Company, between the time of delivery of a drawdown notice and the filing of the press release announcing the drawdown.

20. No extraordinary commission or consideration will be paid by the Subscriber or the Manager to a person or company in respect of the disposition of Shares by the Subscriber to purchasers who purchase the same on the TSX (and/or Another Exchange, as the case may be) through dealer(s) engaged by the Subscriber (the "**TSX Purchasers**").

21. The Subscriber and the Manager have also agreed, in effecting any disposition of Shares, not to engage in any sales, marketing or solicitation activities of the type undertaken by underwriters in the context of a public offering. More specifically, each of the Subscriber and the Manager will not (a) advertise or otherwise hold itself out as a dealer, (b) purchase or sell securities as principal from or to customers, (c) carry a dealer inventory in securities, (d) quote a market in securities, (e) extend, or arrange for, the extension of credit in connection with transactions of securities of the Company, (f) run a book of repurchase and reverse repurchase agreements, (g) use a carrying broker for securities

transactions, (h) lend securities for customers, (i) guarantee contract performance or indemnify the Company for any loss or liability from the failure of the transaction to be successfully consummated, or (j) participate in a selling group.

22. The Subscriber and the Manager will not solicit offers to purchase Shares in any jurisdiction of Canada and will sell the Shares to TSX Purchasers through one or more dealer(s) unaffiliated with the Subscriber, the Manager and the Company.

The Prospectus Supplements

23. The Company intends to file with the securities regulator in each of the Provinces a prospectus supplement to the Base Shelf Prospectus (each, a "**Prospectus Supplement**") within two business days after the Settlement Date for each drawdown under the Distribution Agreement.

24. The Prospectus Supplement will include (i) the number of Shares issued to the Subscriber, (ii) the price per Share paid by the Subscriber, (iii) the information required by Regulation 44-102, including the disclosure required by subsection 9.1(3) of Regulation 44-102, and (iv) the following statement:

> *Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment are not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province.* ***However, such rights and remedies will not be available to purchasers of common shares distributed under this prospectus because the prospectus will not be delivered to purchasers, as permitted under a decision document issued by the Autorité des marchés financiers on June 22, 2010.***
>
> *The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contain a misrepresentation, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Such remedies remain unaffected by the non-delivery of the prospectus, as permitted under the decision document referred to above.*
>
> *The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.*
>
> (the "**Amended Statement of Rights**").

25. The Base Shelf Prospectus, as supplemented by each Prospectus Supplement, will qualify (a) the distribution of Shares to the Subscriber on the Settlement Date, and (b) the disposition of Shares to TSX Purchasers during the period that commences on the date of issuance of a drawdown notice and ends on the earlier of (i) the date on which the disposition of such Shares has been completed or (ii) the 40th day following the relevant Settlement Date (collectively, the "**Distribution**").

26. The Prospectus Delivery Requirement is not workable in the context of the Distribution because the TSX Purchasers will not be readily identifiable as the dealer(s) acting on behalf of the Subscriber may combine the sell orders made under the Prospectus with other sell orders and the dealer(s) acting on behalf of the TSX Purchasers may combine a number of purchase orders.

27. The Prospectus Supplement will contain an underwriter's certificate in the form set out in section 2.2 of Appendix B to Regulation 44-102 signed by the Subscriber.

28. At least three business days prior to the filing of any Prospectus Supplement, the Company will provide for comment to the Decision Makers a draft of such Prospectus Supplement.

Press Releases / Continuous Disclosure

29. The Company has filed on May 13, 2010, on SEDAR (i) a press release and a material change report disclosing certain terms of the Distribution Agreement, including the Aggregate Commitment Amount, and (ii) a copy of the Distribution Agreement.

30. The Company will promptly issue and file on SEDAR a press release upon the issuance of each drawdown notice, disclosing the aggregate amount of the drawdown, the maximum number of Shares to be issued and the minimum price per Share, if any.

31. On or after each Settlement Date, the Company will:

    (a) promptly issue and file on SEDAR a press release disclosing:

        (i) the number of Shares issued to, and the price per Share paid by, the Subscriber;

        (ii) that the Base Shelf Prospectus and the relevant Prospectus Supplement are or will shortly be available on SEDAR and specifying how a copy of these documents can be obtained; and

        (iii) the Amended Statement of Rights; and

    (b) within ten days, file on SEDAR a material change report if the relevant Distribution constitutes a material change under applicable securities legislation, disclosing at a minimum the information required in subparagraph (a) above.

32. The Company will also disclose in its financial statements and MD&A filed on SEDAR, for each financial period, the number and price of Shares issued to the Subscriber pursuant to the Distribution Agreement.

Deliveries upon Request

33. The Company will deliver to the Decision Makers and to the TSX (and/or Another Exchange, as the case may be), upon request, a copy of each drawdown notice delivered by the Company to the Subscriber under the Distribution Agreement.

34. The Subscriber and the Manager will make available to the Decision Makers, upon request, full particulars of trading and hedging activities by the Subscriber or the Manager (and, if required, trading and hedging activities by their respective affiliates, associates or insiders) in relation to securities of the Company during the term of the Distribution Agreement.

Decision

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

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

(a) as it relates to the Prospectus Disclosure Requirements,

    (i) the Company comply with the representations in paragraphs 8, 24, 25, 30, 31 and 33; and

    (ii) the number of Shares distributed by the Company under the Distribution Agreement does not exceed:

        A. in any 12 month period, 10 % of the aggregate number of Shares outstanding calculated at the beginning of such period; and

        B. during the term of the Distribution Agreement, 19.9 % of the aggregate number of Shares outstanding calculated at the date of execution of the Distribution Agreement;

(b) as it relates to the Prospectus Delivery Requirement and the Dealer Registration Requirement, the Subscriber and the Manager, as the case may be, comply with the representations in paragraphs 19, 20, 21, 22, 27 and 34; and

(c) this decision will only apply to Distributions completed within 25 months following the date of the receipt for the Base Shelf Prospectus, and this decision will terminate 25 months after the receipt for the Base Shelf Prospectus.

"Jean Daigle"
Director, Corporate Finance

"Mario Albert"
Superintendent, Client Services,
Compensation and Distribution

2.1.11 Northland Power Preferred Equity Inc. and Northland Power Income Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted from the continuous disclosure, certification, insider reporting, audit committee, corporate governance and prospectus requirements subject to conditions – issuer granted relief to file a short form prospectus and certain provisions of Form 44-101F subject to conditions – issuer meets the conditions of the exemption for credit support issuers in section 13.4 of NI 51-102, except the issuer proposes to issue convertible preferred shares that are convertible into other preferred shares of the issuer – confidentiality request granted subject to certain conditions.

Applicable Legislative Provisions

Securities Act R.S.O, c. S.5, as am., ss. 107, 121(2).
National Instrument 51-102 Continuous Disclosure Requirements.
National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.
National Instrument 52-110 Audit Committees.
National Instrument 58-101 Disclosure of Corporate Governance Practices.
National Instrument 55-102 System for Electronic Disclosure by Insiders.
National Instrument 55-104 Insider Reporting Requirements and Exemptions.
National Instrument 44-101 Short Form Prospectus Distributions.

April 30, 2010

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
NORTHLAND POWER PREFERRED EQUITY INC.
(the Issuer)
AND NORTHLAND POWER INCOME FUND
(the Fund and together with the Issuer, the Filers)

DECISION

Background

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

1. the Issuer relief from:

   (a) the continuous disclosure requirements contained in National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**), as amended from time to time (the **Continuous Disclosure Requirements**);

   (b) the certification requirements contained in National Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**), as amended from time to time (the **Certification Requirements**);

   (c) the audit committee requirements contained in National Instrument 52-110 – *Audit Committees* (**NI 52-110**), as amended from time to time (the **Audit Committee Requirements**);

   (d) the corporate governance disclosure requirements contained in National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (**NI 58-101**) as amended from time to time (the **Corporate Governance Requirements**);

(the Continuous Disclosure Requirements, the Certification Requirements, the Audit Committee Requirements and the Corporate Governance Requirements are collectively referred to as the **Disclosure Requirements**);

(e) the qualification requirements of Part 2 of National Instrument 44-101 – *Short Form Prospectus Distributions* (**NI 44-101**), as amended from time to time, such that the Issuer is qualified to file a prospectus in the form of a short form prospectus (the **Short Form Prospectus Eligibility Requirements**);

(f) the disclosure requirements contained in Item 6 (Earnings Coverage Ratios) and Item 11 (Documents Incorporated by Reference) of Form 44-101F1, with the exception of Item 11.1(1)(5) of Form 44-101F1, in respect of the Issuer, as applicable (the **Specified Form 44-101F1 Disclosure Requirements**);

(g) the requirement in Section 2.8 of NI 44-101 to file a notice of intention to file a short form prospectus no fewer than 10 business days prior to a filing of a preliminary short form prospectus (the **Notice of Intention Requirement**); and

2. the insiders of the Issuer relief from the insider reporting requirements in the *Securities Act*, R.S.O.1990, c. S.5, as amended (the **Act Insider Reporting Requirements**) and the insider reporting requirements in National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (the **NI 55-104 Insider Reporting Requirements**, collectively with the Act Insider Reporting Requirements, the **Insider Reporting Requirements**).

The Decision Maker has received an application from the Filers for a decision under the Legislation that the application for this decision, the supporting materials and this decision (collectively, the **Confidential Material**) be kept confidential pursuant to Section 5.4 of National Policy 11-203 – *Process for Exemptive Relief Applications in Multiple Jurisdictions* (**NP 11-203**), as amended from time to time until the earlier of: (i) the date on which the Issuer is issued a receipt for the preliminary short form prospectus in respect of the distribution of the Series 1 Shares (as defined herein); (ii) the date that the Issuer advises the Decision Makers that there is no longer any need for the Confidential Material to remain confidential; and (iii) the date that is 90 days after the date of this decision (the **Request for Confidentiality**).

Under NP 11-203 (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 British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador and Prince Edward Island (the Other Jurisdictions and with the Jurisdiction, the Jurisdictions).

Interpretation

Terms defined in NI 14-101 and MI 11-102 have the same meanings if used in this decision, unless otherwise defined.

Representations

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

The Issuer

1. The Issuer was incorporated under the laws of Ontario on April 8, 2010.

2. The registered and head office of the Issuer is located in Toronto, Ontario.

3. The Issuer is not a reporting issuer, or the equivalent, in any of the Jurisdictions.

4. The Issuer will operate as a financing company and has no significant assets or liabilities and will not have any ongoing business operations of its own. The Issuer will lend the net proceeds of the Offering (as defined below) to NPIF Holdings L.P. (**Holdings LP**), a subsidiary of the Fund. The Issuer is an indirect subsidiary of the Fund.

5. The authorized share capital of the Issuer currently consists of an unlimited number of common shares (the **Common Shares**) and an unlimited number of preferred shares (the **Preferred Shares**) issuable in series. As of April 8, 2010, one Common Share was issued and outstanding. No Preferred Shares have been issued.

6. The only voting securities of the Issuer are the Common Shares, all of which are held by Holdings LP.

7. The directors of the Issuer may from time to time issue Preferred Shares in one or more series, each series to consist of such number of shares as will before issuance thereof be fixed by the directors who will at the same time determine

the designation, rights, privileges, restrictions and conditions attaching to that series of Preferred Shares. Subject to applicable corporate law the Preferred Shares of each series shall be non-voting and not entitled to receive notice of any meeting of shareholders, provided that the designation, rights, privileges, restrictions and conditions may provide that if the Issuer shall fail, for a specified period, which is at least two years, to pay dividends at the prescribed rate on any series of the Preferred Shares, whereupon, and so long as any such dividends shall remain in arrears, the holders of that series of Preferred Shares shall be entitled to receive notice of, to attend and vote at all meetings of shareholders, except meetings at which only holders of a specified class or series of shares are entitled to attend.

8. The Issuer has not issued any securities, and does not have any securities outstanding, other than the one Common Share, which was issued to and is directly held by Holdings LP.

9. The Issuer is proposing to amend its articles to create two new series of Preferred Shares, being Cumulative Rate Reset Preferred Shares, Series 1 (the **Series 1 Shares**) and Cumulative Floating Rate Preferred Shares, Series 2 (the **Series 2 Shares**).

10. The Fund will provide full and unconditional guarantees (the **Guarantees**) of the payments to be made by the Issuer in respect of the Series 1 Shares and Series 2 Shares, as stipulated in agreements governing the rights of holders of the securities, that result in the holders of such securities being entitled to receive payment from the Fund within 15 days of any failure by the Issuer to make a payment, as contemplated by paragraph (d) of the definition of "designated credit support security" in NI 51-102.

11. Accordingly, the Fund will be a "parent credit supporter" (as defined in NI 51-102) and the Issuer will be a "credit support issuer" (as defined in NI 51-102).

12. The Series 1 Shares will be convertible, at a date that is more than five years from the issue date and every five years thereafter (the **Conversion Date**) at the option of the holder, into an equal number of Series 2 Shares. The Series 1 Shares will carry a fixed dividend rate until the Conversion Date. As at each Conversion Date, the dividend rate will be reset based upon a specified spread above benchmark Canadian government bonds.

13. The Series 2 Shares will be convertible, at each Conversion Date (other than the first) at the option of the holder, into an equal number of Series 1 Shares. The Series 2 Shares will carry a floating dividend rate until the Conversion Date. As at each Conversion Date, the dividend rate will be reset based upon a specified spread above 90-day Government of Canada Treasury Bills.

14. The purpose of the conversion right attached to each of the Series 1 Shares and the Series 2 Shares is to allow the holder to decide every five years whether to receive a fixed-rate or a floating-rate dividend for the next five years.

15. Therefore, the Series 1 Shares and the Series 2 Shares would be "designated credit support securities" (as defined in NI 51-102), but for the fact that they are convertible into the Issuer's own preferred shares as opposed to being either non-convertible or convertible into securities of the parent credit supporter.

16. The Issuer is proposing to distribute (the **Offering**) the Series 1 Shares to the public pursuant to a short form prospectus (the **Prospectus**) filed in each of the Jurisdictions as if the Series 1 Shares were designated credit support securities. The Issuer intends to obtain a receipt for the Prospectus and thereby become a reporting Issuer in the Jurisdictions.

17. The Fund has announced its intention to convert to a corporation on or before January 1, 2011. It is currently anticipated that the Issuer will amalgamate with the Successor to the Fund as part of the conversion. However, if the Issuer does not amalgamate with or otherwise become, the Successor, the corporate entity that is the Successor will assume all of the obligations of the Fund under the Guarantees and the Guarantees will remain in full force and effect, unless the Successor and the issuer of the Series 1 Shares and Series 2 Shares are one and the same person. If the Issuer amalgamates with, or otherwise becomes, the Successor, the Guarantees will be cancelled. For greater certainty, if at any time all the trust units of the Fund are owned by the Issuer, the Guarantees will automatically terminate. If the Successor and the issuer of the Series 1 Shares and the Series 2 Shares are not one and the same person, any equity securities issued by the Successor will rank pari passu or junior to the Guarantees.

18. An application will be made to list the Series 1 Shares and the Series 2 Shares on the Toronto Stock Exchange (the **TSX**).

19. The Issuer may also, subject to market conditions, wish to issue other series of Preferred Shares that, but for the fact they would be convertible into other series of Preferred Shares, would satisfy the definition of "designated credit support securities" in NI 51-102.

The Fund

20. The Fund was established as an unincorporated open-ended trust under the laws of the Province of Ontario pursuant to a trust indenture dated February 17, 1997, as supplemented and restated as of July 16, 2009.

21. The registered and head office of business of the Fund is located in Toronto, Ontario.

22. The Fund is a reporting issuer, or the equivalent, in each of the Jurisdictions, and, to its knowledge, is not in default of any of its reporting issuer obligations under the Legislation.

23. The Fund, through Holdings LP, is in the business of developing, constructing, financing, owning, managing and operating power projects, which efficiently and cleanly produce electricity and, in come cases, steam for sale under long-term contracts.

24. The Fund is qualified to file a prospectus in the form of a short form prospectus pursuant to Section 2.2 of NI 44-101, as it satisfies paragraphs (a), (b), (c), (d) and (e) of that Section.

25. The Fund's Trust Units trade on the TSX under the symbol "NPI.UN". As at March 31, 2010, the Fund had 71,389,658 Trust Units outstanding. The Fund's 6.50% convertible unsecured subordinated debentures due June 30, 2011 trade on the TSX under the symbol "NPI.DB". The Fund's 6.25% convertible unsecured subordinated debentures, Series A due December 31, 2014 trade on the TSX under the symbol "NPI.DB.A".

Decision

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

Relief from the Disclosure Requirements

The decision of the Decision Maker under the Legislation is that relief from the Disclosure Requirements is granted upon the Issuer becoming a reporting issuer, provided that:

(a) the Issuer continues to satisfy all the conditions set forth in subsection 13.4(2) of NI 51-102, other than paragraph 13.4(2)(c); and

(b) the Issuer does not issue any securities, and does not have any securities outstanding, other than:

(i) designated credit support securities (as such term is defined in NI 51-102);

(ii) securities issued to and held by the Fund or an affiliate of the Fund;

(iii) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions;

(iv) securities issued under exemptions from the prospectus requirement in Section 2.35 and registration requirement in Section 3.35 of National Instrument 45-106 – Prospectus and Registration Exemptions;

(v) Series 1 Shares and Series 2 Shares; and

(vi) other series of Preferred Shares that, but for the fact they are convertible to other series of Preferred Shares, are designated credit support securities (as such term is defined in NI 51-102).

Relief from the Short Form Prospectus Eligibility Requirements

The further decision of the Decision Maker under the Legislation is that relief from the Short Form Prospectus Eligibility Requirements in respect of the distribution of the Series 1 Shares, and other series of Preferred Shares is granted, provided that

(a) the criteria in section 2.5 of NI 44-101 other than subsection 2.5(a) are satisfied; and

(b) the Series 1 Shares and other series of Preferred Shares are not convertible into any securities other than:

(i) another series of Preferred Shares; or

(ii) securities of the Fund.

Relief from the Notice of Intention Requirement

The further decision of the Decision Maker under the Legislation is that relief from the Notice of Intention Requirement is granted provided that the Issuer 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.

Relief from the Specified Form 44-101F1 Prospectus Disclosure Requirements

The further decision of the Decision Maker under the Legislation is that relief from the Specified Form 44-101F1 Prospectus Disclosure Requirements is granted provided that at the time of the filing of any prospectus in connection with offerings of Preferred Shares (including the Offering):

(a) the prospectus will be prepared in accordance with the short form prospectus requirements of NI 44-101 other than the Specified Form 44-101F1 Prospectus Disclosure Requirements, except as permitted by the Legislation;

(b) the Issuer will comply with all of the filing requirements and procedures set out in NI 44-101 other than the Short Form Prospectus Eligibility Requirements and the Notice of Intention Requirement, except as permitted by the Legislation;

(c) the Issuer satisfies the conditions of the relief from the Short Form Prospectus Eligibility Requirements above;

(d) the Issuer satisfies the conditions of the relief from the Notice of Intention Requirement above; and

(e) in respect of an offering other than the Offering, the Issuer satisfies the conditions of the relief from the Disclosure Requirements above.

Relief from the Insider Reporting Requirements

The further decision of the Decision Maker under the Legislation is that relief from the Insider Reporting Requirements is granted, provided that:

(a) the Issuer continues to satisfy the conditions of the relief from the Disclosure Requirements above;

(b) if the insider is not the Fund, (i) the insider does not receive, in the ordinary course, information as to material facts or material changes concerning the Issuer before the material facts or material changes are generally disclosed, and (ii) the insider is not an insider of the Fund in any capacity other than by virtue of being insider of the Issuer; and

(c) if the insider is the Fund, the Fund does not beneficially own any designated credit support securities of the Issuer.

Request for Confidentiality

The further decision of the Decision Maker under the Legislation is that the Request for Confidentiality is granted until the earlier of: (i) the date on which the Issuer is issued a receipt for the preliminary short form prospectus in respect of the distribution of the Series 1 Shares; (ii) the date that the Issuer advises the Decision Maker that there is no longer any need for the Confidential Material to remain confidential; and (iii) the date that is 90 days after the date of this decision.

As to the relief from the Disclosure Requirements, Short Form Prospectus Eligibility Requirements, Notice of Intention Requirement, Specified Form 44-101F1 Prospectus Disclosure Requirements, the NI 55-104 Insider Reporting Requirements and the Request for Confidentiality:

"Michael Brown"
Assistant Manager, Corporate Finance

As to relief from the Act Insider Reporting Requirements and the Request for Confidentiality:

"Paulette Kennedy"
Commissioner

"David L. Knight"
Commissioner

2.1.12 Research In Motion Limited

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Section 104(2)(c) – Issuer bid – relief from issuer bid requirements in sections 93 to 99.1 of the Act – issuer conducting a normal course issuer bid through the facilities of the TSX and NASDAQ – relief granted, provided that the bid is subject to a maximum aggregate limit mirroring the TSX NCIB rules.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 93 to 99.1, 101.2, 104(2)(c).

July 13, 2010

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
RESEARCH IN MOTION LIMITED
(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**) that the requirements contained in the Legislation relating to issuer bids (the **Issuer Bid Requirements**) shall not apply to purchases of the common shares of the Filer (the **Common Shares**) made by the Filer through the facilities of the NASDAQ Global Select Market (the **NASDAQ**) pursuant to the Share Repurchase Program (as defined below) and any Future Share Repurchase Programs (as defined below) (the **Exemption Sought**).

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

(a) the Ontario Securities Commission is the principal regulator for this application (the **OSC**), 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, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland & Labrador, Yukon, Northwest Territories and Nunavut.

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:

(a) The Filer is a corporation amalgamated under the *Business Corporations Act* (Ontario).

(b) The Filer's head office is in Waterloo, Ontario.

(c) The Filer is a reporting issuer in each of the provinces of Canada and the Filer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

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

(e) As at June 24, 2010, the Filer had approximately 552,513,064 Common Shares issued and outstanding.

(f) The Common Shares are listed for trading on the Toronto Stock Exchange (**TSX**) and the NASDAQ.

(g) Pursuant to a press release dated November 5, 2009, the Filer commenced a share repurchase program (the **Previous Share Repurchase Program**) under which it was authorized to purchase for cancellation through the facilities of the NASDAQ Common Shares having an aggregate purchase price of up to US$1.2 billion. The Previous Share Repurchase Program was authorized to commence on November 9, 2009.

(h) Between November 9, 2009 and April 13, 2010, the Filer purchased 16,235,800 Common Shares through the facilities of the NASDAQ.

(i) On April 13, 2010, the Filer obtained an issuer bid exemption order from the OSC to purchase for cancellation 2,000,000

Common Shares pursuant to private agreements between the Filer and a non-related third-party financial institution. The Common Shares repurchased through the private agreements, together with 16,235,800 Common Shares that the Filer had repurchased through the facilities of the NASDAQ since November 9, 2009, represented approximately 3.2% of the Filer's outstanding Common Shares and substantially completed the Previous Share Repurchase Program.

(j) On June 24, 2010, the Filer announced that its Board of Directors has authorized a normal course issuer bid to purchase for cancellation up to approximately 31 million Common Shares (the **Share Repurchase Program**).

(k) Under the Normal Course Issuer Bid Exemption (as defined below), the Filer is permitted to purchase up to an additional approximately 9.3 million Common Shares, or approximately 1.8% of its outstanding Common Shares, through the facilities of the NASDAQ. Any additional purchases of Common Shares must be made through the facilities of the TSX, with the approval of the TSX, or through the facilities of the NASDAQ, pursuant to an exemptive relief order from the principal regulator.

(l) On June 29, 2010, the Filer filed a Notice of Intention to Make a Normal Course Issuer Bid (the **Notice of Intention**) with the TSX in order to permit it to make normal course issuer bid purchases of its Common Shares through the facilities of the TSX.

(m) The Notice of Intention contemplates the purchase by the Filer of up to approximately 31.26 million Common Shares through the facilities of the TSX and NASDAQ during the 12 months ending July 2011. The purchases of up to approximately 31.26 million Common Shares authorized pursuant to the Share Repurchase Program, together with the 18,235,800 Common Shares purchased under the Previous Share Repurchase Program, represent approximately 10% of the Filer's outstanding public float (as defined in Section 628(a)(xi) of the TSX Company Manual) as at June 24, 2010. If the Notice of Intention is accepted by the TSX, purchases exceeding approximately 9.3 million Common Shares in the aggregate would be limited to the facilities of the TSX and exempt from the Issuer Bid Requirements under the Designated Exchange Exemption (as defined below).

(n) The Filer wishes to be able to make normal course issuer bid purchases through the facilities of both the TSX and the NASDAQ.

(o) Issuer bid purchases made through the facilities of the TSX in compliance with the by-laws, regulations and policies of the TSX relating to normal course issuer bids (the **TSX NCIB Rules**) are exempt from the Issuer Bid Requirements pursuant to the designated exchange exemption contained in Section 101.2(1) of the Act (the **Designated Exchange Exemption**). The TSX NCIB Rules allow normal course issuer bid purchases of up to 10% of the public float to be made through the facilities of the TSX over the course of a 12-month period.

(p) Issuer bid purchases made through the facilities of the NASDAQ are normally made in reliance on the exemption contained in Section 101.2(2) of the Act (the **Normal Course Issuer Bid Exemption**). The Normal Course Issuer Bid Exemption limits the purchases that may be made by the Filer in a 12-month period to 5% of the securities of the particular class outstanding at the commencement of the period.

(q) Purchases made pursuant to the Notice of Intention through the facilities of the TSX are exempt from the Issuer Bid Requirements under the Designated Exchange Exemption while such purchases through the facilities of the NASDAQ are not exempt under the Designated Exchange Exemption, as the Act does not recognize the NASDAQ as a "designated exchange" for the purpose of the Designated Exchange Exemption.

(r) No other exemptions exist under the Act that would otherwise permit the Filer to make purchases through the NASDAQ on an exempt basis where the purchases exceed the 5% limitation under the Normal Course Issuer Bid Exemption.

(s) The Share Repurchase Program will be effected in accordance with the 1934 Act, and the rules of the SEC made pursuant thereto, including the safe harbour provided by Rule 10b-18 under the 1934 Act (collectively, **Applicable U.S. Securities Laws**), which contains, among other things, restrictions on the number of shares that may be purchased

on a single day, subject to certain exceptions for block purchases, based on the average daily trading volumes of the Common Shares on NASDAQ.

(t) Purchases of Common Shares by the Filer of up to 10% of the public float through the facilities of the NASDAQ would be permitted under the rules of the NASDAQ and under Applicable U.S. Securities Laws.

(u) The Filer requires relief from the Issuer Bid Requirements in order to make purchases of its Shares through the facilities of the NASDAQ up to the number permitted to be purchased under the Notice of Intention as permitted by the TSX and under the Designated Exchange Exemption.

(v) The Filer may from time to time, in the future, file a new notice of intention with the TSX to make purchases of Common Shares through the facilities of both the TSX and the NASDAQ pursuant to the TSX NCIB Rules where the purchases exceed the 5% limitation in the Normal Course Issuer Bid Exemption (**Future Share Repurchase Programs**).

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 the purchases of Common Shares made through the facilities of NASDAQ are part of a normal course issuer bid that complies with the TSX NCIB Rules.

"James Turner"
Commissioner
Ontario Securities Commission

"Paulette Kennedy"
Commissioner
Ontario Securities Commission

2.1.13 Global Diversified Investment Grade Income Trust II

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 twice a month subject to certain conditions.

Applicable Legislative Provisions

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

[Translation]

June 3, 2010

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

AND

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

AND

IN THE MATTER OF
GLOBAL DIVERSIFIED INVESTMENT GRADE
INCOME TRUST II (the "Trust")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions ("Decision Maker") has received an application from the Trust for a decision under the securities legislation of the Jurisdictions (the "Legislation") for an exemption from section 14.2(3)(b) of *Regulation 81-106 respecting Investment Fund Continuous Disclosure* ("Regulation 81-106"), which requires the net asset value ("NAV") of an investment fund that uses specified derivatives to be calculated at least once every business day (the "Requested Relief").

Under the process for exemptive relief applications in multiple jurisdictions (for a dual application):

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

(b) the Trust has provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System* ("Regulation 11-102") is intended to be relied upon in British Columbia, Alberta, Saskatchewan,

Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador; 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 *Regulation 14-101 respecting Definitions* and Regulation 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 Trust:

1. The Trust is a non-redeemable investment fund established under the laws of Ontario pursuant to a master declaration of trust dated as of February 28, 2005, as amended, and a regulation made thereunder dated as of February 28, 2005, as amended.

2. The purpose of the Trust is: (i) to provide its unitholders with a fixed rate stream of monthly distributions equal to $0.0687 per unit ($0.8244 per annum) up to on or about March 2, 2010 and, thereafter, a fixed rate stream of monthly distributions reset every five calendar years (the date of every such reset, including March 2, 2010, being a "Reset Date") intended to equal the five-year Government of Canada bond rate plus 4 % to 4,5 %; and (ii) to repay its unitholders on a Reset Date falling no later than or about March 9, 2045 (such date being the "Maturity Date") an amount equal the residual value of the Trust. The residual value of the Trust will be equal to the lesser of: (i) the NAV per unit determined on the Expected Maturity Date or Legal Maturity Date, as applicable, and (ii) an amount of $9.35 per unit.

3. To achieve its objectives, the Trust holds positions in three credit default swap agreements dated March 2, 2005 (collectively, the "CDS") for which the counterparty is Deutsche Bank AG ("Deutsche Bank"). Under the CDS, Deutsche Bank is the protection buyer and the Trust is the protection seller. The CDS provide the Trust with an economic interest in respect of three global diversified portfolios composed of mortgage-backed securities, asset-backed securities, structured finance securities and synthetic instruments (collectively, the "Underlying Securities"). The only specified derivatives that the Trust holds are the CDS and the Trust does not intend to enter into any other specified derivative.

4. As disclosed in a release dated April 19, 2010, in light of the amounts withheld by Deutsche Bank in relation to credit events notified to the Trust and until the final determination of the amount of losses from such credit events, the monthly distributions of the Trust are approximately equal to the five-year Government of Canada bond rate plus 1,10 % to 1,71 %

5. The Trust's obligations under the CDS are collateralized by a term deposit issued by National Bank of Canada ("NBC") with a maturity date of March 2, 2015.

6. The trustee of the Trust is Global Digit II Management Inc. (the "Trustee"). The Trustee also act as the manager of the Trust in accordance with the definition of "investment fund manager" in the Legislation. The head office of the Trustee is located in the Province of Québec.

7. NBC acts as administrative agent of the Trust.

8. The Trust became a reporting issuer under the Legislation on March 4, 2005.

9. Pursuant to its prospectus dated March 3, 2005, the Trust issued 14,950,000 units. 10,392,283 units were issued and outstanding as at December 31st, 2009. The units of the Trust are listed on the Toronto Stock Exchange ("TSX") under the symbol GII.UN.

10. The units of the Trust may be redeemed on a quarterly basis, on the last business day of February, May, August and November of each year, at the redemption price per unit. The redemption price is equal to the lesser of: (i) 95% of the daily weighted average trading price of the units on the TSX for the five trading days following the redemption date and (ii) an amount equal to (a) the closing price of the units on the TSX on such redemption date, or (b) the average of the highest and lowest prices of the units on the TSX, or (c) the average of the last bid and ask prices on the TSX and, in each case, less an amount payable as a result of the quarterly distributions. The Trust's annual information form dated March 31st, 2010 and the master declaration of trust provide the rules applicable to determine the redemption price.

11. The units may also be redeemed annually, on the last business day of February, at the unwind price per unit. The unwind price is equal to the sum of (i) the bid price received by the Trust from Deutsche Bank to terminate the applicable portion of the CDS and (ii) the market value of such portion of the term deposit, less the unwind costs. The Trust's annual information form dated March 31st, 2010 and master declaration of trust provide the rules applicable to determine the unwind price.

12. The redemption price and the unwind price are not computed by reference to the Trust's NAV.

13. The Trust's units cannot be redeemed at a price computed by reference to its NAV per unit before the Maturity Date.

14. The NAV per unit of the Trust is currently calculated by NBC twice a month, (i) on the 15th day of each month, or if the 15th is not a business day, on the preceding business day, and (ii) on the last business day of each month. The NAV is calculated in accordance with Canadian Generally Accepted Accounting Principles (GAAP) and the policies described in the Trust's Annual Information Form dated March 31, 2010.

15. The CDS are specified derivatives and will terminate on Maturity Date. Therefore, the Trust is required to calculate its NAV at least once every business day pursuant to section 14.2(3)(b) of Regulation 81-106.

16. The NAV on a particular date is calculated using the fair value or the Trust's assets and liabilities. Substantially all of the assets of the Trust consist of (i) cash or cash equivalent, (ii) the CDS and (ii) the term deposit.

17. In order to calculate the NAV of the Trust, NBC must establish the fair value of the Trust's positions in the CDS. Determining the fair value of the CDS requires considerable effort since they are complex derivatives that are not traded on an active market. The fair value of the CDS is established by using a valuation technique that uses bid and offer prices provided by Deutsche Bank (the "Bid and Offer Prices"). The Bid and Offer Prices represent an indication of the prices that Deutsche Bank may pay or charge to purchase or sell a tranche of the CDS. These prices may reflect factors such as the market's assessment of the overall credit quality of the Underlying Securities, as measured by the quoted price of the Underlying Securities (and derivatives thereof), interest rates as well as factors that are proprietary to Deutsche Bank.

18. The Bid and Offer Prices are established upon Deutsche Bank's internally developed manual process, which requires proprietary valuation procedures and consultation with Deutsche Bank's trading desk to assess the results. This process consumes several hours to be completed. The initial 2005 agreement between the Trust and Deutsche Bank states that the Bid and Offer Prices would be provided on a monthly basis. Deutsche Bank accepted in September 2009 to amend the agreement to provide the Bid and Offer Prices on a twice a month basis without any additional compensation.

19. In accordance with the Trust's valuation policies and procedures, NBC verifies the reasonableness of the Bid and Offer Prices. The methodology used by NBC is base correlation and Gaussian Copula One factor. This process involves a lot of assumptions and market variables about the Underlying Securities. All significant discrepancies between the pricing obtained by NBC and those provided by Deutsche Bank are analysed and settled.

20. The Trust has established that it would be impractical and unduly burdensome to calculate and disclose a reliable and accurate NAV on a timely basis without the Bid and Offer Prices.

21. Subject to its approval by the Trustee, the NAV per unit is disclosed within approximately one week from (i) the 15th day of each month, or if the 15th is not a business day, the preceding business day, and (ii) the last business day of each month. The NAV per unit is available at no cost on SEDAR and on a special section of National Bank Financial's Website established for the Trust.

22. The Trust's management reports of fund performance disclose that the NAV per unit is available on SEDAR and on National Bank Financial's Website, and the frequency at which the NAV per unit is calculated and disclosed.

23. Although the NAV per unit is mainly used as a direct reference for the calculation of the Trust's residual value on maturity, which is not expected to occur before the Maturity Date, its disclosure, combined with other factors, facilitates market price discovery to foster fair and efficient capital markets. The NAV per unit is important information for investors in order to determine whether to purchase, hold or sell units of the Trust.

24. The Trust currently expects that its units will remain listed on the TSX until the Maturity Date. Therefore, unitholders have the option of liquidating their units on the TSX, which serves as the primary source of liquidity for the Trust's units.

25. In accordance with section 11.2 of Regulation 81-106, the Trust is required to promptly disclose any material change.

26. The Trust used specified derivatives and calculated its NAV once a month between March 11, 2005, the date of the closing of its initial public offering, and September 7, 2008, in accordance with the provisions of the Legislation that were in effect during this period.

27. The provisions of subsection 14.2(5) of NI 81-106 were amended on September 8, 2008 when *Regulation to amend Regulation 81-106 respecting Investment Fund Continuous Disclosure* came into force. Since this amendment, the Trust has had the obligation to calculate its NAV at least once every business day in

accordance with the requirement of paragraph 14.2(3)(b) of NI 81-106.

28. Since September 8, 2008, the Trust has not been in compliance with the requirement of subsection 14.2(3) of Regulation 81-106. The Trust did not seek an exemptive relief for the frequency of the calculation of its NAV before September 3, 2009 because of its oversight of the coming into force of the amendment to subsection 14.2(5) of Regulation 81-106.

29. In August 2009, as part of its Continuous Disclosure Review program, the Autorité des marchés financiers requested that the Trustee explain why the Trust was not calculating its NAV at least once every business day in accordance with Regulation 81-106. Following the comment from the Autorité des marchés financiers, the Trust filed the Requested Relief.

30. Except as disclosed above, the Trust is not in default of the Legislation.

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 Requested Relief is granted provided that:

(a) the units of the Trust remain listed on the TSX;

(b) the Trust calculates its NAV per unit at least twice a month, (i) on the 15th day of each month, or if the 15th is not a business day, on the preceding business day, and (ii) on the last business day of each month; and

(c) the Trust's NAV per unit is available at no cost and on a timely basis on SEDAR and on National Bank Financial's Website.

"Josée Deslauriers"
Director, Investment Funds and Continuous Disclosure
Autorité des marchés financiers

2.1.14 Dianor Resources Inc. and Kodiak Capital Group, LLC

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application by TSX-Venture Exchange-listed issuer and foreign resident purchaser for exemptive relief in relation to proposed distributions of securities by issuer by way of a committed equity facility (also known as an "equity line of credit") – An equity line of credit is a type of financing which permits a public company to require, at a time or times of its choosing, that a purchaser purchase newly issued securities of the company at a discount to the market price of the securities at the time of the draw down – the purchaser will generally finance its purchase commitments and offset market risk through short sales, resales or other hedging transactions in the secondary market during the pricing period with a view to monetizing the spread between the discounted purchase price and the market price – a draw down under an equity line may be considered to be an indirect at-the-market distribution of securities of the issuer to investors in the secondary market through the equity line purchaser acting as underwriter – purchaser requires dealer registration relief – issuer and purchaser require prospectus form and prospectus delivery relief – issuer will file shelf prospectus which will qualify resales, short sales and other hedging transactions by purchaser over a specified period – relief granted to the issuer and purchaser from certain registration and prospectus requirements, subject to terms and conditions, including restrictions on the number of securities that may be distributed under an equity line in any 12-month period, certain restrictions on the permitted activities of the purchaser, timely disclosure of each draw down, and certain notification and disclosure requirements.

Applicable Legislative Provisions

Securities Act , R.S.O. 1990, c. S.5, ss. 25(1), 25(2), 71(1), 71(2), 74(1), 147.
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1 .
Form 44-101 Short Form Prospectus, item 20.
National Instrument 44-102 Shelf Distributions, ss. 5.5.2, 5.5.3, 11.1.

TRANSLATION

July 16, 2010

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

AND

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

AND

**IN THE MATTER OF
DIANOR RESOURCES INC. ("Dianor" or
the "Company") AND KODIAK CAPITAL GROUP,
LLC (the "Purchaser" and, together with
the Company, the "Filers")**

DECISION

Background

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

(a) the following prospectus disclosure requirements under the Legislation (the "**Prospectus Disclosure Requirements**") do not fully apply to the Company in connection with the Distribution (as hereinafter defined):

(i) the statement in the Base Shelf Prospectus (as hereinafter defined) and the Prospectus Supplements (as hereinafter defined) respecting statutory rights of withdrawal and rescission or damages in the form prescribed by item 20 of Form 44-101F1 of *Regulation 44-101 respecting Short Form Prospectus Distributions* ("**Regulation 44-101**"); and

(ii) the statements in the Base Shelf Prospectus required by subsections 5.5(2) and (3) of *Regulation 44-102 respecting Shelf Distributions* ("**Regulation 44-102**");

(b) the prohibition from acting as a dealer unless the person is registered as such (the "**Dealer Registration Requirement**") does not apply to the Purchaser in connection with the Distribution; and

(c) the requirement that a dealer send a copy of the Prospectus (as hereinafter defined) to a subscriber or purchaser in the context of a distribution (the "**Prospectus Delivery Requirement**") does not apply to the Purchaser, or the dealer(s) through whom the Purchaser sells the Shares (as hereinafter defined) and that, as a result, rights of withdrawal or rights of rescission, price revision or damages for non-delivery of the Prospectus do not apply in connection with the Distribution;

(collectively, the "**Exemptive Relief Sought**").

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

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

(b) the Filers have provided notice that subsection 4.7(1) of *Regulation 11-102 respecting Passport System* ("**Regulation 11-102**") is intended to be relied upon in the provinces of British Columbia and Alberta; 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 *Regulation 14-101 respecting Definitions* and Regulation 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:

The Company

1. Dianor is incorporated under Part IA of the *Companies Act* (Québec) and its head office is located at 649 3rd Avenue, 2nd Floor, Val-d'Or, Québec.

2. Dianor is an exploration company focused on advancing diamond exploration in Canada.

3. Dianor is a reporting issuer under the securities legislation of the provinces of British Columbia, Alberta, Ontario and Québec (the "**Provinces**") and is not in default of the securities legislation of any jurisdiction in Canada.

4. Dianor's authorized share capital consists of an unlimited number of common shares (the "**Shares**"), without par value, of which 217,818,758 were issued and outstanding as at April 6, 2010.

5. The Shares are listed for trading on the TSX Venture Exchange (the "**TSX-V**"). Based on their closing price of $0.08 on April 6, 2010, the market capitalization of Dianor was approximately $17 million.

6. Dianor is qualified to file a short form prospectus under section 2.2 of Regulation 44-101 and therefore is also qualified to file a base shelf prospectus under Regulation 44-102.

7. Dianor intends to file with the securities regulator in each of the Provinces a base shelf prospectus pertaining to the Shares (such base shelf prospectus and any amendment thereto, the "**Base Shelf Prospectus**").

8. The statements required by subsections 5.5(2) and (3) of Regulation 44-102 contained in the Base Shelf Prospectus will be qualified by adding

the following statement: "***However, such prospectus supplement will not be delivered to purchasers as permitted under a decision document issued by the Autorité des marchés financiers on July 16, 2010. Such prospectus supplement will be available electronically at www.sedar.com.***".

The Base Shelf Prospectus will also include the following statement:

> *Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment are not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province.* ***However, such rights and remedies will not be available to purchasers of common shares distributed under this prospectus because the prospectus will not be delivered to purchasers, as permitted under a decision document issued by the Autorité des marchés financiers on July 16, 2010.***
>
> *The securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contain a misrepresentation, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. Such remedies remain unaffected by the non-delivery of the prospectus as permitted under the decision document referred to above.*
>
> *The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.*
>
> (the "**Amended Statement of Rights**")

The Purchaser

9. The Purchaser is an investment fund established under the laws of the State of Delaware.

10. The Purchaser's head office is located at One Columbus Place, 25th Floor, New York, N.Y. 10019.

11. The Purchaser is not a reporting issuer nor registered as a registered firm as defined in *Regulation 31-103 respecting Registration Requirements and Exemptions* in any jurisdiction of Canada. The Purchaser is not in default of securities legislation in any jurisdiction in Canada.

The Distribution Agreement

12. On February 26, 2010, Dianor entered into a standby equity distribution agreement with the Purchaser pursuant to which the Purchaser has agreed to subscribe for, and the Company has the right but not the obligation to issue and sell, up to $30 million of Shares (the "**Aggregate Commitment Amount**") over a period of 36 months in a series of drawdowns. The Company and the Purchaser will amend this agreement as soon as possible after the issuance of this decision in order to conform with the representations and the conditions stated herein (such amended agreement, the "**Distribution Agreement**").

13. Under the Distribution Agreement, the Company will have the sole ability to determine the timing and the amount of each drawdown, subject to certain conditions, including a maximum investment amount per drawdown and the Aggregate Commitment Amount.

14. The subscription price per Share and therefore the number of Shares to be issued to the Purchaser for each drawdown will be calculated based on a predetermined discount of 10% from the daily volume-weighted average price of the Shares on the TSX-V over a period of five trading days following a drawdown notice sent by the Company (the "**Pricing Period**"), subject to an absolute minimum subscription price of $0.05 per Share.

15. On the fifth trading day following the last day of a Pricing Period (each, a "**Settlement Date**"), the amount of the drawdown will be paid by the Purchaser in consideration for the relevant number of newly issued Shares.

16. At the time of each drawdown notice and at each Settlement Date, the Company will make a representation to the Purchaser that the Base Shelf Prospectus, as supplemented (the "**Prospectus**") contains full, true and plain disclosure of all material facts relating the Shares being distributed. The Company would therefore be unable to issue, or decide to issue, Shares

when it is in possession of undisclosed information that would constitute a material fact or a material change.

17. On or after each Settlement Date, the Purchaser may seek to sell all or a portion of the Shares subscribed under the drawdown.

18. The Purchaser may not own, at any time, directly or indirectly, a number of Shares exceeding 15 % of the issued and outstanding Shares, unless approved by the shareholders of the Company at the next annual general and special meeting of the shareholders to be held on or about August 24, 2010.

19. The Purchaser will not, between a drawdown notice and the corresponding Settlement Date, sell Shares it owns for gross proceeds exceeding the amount of the drawdown. Also, the Purchaser, its affiliates, associates and insiders will not:

    (a) hold a "net short position" in Shares during the term of the Distribution Agreement;

    (b) directly or indirectly, sell any Shares between the time of delivery of a drawdown notice and the filing of the press release announcing the drawdown;

    (c) directly or indirectly, during the term of the Distribution Agreement:

        i) grant any right to purchase or acquire any right to dispose of, nor otherwise dispose for value of, any securities of the Company or any securities convertible into or exchangeable for any securities of the Company; or

        ii) enter into any agreement that has the effect of transferring, in whole or in part, the economic interest or risk of ownership of any securities of the Company, such as a swap, hedge or other similar agreement.

20. No extraordinary commission or consideration will be paid by the Purchaser to a person or company in respect of the disposition of Shares to purchasers who purchase the same on the TSX-V through dealer(s) engaged by the Purchaser (the "**TSX-V Purchasers**").

21. The Purchaser will not, in effecting any disposition of Shares, engage in any sales, marketing or solicitation activities of the type undertaken by underwriters in the context of a public offering. More specifically, the Purchaser will not (a) effect any disposition of Shares which would not be in compliance with Canadian or United States securities legislation, (b) advertise or otherwise hold itself out as a dealer, (c) purchase or sell securities as principal from or to customers, (d) carry a dealer inventory in securities, (e) quote a market in securities, (f) provide investment advice, (g) extend or arrange for the extension of credit in connection with transactions of securities of the Company, (h) run a book of repurchase and reverse repurchase agreements, (i) use a carrying broker for securities transactions, (j) lend securities to customers, (k) issue or originate securities, (l) guarantee contract performance or indemnify the Company for any loss or liability from the failure of the transaction to be successfully consummated, or (m) participate in a selling group.

22. The Purchaser will not solicit offers to purchase Shares in any jurisdiction of Canada and will complete all sales of Shares to TSX-V Purchasers either i) through a dealer unaffiliated with the Purchaser and Dianor, and registered under Canadian or United States securities legislation or ii) on a prospectus and registration-exemption basis.

The Prospectus Supplements

23. The Company intends to file with the securities regulator in each of the Provinces a prospectus supplement to the Base Shelf Prospectus (each a "**Prospectus Supplement**") within two business days after the Settlement Date for each drawdown under the Distribution Agreement.

24. The Prospectus Supplement will include (i) the number of Shares issued to the Purchaser, (ii) the price per Share paid by the Purchaser, (iii) the information required by Regulation 44-102, including the disclosure required by subsection 9.1(3) thereof, and (iv) the Amended Statement of Rights.

25. The Base Shelf Prospectus, as supplemented by each Prospectus Supplement, will qualify (a) the distribution of Shares to the Purchaser on the Settlement Date, and (b) the disposition of Shares to TSX-V Purchasers during the period that commences on the date of issuance of a drawdown notice and ends on the earlier of (i) the date on which the disposition of such Shares has been completed or (ii) the 40th day following the relevant Settlement Date (collectively, the "**Distribution**").

26. The Prospectus Delivery Requirement is not feasible in the context of the Distribution because the TSX-V Purchasers will not be readily identifiable as the dealer(s) acting on behalf of the Purchaser may combine the sell orders made under the Prospectus with other sell orders and

the dealer(s) acting on behalf of the TSX-V Purchasers may combine a number of purchase orders.

27. The Prospectus Supplement will contain an underwriter's certificate in the form set out in section 2.2 of Appendix B to Regulation 44-102 signed by the Purchaser.

28. At least three business days prior to the filing of any Prospectus Supplement, the Company will provide for comment to the Decision Makers a draft of such Prospectus Supplement.

Press Releases / Continuous Disclosure

29. Following the execution of the Distribution Agreement, the Company will:

    (a) promptly issue and file a press release on SEDAR disclosing the material terms of the Distribution Agreement, including the Aggregate Commitment Amount; and

    (b) within ten days after said execution:

        (i) file a copy of the Distribution Agreement on SEDAR, and

        (ii) file a material change report on SEDAR disclosing at a minimum the information required in subparagraph (a) above.

30. The Company will promptly issue and file on SEDAR a press release upon the issuance of each drawdown notice to the Purchaser, disclosing the aggregate amount of the drawdown, the maximum number of Shares to be issued and the minimum price per Share, if any.

31. The Company will:

    (a) issue and file a press release on SEDAR on, or as soon as practicably possible after, the last day of the Pricing Period, disclosing:

        (i) the number of Shares to be issued to, and the price per Share to be paid by, the Purchaser;

        (ii) that the Base Shelf Prospectus and the relevant Prospectus Supplement will be available on SEDAR and specifying how a copy of these documents can be obtained; and

        (iii) the Amended Statement of Rights; and

    (b) file a material change report on SEDAR within ten days of the Settlement Date, if the relevant Distribution constitutes a material change under applicable securities legislation, disclosing at a minimum the information required in subparagraph (a) above.

32. The Company will also disclose in its financial statements and management's discussion and analysis filed on SEDAR under *Regulation 51-102 respecting Continuous Disclosure Obligations*, for each financial period, the number and price of Shares issued to the Purchaser pursuant to the Distribution Agreement.

Deliveries upon Request

33. The Company will deliver to the Decision Makers and to the TSX-V, upon request, a copy of each drawdown notice delivered by the Company to the Purchaser under the Distribution Agreement.

34. The Purchaser will provide the Decision Makers, upon request, full particulars of trading and hedging activities by the Purchaser (and, if required, trading and hedging activities by affiliates, associates or insiders of the Purchaser) in relation to the securities of the Company during the term of the Distribution Agreement.

Decision

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

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

    (a) as it relates to the Prospectus Disclosure Requirements,

        (i) the Company comply with the representations in paragraphs 8, 24, 25, 29, 30, 31 and 33; and

        (ii) the number of Shares distributed by the Company under the Distribution Agreement does not exceed, in any twelve-month period, 20% of the aggregate number of Shares outstanding calculated at the beginning of such period;

    (b) as it relates to the Prospectus Delivery Requirement and the Dealer Registration Requirement, the Purchaser comply with the representations in paragraphs 19, 20, 21, 22, 27 and 34; and

(c) this decision will only apply to Distributions completed within 25 months following the date of the receipt for the Base Shelf Prospectus, and this decision will terminate 25 months after such date.

"Louis Morisset"
Superintendant, Securities Markets

2.1.15 Decision Dynamics Technology Ltd.

Headnote

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

Ontario Statutes

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

Citation: Decision Dynamics Technology Ltd., Re, 2010 ABASC 302

July 6, 2010

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUÉBEC AND THE
NORTHWEST TERRITORIES
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
DECISION DYNAMICS TECHNOLOGY LTD.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer be deemed to have ceased to be a reporting issuer under the Legislation in each of the Jurisdictions (the **Exemptive Relief Sought**).

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

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

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

Interpretation

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

Representations

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

1. The Filer is a corporation existing under the *Canada Business Corporations Act* (CBCA).

2. The head office of the Filer is located in Calgary, Alberta.

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

4. Coreworx Inc. acquired all of the issued and outstanding securities of the Filer by way of a plan of arrangement under the CBCA effective April 30, 2010. As a result, the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 holders in each of the jurisdictions in Canada and less than 51 security holders in total in Canada.

5. The common shares of the Filer were listed and posted for trading on the TSX-V under the symbol DDY on March 10, 2004. The common shares of the Filer were delisted from trading on the TSX-V on May 16, 2010.

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

7. The Filer is applying for a decision that the Filer is not a reporting issuer in each of the Jurisdictions.

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

9. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, except for the obligation to file its interim financial statements for the period ended March 31, 2010, its management discussion and analysis in respect of such financial statements as required under National Instrument 51-102 *Continuous Disclosure Obligations* and the related certification of such financial statements as required under Multilateral Instrument 52-109 *Certification of Disclosure in Filers' Annual and Interim Filings*, all of which became due on May 31, 2010.

10. The Filer is not eligible to use the simplified procedure of CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* as it is in default under the Legislation as described above.

11. Upon the granting of the relief requested herein, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

Decision

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

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

"Blaine Young"
Associate Director, Corporate Finance

2.1.16 China Sci-Tech Minerals Limited (formerly Chariot Resources Limited) – s. 1(10)

Headnote

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

Applicable Legislative Provisions

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

July 19, 2010

China Sci-Tech Minerals Limited
Suite 702
55 University Avenue
Toronto, Ontario
M5J 2H7

Re: China Sci-Tech Minerals Limited (the Applicant) (formerly Chariot Resources Limited) – application for a Decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the "Jurisdictions") that the Applicant is not a Reporting Issuer

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

As the Applicant has represented to the Decision Makers that:

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

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

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer,

each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

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

2.1.17 Black Marlin Energy Holdings Limited and Afren Plc

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from various disclosure requirements for an information circular to be sent to a Canadian target company's shareholders in connection with a proposed arrangement with a foreign entity. Foreign entity will provide disclosure in accordance with UK reporting requirements.

Relief from the requirements of National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities – issuer has less than 10% of its securityholders resident in Canada – less than 10% of the issuer's issued and outstanding securities are held by residents of Canadian – issuer exempt from requirements of NI 51-101 provided that the issuer complies with the oil and gas disclosure requirements of the Financial Services Authority of the United Kingdom and the ongoing requirements of the London Stock Exchange.

Applicable Legislative Provisions

National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities.
National Instrument 51-102 Continuous Disclosure Obligations.

Citation: Black Marlin Energy Holdings Limited, Re, 2010 ABASC 319

July 15, 2010

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

AND

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

AND

IN THE MATTER OF
BLACK MARLIN ENERGY HOLDINGS LIMITED
(Black Marlin) AND AFREN PLC (Afren and,
together with Black Marlin, the Filers)

DECISION

Background

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

(a) exempting Black Marlin from the requirement to include the following disclosure in the Black Marlin Circular (as herein defined):

  (i) oil and gas disclosure of Afren (the **Circular Oil and Gas Relief**);

  (ii) interim financial statements of Afren for the three months ended March 31, 2010 (the **Interim Financial Statements Relief**); and

  (iii) executive compensation disclosure of Afren (the **Executive Compensation Relief**); and

(b) exempting Afren from the continuous disclosure requirements regarding oil and gas activities contained in the Legislation, including requirements under National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* (**NI 51-101**), as amended from time to time, as they relate to the continuous disclosure of Afren (the **On-Going Oil and Gas Relief**).

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 Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia and Saskatchewan; 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 meanings if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by Black Marlin:

1. Black Marlin is a reporting issuer, or the equivalent, in each of the Jurisdictions, and, to its knowledge, is not in default of any requirements under the Legislation.

2. The head office of Black Marlin is located in Dubai, U.A.E.

3. Black Marlin is listed on the TSX Venture Exchange under the symbol “BLM”.

4. Black Marlin is an exploration and appraisal company with oil and gas assets in East Africa.

5. Afren is not currently a reporting issuer in the Jurisdictions or any Canadian jurisdiction, and, to its knowledge, is not in default of any requirements under the Legislation.

6. Afren was incorporated under the laws of England and Wales.

7. The registered and head office of Afren is located in London, United Kingdom.

8. The executive officers and directors of Afren are resident outside of Canada and the business of Afren is administered principally outside of Canada.

9. Afren is an oil and gas company with assets in West Africa.

10. Afren’s ordinary shares are traded on the main market of the London Stock Exchange (**LSE**) under the symbol “AFR” and are listed on the Official List of the United Kingdom Listing Authority (the **UKLA**). Afren has no intention to list its shares on a Canadian exchange.

11. Afren is subject to the reporting requirements of the Financial Services Authority of the United Kingdom (the **FSA**) and the ongoing requirements of the LSE (collectively, the **UK Requirement**s).

12. Neither Black Marlin nor Afren have any assets in Canada.

13. On June 2, 2010, Afren and Black Marlin entered into an arrangement agreement whereby Afren will acquire all of the outstanding common shares of Black Marlin in exchange for the issuance of 0.3647 Afren shares for each outstanding common share of Black Marlin, pursuant to a British Virgin Islands scheme of arrangement (the **Arrangement**).

14. At the date of the arrangement agreement, Afren had a market capitalization of approximately $1.3 billion and the aggregate purchase price (based on the value of the Afren shares) for all of Black Marlin’s outstanding shares was approximately $106.5 million.

15. Upon completion of the Arrangement, the former Black Marlin security holders will own approximately 7.9% of the shares of the combined entity and Afren security holders will own approximately 92.1% of the shares of the combined entity.

16. Upon completion of the Arrangement, residents of Canada will not directly or indirectly beneficially own more than 10%, on a fully diluted basis, of the total number of equity securities of Afren.

17. There is no market in Canada for Afren's securities and none is expected to develop. Afren does not currently intend to list any securities on any exchange or marketplace in Canada.

18. Upon completion of the Arrangement, Afren will be a reporting issuer in the Jurisdictions.

19. Afren expects to be a "designated foreign issuer" (**Designated Foreign Issuer**) under National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency* and National Instrument 71-102 *Continuous Disclosure and Exemptions Relating to Foreign Issuers* (**NI 71-102**) upon completion of the Arrangement.

20. In connection with the Arrangement, Black Marlin will be preparing and filing, on the System for Electronic Document Analysis and Retrieval (**SEDAR**), and mailing to shareholders an information circular providing Black Marlin's shareholders with notice of the special meeting of Black Marlin's shareholders that will be called and held to consider the approval of the Arrangement and describing, among other things, the Arrangement and the Afren common shares to be issued as consideration for the acquisition of Black Marlin common shares (the **Black Marlin Circular**).

21. The Black Marlin Circular will disclose that annual reports, financial statements, proxy and other materials contemplated by NI 71-102 and currently distributed to holders of Afren's shares pursuant to the applicable laws of England and Wales will be provided, as applicable, to holders of Afren's shares resident in Canada unless Afren, at such time or times, is not a Designated Foreign Issuer in which case Afren will comply with the applicable requirements of the Legislation.

22. Pursuant to the form requirements for an information circular in the Jurisdictions, the Black Marlin Circular must include disclosure about Afren prescribed by the form of prospectus appropriate for Afren, being the requirements of NI 41-101 *General Prospectus Requirements* and Form 41-101F1 *Information Required in a Prospectus* (the **Long Form Prospectus Requirements**).

23. In connection with the Arrangement, Afren will be filing a prospectus complying with all applicable UK disclosure rules, which will be reviewed and approved by the UKLA (the **UK Prospectus**).

24. Afren and Black Marlin intend to include in the Black Marlin Circular the disclosure relating to Afren from the UK Prospectus.

25. The Long Form Prospectus Requirements require the Black Marlin Circular to contain comparative interim financial statements and management's discussion and analysis for Afren for the interim period ending March 31, 2010.

26. Pursuant to the UK Requirements, UK public companies are required to prepare interim financial statements covering a six month period. Afren's most recently prepared interim statements are for the six-month period ended June 30, 2009. Quarterly financial statements are not required by the UK Requirements and Afren has not prepared first quarter financial statements and is not in a position to include interim financial statements and management's discussion and analysis for its first quarter in the Black Marlin Circular.

27. The Long Form Prospectus Requirements provide that the Black Marlin Circular must contain the information prescribed by Form 51-101F1 *Reserves data and Other Oil and Gas Information* (**Form 51-101F1**), Form 51-101F2 *Report on Reserves Data by Independent Qualified Reserves Evaluator or Auditor* and Form 51-101F3 *Report of Management and Directors on Oil and Gas Disclosure* for Afren with an effective date of December 31, 2009.

28. Afren files with the FSA disclosure about its oil and gas activities prepared in accordance with the UK Requirements (the **UK Oil and Gas Requirements**).

29. Afren does not file information prescribed by Form 51-101F1, but has filed disclosure that meets the UK Oil and Gas Requirements, and will be updating that disclosure to March 31, 2010 in the UK Prospectus.

30. The disclosure about Afren's oil and gas activities in the UK Prospectus will be supported by a competent person's report prepared in accordance with the UK Requirements.

31. The Long Form Prospectus Requirements require the Black Marlin Circular to contain a Statement of Executive Compensation prepared in accordance with Form 51-102F6 *Statement of Executive Compensation*.

32. As an LSE listed company, Afren is required to comply with the compensation disclosure requirements set out by the FSA.

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 Circular Oil and Gas Relief, the Interim Financial Statements Relief and the Executive Compensation Relief is granted provided that:

(a) at the time the Black Marlin Circular is sent to securityholders, Afren expects that upon completion of the arrangement, it will be a Designated Foreign Issuer; and

(b) the Black Marlin Circular includes:

  (i) disclosure about Afren's oil and gas activities prepared in accordance with the UK Oil and Gas Requirements;

  (ii) the following financial statements of Afren:

    A. audited balance sheets as at December 31, 2009 and 2008, all prepared in accordance with International Financial Reporting Standards (**IFRS**) and audited in accordance with International Standards on Auditing (UK and Ireland);

    B. audited income statements, statements of retained earnings and cash flow statements for the years ended December 31, 2009, 2008 and 2007, all prepared in accordance with IFRS and audited in accordance with International Standards on Auditing (UK and Ireland); and

    C. unaudited pro forma financial statements in respect of the combination of Afren and Black Marlin for the year ended December 31, 2009;

  (iii) executive compensation disclosure of Afren that complies with the UK Requirements; and

  (iv) disclosure of all material changes in the affairs of Afren between the date of Afren's 2009 annual financial statements and the date of the Black Marlin Circular.

The further decision of the Decision Makers under the Legislation is that the On-Going Oil and Gas Relief is granted provided that:

(a) residents of Canada do not directly or indirectly beneficially own more than 10%, on a fully diluted basis, of the total number of equity securities of Afren;

(b) Afren is subject to and complies with applicable UK Oil and Gas Requirements in connection with its oil and gas activities;

(c) Afren issues in Canada, and files on SEDAR, a news release stating that it will comply with the UK Requirements in connection with its oil and gas activities rather than with NI 51-101; and

(d) Afren files the disclosure required under the UK Oil and Gas Requirements with the Decision Maker as soon as practicable after such disclosure is filed pursuant to the UK Requirements.

"Blaine Young"
Associate Director, Corporate Finance

2.1.18 Lysander Funds Limited and Canso Credit Trust

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from National Instrument 81-106 Investment Fund Continuous Disclosure to permit investment funds representing two tiers of a two-tiered fund structure that use specified derivatives to calculate their NAV on a weekly basis and not on a daily basis, subject to certain conditions.

Applicable Legislative Provisions

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

June 28, 2010

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
LYSANDER FUNDS LIMITED
(the Manager)

AND

IN THE MATTER OF
CANSO CREDIT TRUST
(the Applicant)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Canso Credit Trust for a decision under the securities legislation of the Jurisdiction of the principal regulator (the Legislation) for relief from the requirement in section 14.2(3)(b) of National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106) that the net asset value (NAV) of an investment fund must be calculated at least once every business day if the investment fund uses specified derivatives (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) Canso Credit Trust 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 Québec.

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 Canso Credit Trust:

1. Canso Credit Trust is an investment trust to be established under the laws of Ontario pursuant to a declaration of trust which proposes to issue units (Units) from time to time in reliance on exemptions from applicable prospectus and registration exemptions. Units will be offered at prices negotiated between the Applicant and the purchasers of Units.

2. Canso Credit Trust filed a preliminary non-offering prospectus dated June 1, 2010 (the Preliminary Prospectus) on SEDAR, a receipt for which was issued by the Commission on June 1, 2010.

3. Canso Credit Trust has been established for the purpose of acquiring and holding a portfolio focused primarily on corporate bonds (the Portfolio). The Applicant's investment objectives are to maximize total returns for holders of Units (the Unitholders), while reducing risk by holding the Portfolio. The Applicant may invest in or use derivative instruments for hedging purposes, subject to the investment restrictions of Canso Credit Trust which are set forth in the Preliminary Prospectus.

4. The Manager is the promoter of Canso Credit Trust. Canso Investment Counsel Ltd. will be retained to actively manage the Portfolio. The Manager will be responsible for providing or arranging for the provision of administrative services required by the Applicant.

5. Neither the Manager nor Canso Credit Trust are in default of securities legislation in any jurisdiction.

6. The preliminary prospectus of Canso Credit Income Fund, dated May 20, 2010, states:

   a. Canso Credit Income Fund will obtain exposure to the Portfolio by entering into a forward purchase and sale agreement (the Forward Agreement) with a Canadian financial institution or one of its affiliates (the Counterparty);

   b. under the terms of the Forward Agreement, the Counterparty will agree

to deliver to Canso Credit Income Fund on a date to be determined in 2015 (the Termination Date), a portfolio consisting of Canadian public issuers that are "Canadian securities" as defined under subsection 39(6) of the Income Tax Act (Canada) (the Canadian Securities Portfolio); and

c. the aggregate value of the Canadian Securities Portfolio will be equal to the redemption proceeds of the relevant number of Units, net of any amount owing by Canso Credit Income Fund to the Counterparty

7. The Units will not be offered to the public under a prospectus. The Counterparty is expected to be the initial beneficial owner of all of the Units.

8. The Units will not be listed on a stock exchange.

9. Units may be redeemed at any time for a redemption price per Unit equal to the net asset value per Unit as at the applicable redemption date.

10. Canso Credit Trust will calculate its net asset value on the Thursday of each week (or if any Thursday is not a business day, the immediately preceding business day) and the last business day of each month, and on any other day upon request of a holder of Units.

11. The preliminary prospectus of Canso Credit Income Fund, dated May 20, 2010, states that Canso Credit Income Fund will calculate its net asset value on the Thursday of each week (or if any Thursday is not a business day, the immediately proceeding business day) and the last business day of each month, and on any other date on which the Manager elects, in its discretion, to calculate the net asset value of Canso Credit Income Fund.

12. The final prospectus of Canso Credit Trust will disclose that the net asset value per Unit will be calculated on a weekly basis and will be made available to holders of Trust Units upon request.

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 Canso Credit Trust calculates net asset value per Unit at least once in each week.

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

2.1.19 OPE LGI Inc. and SGF Tech Inc.

Headnote

Policy Statement 11-203 respecting Process for Exemptive Relief Applications in Multiple Jurisdictions – Filers granted exemption from the prohibition against entering into any collateral agreement, commitment or understanding in section 97.1 of the Securities Act (Ontario) – The collateral agreements are for the purpose of providing financing to fund the offer, under commercially reasonable terms – The financing is unrelated to the deposit of common shares under the offer – The equity commitment letters and the funding term sheet are not unusual for equity financings in the context of a take-over bid.

Relevant Legislative Provisions

Securities Act (Ontario), R.S.O. 1990, c. S.5, ss. 97.1, 104(2)(a).

Translation

July 16, 2010

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

AND

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

AND

IN THE MATTER OF
OPE LGI INC. (the "Offeror") AND
SGF TECH INC. ("SGF Tech" and, together with the Offeror, the "Filers")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each, a "**Decision Maker**") has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") for an exemption from the prohibition against entering into any collateral agreement, commitment or understanding that has the effect, directly or indirectly, of providing a security holder of an offeree issuer with consideration of greater value than that offered to the other security holders of the same class of securities in connection with the Collateral Agreements (as defined below) (the "**Exemption Sought**").

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

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

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

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

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* and Regulation 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:

1. Logibec Groupe Informatique Ltée ("**Logibec**") was incorporated on December 16, 1982 under the *Canada Business Corporations Act* ("**CBCA**") and its registered office is located at 700 Wellington Street, Suite 1500, Montréal, Québec, H3C 3S4. Logibec is a reporting issuer in British Columbia, Alberta, Ontario and Québec. Its authorized share capital currently consists of an unlimited number of common shares (the "**Common Shares**"), without par value, and an unlimited number of preferred shares, without par value, issuable in series. As at May 27, 2010, the issued and outstanding share capital of Logibec was comprised of 9,099,181 Common Shares. The Common Shares trade on the Toronto Stock Exchange under the symbol "LGI".

2. The Offeror was incorporated on May 21, 2010 under the CBCA and its registered office is located at 200 Bay Street, Royal Bank Plaza, South Tower, Suite 2010, Toronto, Ontario, M5J 2J2. The Offeror is a new acquisition company, which is majority-owned indirectly by OMERS Administration Corporation ("**OMERS**") for and on behalf of OMERS pension plans. The Offeror is not a reporting issuer in any jurisdiction of Canada. The Offeror is managed by OMERS Private Equity Inc. ("**OPE**").

3. OPE was incorporated on October 15, 2004 under the laws of Ontario and its head office is located at 200 Bay Street, Royal Bank Plaza, South Tower, Suite 2010, Toronto, Ontario, M5J 2J2. OPE is the entity responsible for identifying and managing the private equity investments of OMERS, the administrator of the OMERS pension plans that comprise the Ontario Municipal Employees Retirement System. OPE is not a reporting issuer in any jurisdiction of Canada.

4. As at June 4, 2010, neither the Offeror nor OPE, nor any director or officer of the Offeror or OPE nor, to the knowledge of the Offeror and OPE, after reasonable inquiry, any insider of the Offeror or OPE other than a director or officer of the Offeror or OPE, any associate or affiliate of any insider of the Offeror or OPE, or any person acting jointly or in concert with the Offeror or OPE, beneficially owned or exercised control or direction over, any securities of Logibec, except for rights pursuant to a support agreement between Logibec and the Offeror dated May 27, 2010 (the "**Support Agreement**").

5. SGF Tech was incorporated on November 18, 1988 under the laws of Québec and is a wholly-owned subsidiary of Société générale de financement du Québec ("**SGF**" and, together with SGF Tech, the "**SGF Group**"). SGF Tech's head office is located at 600 de La Gauchetière Street West, Suite 1500, Montréal, Québec, H3B 4L8. SGF Tech is not a reporting issuer in any jurisdiction of Canada. SGF Tech owns 490,000 Common Shares, representing approximately 5.4 % of the issued and outstanding Common Shares as at May 27, 2010.

6. SGF was created by the Government of Québec on July 6, 1962 and its head office is located at 600 de La Gauchetière Street West, Suite 1500, Montréal, Québec, H3B 4L8. SGF, an industrial and financial holding company, has a mission to carry out economic development projects, particularly in the industrial sector, in cooperation with partners and in compliance with accepted profitability requirements and the economic development policy of the Québec government. As part of its new mandate, SGF is authorized by the Québec government to go beyond its traditional role as an equity investor by offering complementary solutions, such as loans, and investments by way of debentures or preferred shares. SGF is not a reporting issuer in any jurisdiction of Canada.

7. The SGF Group does not have any equity or other interest in the OMERS Group (as defined below) or in OPE, nor is it acting in concert with the Offeror, the OMERS Group or OPE.

8. None of the Offeror, OMERS, OPE, SGF, SGF Tech or Logibec are in default of securities legislation in any jurisdiction.

9. The Offeror has made an offer (the "**Offer**") to purchase all of the issued and outstanding Common Shares for a cash purchase price of $26.00 per Common Share (the "**Offer Consider-**

ation"). The Offer is conditional upon, among other things, obtaining regulatory approval and there being validly deposited under the Offer and not withdrawn at least 66 2/3% of the outstanding Common Shares prior to the expiry of the Offer, as it may be extended, held by holders of a sufficient number of Common Shares to allow the Offeror to undertake a second step business combination. On June 10, 2010, the Offeror filed a take-over bid circular and the board of directors of Logibec filed a directors' circular in respect of the Offer (collectively, the "**Offer Documentation**"). The intent to effect a going-private transaction has been disclosed in the Offer Documentation.

10. On May 27, 2010 and in connection with the announcement of the Offer, the Offeror and Logibec entered into the Support Agreement. Pursuant to the Support Agreement, Logibec has resolved to cooperate with the Offeror and take all reasonable actions to support the making of the Offer and to recommend that shareholders of Logibec accept the Offer, all on the terms and subject to the conditions of the Support Agreement. The Offeror is entitled to receive a break-fee and re-imbursement of its expenses (together, the "**Break Fee**") in certain circumstances if the Support Agreement is terminated.

11. On the same date, the Offeror and SGF Tech entered into a "soft" lock-up agreement (the "**SGF Lock-Up Agreement**"), pursuant to which SGF Tech agreed to support the Offer and, on or before the tenth business day prior to expiry of the Offer, cause all of its Common Shares to be validly tendered in acceptance of the Offer. SGF Tech remains free to tender its Common Shares to other parties making competing offers for the Common Shares if, among other reasons, the terms of the Offer are not in conformity with those set out in the Support Agreement or the Support Agreement is terminated.

12. On May 27, 2010, certain shareholders of Logibec, namely Mr. Claude Roy, Logibec's President and Chief Executive Officer, 117401 Canada Inc., Les Services De Gestion Claude Roy Inc., two corporations controlled by Mr. Roy and Sylvie Roy, Mr. Roy's spouse, and the Offeror entered into a similar "soft" lock-up agreement pursuant to which they agreed to support the Offer and cause all of their Common Shares to be validly tendered in acceptance of the Offer.

13. The Offer Consideration to be received by SGF Tech under the Offer upon tendering its Common Shares as contemplated by the SGF Lock-Up Agreement is identical to that received by any other holder of Common Shares.

14. On May 27, 2010, SGF Tech and OPE entered into equity commitment letters for the benefit of the Offeror ("**Equity Commitment Letters**"), pursuant to which OPE agreed to contribute (or cause to be contributed) $110 million and SGF Tech agreed to contribute (or cause to be contributed) $10 million to the share capital of the Offeror in order to fund part of its financial obligations under the Offer. The Equity Commitment Letters were in addition to debt commitment letters delivered to the Offeror by third party lenders.

15. On May 27, 2010, OPE, the SGF Group and others entered into a funding term sheet agreement (the "**Funding Term Sheet**"), pursuant to which:

    (a) as discussed above, SGF Tech agreed to indirectly contribute $10 million to the share capital of the Offeror;

    (b) other entities managed by OPE (the "**OMERS Group**") agreed to indirectly contribute $110 million to the share capital of the Offeror;

    (c) the capital contribution of each of OMERS Group and SGF Tech provides them with equally ranking rights, and pro-rata residual participation and voting rights. Assuming the financial parameters for the Offer are in accordance with the terms set out in the Funding Term Sheet, the contribution and resulting equity and voting ownership in the Offeror by members of the OMERS Group, on the one hand, and SGF Group, on the other hand, will be 91.67% and 8.33%, respectively;

    (d) the SGF Group will not be given any seats on the board of directors of the Offeror and will not have sufficient voting power to exercise any form of control or direction over the Offeror; and

    (e) immediately prior to the time that the Offeror will first take up and pay for Common Shares pursuant to the terms of the Offer, the OMERS Group and SGF Tech will enter into a shareholder agreement (the "**Shareholder Agreement**", and together with the Equity Commitment Letters and the Funding Term Sheet, the "**Collateral Agreements**") that will contain: (i) certain restrictions on transfer with respect to their indirect interest in the Offeror, (ii) certain limited tag-along, drag-along and pre-emptive rights, (iii) certain information rights with respect to the Offeror and Logibec, and (iv) rights to ensure that, for a period of two years following the closing of the transactions contemplated by the Offer and the Support Agreement, Logibec will main-

tain its registered office, principal place of business and operational headquarters in the Province of Québec.

16. Other than the SGF Lock-Up Agreement and the Collateral Agreements, the SGF Group does not have any other agreement, commitment or understanding with the OMERS Group, OPE or the Offeror, including any agreement, commitment or understanding with respect to any sale by the SGF Group of its indirect interest in the Offeror (or an affiliate) to the OMERS Group or OPE or any redemption or purchase of such interest by the Offeror following the completion of the Offer.

17. The Offeror may proceed with the Offer with or without the support of SGF Tech since SGF Tech's holding represents approximately 5.4 % of the issued and outstanding Common Shares as at May 27, 2010 and that failure by SGF Tech to tender its Common Shares under the Offer is, in itself, insufficient to prevent the Offer or any subsequent compulsory acquisition. The SGF Group (i) has no ability to prevent the Offeror from completing the Offer or to object to any amendment to the Offer, (ii) does not have the right to require the Offeror to pursue the Offer if the Offeror decides not to do so, and (iii) is not entitled to the Break Fee, or any portion thereof, if the Support Agreement or the Offer is terminated.

18. After the completion of the Offer, although the SGF Group will have an equity interest in the Offeror, it will not hold a sufficient number of the voting rights attached to the outstanding voting securities of the Offeror to materially affect its control.

19. None of the SGF Group nor any insider of the SGF Group will receive any payments, including change of control payments, in connection with the Offer.

20. The SGF Lock-Up Agreement is not conditional upon the execution of the Collateral Agreements, and the Collateral Agreements are not conditional upon the execution of the SGF Lock-up Agreement.

21. The Equity Commitment Letters and the Funding Term Sheet were agreed to for business purposes relating to the structuring and making of the Offer and they are not unusual for equity financings in the context of take-over bids

22. The Shareholder Agreement will be entered into immediately prior to the Offeror taking up and paying for the Common Shares, if the Offer is accepted by the required level of approval and certain conditions are met. To the extent it is entered into, the purpose of the Shareholder Agreement will be to provide arrangements consistent with those typically put in place by shareholders in a closely held corporation.

23. The Collateral Agreements are entered into for the benefit of both the OMERS Group and the SGF Group, in that they address their relationship in the event the conditions of the Offer are met and the Common Shares are taken up by the Offeror and they impose reciprocal obligations.

24. The material terms of the Collateral Agreements have been disclosed and described in the Offer Documentation.

25. National Bank Financial has advised the board of directors of the Offeror that the material terms of the Equity Commitment Letters and the Funding Term Sheet, taken as a whole, are commercially reasonable to the Offeror in the context of the Offer.

26. The purpose of the Collateral Agreements was not to (a) provide the SGF Group with consideration of greater value than that offered to other holders of Common Shares, (b) provide them with a collateral benefit or (c) induce them to tender their Common Shares into the Offer.

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.

"Louis Morisset"
Superintendant, Securities Market

2.1.20 Stanton Asset Management Inc. et al.

Headnote

One time trade of securities between a non-redeemable investment fund and an affiliated fund, both advised by the same portfolio manager, to implement a merger – costs of the merger borne by the manager – sale of securities exempt from the self–dealing prohibitions in paragraph s.13.5(2)(b)(iii), National Instrument 31–103 – Registration Requirements and Exemptions.

Applicable Legislative Provisions

National Instrument 31–103 Registration Requirements and Exemptions, ss.13.5(2)(b)(iii), 15.1.

June 30, 2010

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

AND

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

AND

IN THE MATTER OF
STANTON ASSET MANAGEMENT INC.
(the Filer)

AND

O'LEARY GLOBAL INCOME OPPORTUNITIES FUND (the Terminating Fund) AND O'LEARY GLOBAL YIELD OPPORTUNITIES FUND (formerly called O'Leary Global Balanced Yield Fund)
(the Continuing Fund, and together with the Terminating Fund, the Funds)

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 exemptive relief from Section 13.5(2)(b)(iii) of National Instrument 31-103 – *Registration Requirements and Exemptions* (**NI 31-103)** in connection with the transfer of the investment portfolio of the Terminating Fund to the Continuing Fund in order to implement the merger (the **Merger**) of the Terminating Fund into the Continuing Fund (the **Exemption Sought**).

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

(a) L'Autorité des marchés financiers is the principal regulator (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, Manitoba, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland and Labrador; 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 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 existing under the *Canada Business Corporations Act* with its head office in Montreal, Quebec.

2. The Filer is registered as a portfolio manager under the securities legislation of each of Québec and Ontario.

3. The Filer is not in default of securities legislation in any Canadian jurisdiction.

4. The Filer is the portfolio manager of each Fund and O'Leary Funds Management LP (the "**Manager**") is the manager of each Fund.

5. The Manager proposes to effect the Merger of the Terminating Fund into the Continuing Fund, subject to regulatory approval, on or about August 16, 2010 (the "**Merger Date**").

6. Each Fund was established pursuant to a declaration of trust under the laws of the Province of Ontario.

7. The Funds are reporting issuers under the securities legislation of each province of Canada and are not on the list of defaulting reporting issuers maintained under such legislation.

8. Unless an exemption has been obtained, each of the Funds follows the standard investment restrictions and practices established under the applicable securities legislation of each province of Canada.

9. The Terminating Fund is a "non-redeemable investment fund" as defined in the Legislation and units of the Terminating Fund (the "**Units**") are listed on the Toronto Stock Exchange ("**TSX**").

10. The Terminating Fund was established under the laws of the Province of Ontario pursuant to a declaration of trust dated January 29, 2009 (the "**Terminating Fund Declaration**") and completed its initial public offering on February 27, 2009.

11. The Continuing Fund is a "mutual fund" as defined in the Legislation and currently offers series A, F, H, I, and M units pursuant to an amended and restated simplified prospectus dated December 22, 2009, as further amended on March 26, 2010 and on June 3, 2010 (the "**Prospectus**").

12. The Continuing Fund proposes to file the amendments to its simplified prospectus and annual information form to qualify the series X units to be used in the Merger prior to the Merger Date.

13. Series X units of the Continuing Fund will have a distribution policy which seeks to provide unitholders with monthly distributions.

14. The investment objectives of the Terminating Fund are (a) to maximize total return for unitholders consisting of interest and dividend income and capital appreciation, and (b) to provide unitholders with monthly distributions.

15. Currently, the investment objectives of the Continuing Fund are "to generate income and long-term capital growth by investing primarily in a broadly diversified portfolio of common equity and fixed income securities of public global issuers. The Fund will not be limited to how much it can invest or keep invested in a country or sector. This will vary according to market conditions."

16. Prior to the Merger, the Manager proposes to amend the investment objectives of the Continuing Fund so that the investment objectives of the Continuing Fund are more similar to the investment objectives of the Terminating Fund on the Merger Date. It is proposed that the investment objectives of the Continuing Fund will be as follows:

    "The Fund's objectives are to invest globally primarily in publicly-traded corporate bonds, convertible debt securities, preferred shares and dividend-paying equity securities of issuers having market capitalizations of at least $1 billion in order to maximize total return for unitholders consisting of interest and dividend income and capital appreciation. The Fund will seek to provide unitholders with periodic distributions in accordance with the distribution policy established for each series."

17. The Manager is the sole unitholder of the Continuing Fund. Units of the Continuing Fund will not be sold to investors until following the Merger and so the Manager will be the only unitholder in the Continuing Fund prior to the Merger.

18. As sole unitholder of the Continuing Fund, the Manager will approve the investment objective change and proposed Merger in respect of the Continuing Fund.

19. The Merger will be a material change for the Continuing Fund, as the net asset value ("**NAV**") of the Continuing Fund is smaller than the NAV of the Terminating Fund.

20. The NAV for units of each Fund is calculated on a daily basis on each day that the TSX is open for trading.

21. The board of directors of O'Leary Funds Management Inc., the general partner of the Manager, has approved the Merger. A press release in respect of the Merger was issued and filed on SEDAR under the profile of each Fund on June 4, 2010, material change reports were filed on SEDAR under the profile of each Fund on June 11, 2010 and an amendment to the simplified prospectus and annual information form of the Continuing Fund was filed via SEDAR on June 4, 2010.

22. The Merger will be effected in accordance with the "permitted merger" provision set out in the Terminating Fund Declaration. This provision provides that the Manager may, without obtaining Unitholder approval and subject to TSX approval, merge the Terminating Fund with another fund or funds, provided that:

    (a) the fund(s) with which the Fund is merged must be managed by the Manager or an affiliate of the Manager (the "**Affiliated Fund(s)**");

    (b) Unitholders are permitted to redeem their Units at a redemption price equal to 100% of the NAV per Unit, less any costs of funding the redemption, including commissions, prior to the effective date of the merger;

    (c) the funds being merged have similar investment objectives as set forth in their respective declarations of trust, as determined in good faith by the Manager and by the manager of the Affiliated Funds in their sole discretion;

    (d) the Manager must have determined in good faith that there will be no increase in the management expense ratio borne by the Unitholders as a result of the merger;

(e) the merger of the funds is completed on the basis of an exchange ratio determined with reference to the NAV per Unit of each fund; and

(f) the merger of the funds must be capable of being accomplished on a tax-deferred rollover basis for unitholders of each of the funds.

If the Manager determines that a merger is appropriate and desirable, the Manager can effect the merger, including any required changes to the Terminating Fund Declaration, without seeking Unitholder approval for the merger or such amendments. If a decision is made to merge, the Manager must issue a press release at least thirty (30) business days prior to the proposed effective date thereof disclosing details of the proposed merger.

23. No TSX approval is required for the Merger. However, the Terminating Fund will need to comply with the requirements of the TSX to delist.

24. As required by National Instrument 81-107 – *Independent Review Committee for Investment Funds* ("**NI 81-107**"), an Independent Review Committee ("**IRC**") has been appointed for each of the Funds. The Manager presented the terms of the Merger to the IRC and obtained the IRC's approval of the Merger.

25. All costs and expenses associated with the Merger will be borne by the Manager. No sales charges, redemption fees or other fees or commissions will be payable by unitholders of the Funds in connection with the Merger.

26. The Merger will be implemented on a tax-deferred basis after the expiry of the annual redemption notice period of the Terminating Fund.

27. The Merger is expected to take place using the following steps:

(a) Prior to the Merger Date, the Terminating Fund will sell any securities in its portfolio necessary to meet redemption requests.

(b) Effective as of close of business on or about July 26, 2010, the Units of the Terminating Fund will be de-listed from the TSX.

(c) The value of the Terminating Fund's portfolio and other assets will be determined at the close of business on the Merger Date in accordance with the Terminating Fund Declaration.

(d) The Continuing Fund will acquire the investment portfolio and other assets of the Terminating Fund in exchange for Series X Units of the Continuing Fund.

(e) The Continuing Fund will not assume liabilities of the Terminating Fund and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the Merger Date.

(f) The Series X Units of the Continuing Fund received by the Terminating Fund will have an aggregate NAV equal to the value of the Terminating Fund's portfolio assets and other assets that the Continuing Fund is acquiring, and the Series X Units will be issued at their applicable series NAV per unit as of the close of business on the Merger Date.

(g) The Terminating Fund will distribute to its unitholders a sufficient amount of its net income and net realized capital gains so that it will not be subject to tax under Part I of the Tax Act for its taxation year ending on the Merger Date.

(h) Immediately thereafter, the Terminating Fund will be terminated and the Series X Units of the Continuing Fund received by the Terminating Fund will be distributed to unitholders of the Terminating Fund on a dollar for dollar basis in exchange for their Units in the Terminating Fund.

(i) As soon as reasonably possible following the Merger, the Terminating Fund will be wound up.

(j) The Manager will issue a press release forthwith after the Merger is completed announcing the completion of the Merger and the ratio by which Units of the Terminating Fund were exchanged for Series X Units.

28. The Terminating Fund is, and following the Merger, the Continuing Fund is expected to be, a mutual fund trust under the *Income Tax Act* (Canada) ("**Tax Act**") and accordingly, Units of the Funds are or are expected to be "qualified investments" under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered disability savings plans, registered education savings plans and tax-free savings accounts.

29. The Filer is a "responsible person" as defined in the Legislation as a result of being the portfolio manager of the Funds.

30. The transfer of the investment portfolio of the Terminating Fund to the Continuing Fund (and the corresponding purchase of such investment

portfolio by the Continuing Fund) as a step in the Merger may be considered a purchase or sale of securities, knowingly caused by a registered adviser that manages the investment portfolio of the Funds, from or to the investment portfolio of an investment fund for which a "responsible person" acts as an adviser, contrary to NI 31-103.

31. The Merger would comply with the exemption from section 13.5(2)(b) of NI 31-103 provided in section 6.1 of NI 81-107 but for subsection 6.1(2)(f). The Filer will not effect the transfer of assets from the Terminating Fund to the Continuing Fund in accordance with the "market integrity requirements" (as such term is defined in section 6.1(1) of NI 81-107), because the purchase and sale of such assets will be effected directly between the Terminating Fund and the Continuing Fund.

32. In the absence of this order, the Filer would be prohibited from purchasing and selling the securities of the Terminating Fund (and thereby transferring the investment portfolio of the Terminating Fund to the Continuing Fund) in connection with the Merger.

33. In the opinion of the Filer, the Merger will not adversely affect unitholders of the Terminating Fund or the Continuing Fund and will in fact be in the best interests of Unitholders of the Terminating Fund. The Filer believes that the Merger will be beneficial to Unitholders for the following reasons:

    (a) The Continuing Fund has the potential to have a larger portfolio, as the Continuing Fund will be in continuous distribution, and so should offer improved portfolio diversification to Unitholders;

    (b) Series X Units of the Continuing Fund will have greater liquidity through daily purchases and redemptions than Units of the Terminating Fund and the Merger will eliminate the discount to NAV for the Terminating Fund;

    (c) Management fees for the Terminating Fund will be the same as the management fees for the Series X Units of the Continuing Fund; and

    (d) The Continuing Fund allows greater unitholder flexibility with respect to switches, reclassifications and conversions.

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 is that the Exemption Sought is granted provided that:

(a) upon a request by a Unitholder for financial statements, the Filer will make best efforts to provide the unitholder with financial statements of the Continuing Fund; and

(b) the Terminating Fund and the Continuing Fund with respect to a Merger have an unqualified audit report in respect of their last completed financial period.

"Yan Paquette"
The Director, Distribution – SROs, Compensation and Practices

2.1.21 Daimler Canada Finance Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Filer granted exemptions from the prospectus requirement in connection with trades of commercial paper/short term debt instruments of the Filer that may not meet the "approved credit rating" requirement contained in the short-term debt exemption in section 2.35 of National Instrument 45-106 Prospectus and Registration Exemptions – Sufficient for commercial paper/short-term debt instruments to obtain one credit rating at or above a prescribed standard from an approved credit rating agency – Relief granted subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74(1).
National Instrument 45-106 Prospectus and Registration Exemptions.

June 30, 2010

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

AND

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

AND

IN THE MATTER OF
DAIMLER CANADA FINANCE INC.
(THE "FILER")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Maker**") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that trades of negotiable promissory notes or commercial paper maturing not more than one year from the date of issue of the Filer (the "**Short-term Debt**") be exempt from the prospectus requirement of the Legislation (the "**Exemption Sought**").

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

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

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

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

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* and Regulation 11-102 have the same meanings if used in this decision, unless otherwise defined.

In this decision:

> **"Asset-backed Short-term Debt"** means short-term debt that is backed, secured or serviced by or from, a discrete pool of mortgages, receivables or other financial assets or interests designed to ensure the servicing or timely distribution of proceeds to holders of that short-term debt;

"Regulation 45-106" means *Regulation 45-106 respecting Prospectus and Registration Exemptions*;

"Regulation 81-102" means *Regulation 81-102 respecting Mutual Funds*; and

"Short-term Debt Exemption" means the exemption from the prospectus requirement of the Legislation for short-term debt set out in section 2.35 of Regulation 45-106.

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* with its registered and head office located in Montréal, Québec.

2. The Filer is a reporting issuer in each of the jurisdictions of Canada and is not in default of the securities legislation of any jurisdiction.

3. A trade in short-term debt will be exempt from the prospectus requirement of the Legislation pursuant to the Short-term Debt Exemption only where that short-term debt has an approved credit rating from an approved credit rating organization. The terms "approved credit rating" and "approved credit rating organization" used in Regulation 45-106 have the same meanings as in Regulation 81-102.

4. For short-term debt to satisfy the definition of "approved credit rating" in Regulation 81-102, that short-term debt (a) must have a rating at or above one of the rating categories set out in that definition issued by an "approved credit rating organization" for that short-term debt, and (b) must not have a rating below one of the rating categories set out in that definition issued by an "approved credit rating organization" for that short-term debt.

5. The Short-term Debt has a "R-1 (low)" rating from DBRS Limited, which rating meets the prescribed threshold in Regulation 81-102. However, the Short-term Debt does not meet the other prescribed thresholds in Regulation 81-102 because it has a "F2" rating from Fitch Ratings Ltd., a "P-2" rating from Moody's Investors Service, Inc. and a "A-2" rating from Standard & Poor's, all of which are lower than the required ratings for commercial paper and short-term debt.

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, provided that:

1. the Short-term Debt:

   (a) matures not more than one year from the date of issue;

   (b) is not convertible or exchangeable into or accompanied by a right to purchase another security other than Short-term Debt;

   (c) is not an Asset-backed Short-term Debt; and

   (d) has a rating issued by one of the following rating organizations, or any of their successors, at or above one of the following rating categories or a rating category that replaces a category listed below:

Rating Organization	Rating
DBRS Limited	R-1 (low)
Fitch Ratings Ltd.	F2
Moody's Investors Service, Inc.	P-2
Standard & Poor's	A-2

For each jurisdiction of Canada, the Exemption Sought will terminate on the earlier of:

(a) 90 days after the coming into force of any rule, regulation, blanket order or ruling under the securities legislation of that jurisdiction that amends the conditions of the prospectus exemption contained in section 2.35 of Regulation 45-106 or provides an alternate exemption; and

(b) June 30, 2012.

"Jean Daigle"
Director, Corporate Finance
Autorité des marchés financiers

2.2 Orders

2.2.1 Burgundy Asset Management Ltd. – s. 144(1)

Headnote

Relief to vary an order of the Commission granting relief from the prospectus requirement of the Act to permit distribution of pooled fund securities to managed accounts held by non-accredited investors on an exempt basis – variance to amend a condition requiring certain disclosure about the order be delivered to investors 60 days prior to a trade in pooled funds by a managed account by non-accredited investors – 60 day notice requirement would impair portfolio manager's ability to deal with assets of managed account held by non-accredited investor on a timely basis – disclosure will be provided to investors prior to trade in a pooled fund without necessity to wait 60 days – all other terms and conditions of original order remain unchanged.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74(1), 144.

July 13, 2010

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

AND

IN THE MATTER OF
BURGUNDY ASSET MANAGEMENT LTD.
(the "Filer")

ORDER
(Subsection 144(1) of the Act)

WHEREAS the Filer has applied to the Ontario Securities Commission (the "**Commission**") for an order (the "**Order**") pursuant to section 144 of the Act varying a ruling ("**Ruling**") of the Commission dated December 1, 2009 made pursuant to subsection 74(1) of the Act that permits the Filer to distribute securities of the Burgundy Funds (as defined below) to managed accounts ("**Managed Accounts**") of clients ("**Clients**") for which the Filer provides discretionary investment management services without being subject to the prospectus requirement under section 53 of the Act;

AND WHEREAS the Ruling permits the Filer to distribute securities of any open-ended investment fund that is not a reporting issuer and for which the Filer acts or will act as manager and portfolio manager (the "**Burgundy Funds"**) to Managed Accounts of Clients provided that (the "**60 Day Condition**") for each Client that becomes a Client of the Filer after the date of the Ruling (a "**New Client**") and invests in securities of a Burgundy Fund in reliance on the Ruling, the Filer delivers written disclosure (the "**Disclosure**") to the New Client, 60 days prior to effecting a trade in securities of a Burgundy Fund in reliance on the Ruling, advising of (i) the nature of the relief granted under the Ruling, and (ii) the fact that the Ruling permits the New Client to invest in an investment fund product which the New Client otherwise would not be allowed to invest in on an exempt basis through their Managed Account;

AND WHEREAS the Filer desires to vary the 60 Day Condition by removing the requirement that the Disclosure be provided 60 days in advance of effecting a trade in securities of a Burgundy Fund on behalf of a New Client, provided that the Filer delivers the Disclosure to each New Client prior to effecting the initial trade in securities of a Burgundy Fund in the Managed Account;

AND UPON the application ("**Application**") of the Filer to the Commission for an order pursuant to subsections 144(1) of the Act varying the Ruling as set out above;

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

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

1. The facts set out in paragraphs 1 to 18 under "Representations" of the Ruling continue to apply.

2. The 60 Day Condition prevents the Filer from properly fulfilling its fiduciary obligations to its New Clients by prohibiting it, for a significant period of time, from making an investment which the Filer has determined is in the best interest of such clients.

3. The 60 Day Condition forces the Filer to choose between (a) not managing a New Client's account until the end of the 60 day period, or (b) attempting to invest the New Client's assets on a segregated basis, which may result in insufficient diversification, increased brokerage charges and other issues associated with opening a segregated account, or (c) if the Managed Account has only the account minimum of $500,000, investing the New Client in securities of a maximum of three Burgundy Funds (with a $150,000 minimum investment in each), which may result in an improperly diversified portfolio and suboptimal asset mix.

4. Once the 60 day period has ended and the Filer is able to invest the New Client's assets in securities of the Burgundy Fund, then the Filer is faced with the issue of either keeping the client's current investment in the insufficiently diversified portfolio, investing on a segregated basis, or triggering a tax consequence by selling the existing securities and purchasing the appropriate mix of Burgundy Funds.

5. New Clients will have sufficient information about how the Filer proposes to manage their assets (including the fact that the Burgundy Funds are sold pursuant to a prospectus exemption and would not otherwise be available to the client) prior to providing the Filer with discretionary authority. The overall effect of imposing the 60 Day Condition could cause greater harm or risk to a New Client than the protection it is attempting to provide.

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

IT IS ORDERED, pursuant to subsection 144(1) of the Act, that the Ruling is hereby varied to remove the 60 day period such that the 60 Day Condition of the Ruling is amended and restated as follows:

(b) for each Client that becomes a Client of the Filer after the date of the Ruling that invests in securities of one or more Burgundy Funds through a Managed Account pursuant to the Ruling (as varied by this order), the Filer shall deliver to such Client, prior to effecting a trade in securities of a Burgundy Fund in reliance on the Ruling (as varied by this order), written disclosure advising of:

(i) the nature of the relief granted under the Ruling, and

(ii) the fact that the Ruling permits the Client to invest in an investment fund product which the Client otherwise would not be allowed to invest in on an exempt basis through their Managed Account; and

"James E.A. Turner"
Vice-Chair
Ontario Securities Commission

"Paulette L. Kennedy"
Commissioner
Ontario Securities Commission

2.2.2 TBS New Media Ltd. 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
TBS NEW MEDIA LTD., TBS NEW MEDIA PLC,
CNF FOOD CORP., CNF CANDY CORP.,
ARI JONATHAN FIRESTONE AND MARK GREEN

ORDER
(Subsections 127(7) and 127(8))

WHEREAS on June 29, 2010, the Ontario Securities Commission (the "Commission") issued a temporary order (the "Temporary Order") pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") ordering the following:

i) that all trading in the securities of TBS New Media Ltd. ("TBS"), TBS New Media PLC ("TBS PLC"), CNF Food Corp. ("CNF Food") and CNF Candy Corp. ("CNF Candy") shall cease;

ii) that TBS, TBS PLC, CNF Food, CNF Candy, Ari Jonathan Firestone ("Firestone") and Mark Green ("Green"), collectively the "Respondents", cease trading in all securities; and

iii) that any exemptions contained in Ontario securities law do not apply to TBS, TBS PLC, CNF Food, CNF Candy, Firestone and Green;

AND WHEREAS on June 29, 2010, the Commission ordered that the Temporary Order shall expire on the 15th day after its making unless extended by order of the Commission;

AND WHEREAS on July 6, 2010, the Commission issued a notice of hearing to consider, among other things, the extension of the Temporary Order, to be held on July 12, 2010 at 10:00 a.m. (the "Notice of Hearing");

AND WHEREAS the Notice of Hearing set out that the hearing (the "Hearing") is to consider, amongst other things, whether in the opinion of the Commission it is in the public interest, pursuant to subsections 127(7) and (8) of the Act, to extend the Temporary Order until the conclusion of the Hearing, or until such further time as considered necessary by the Commission;

AND WHEREAS on July 12, 2010, a hearing was held before the Commission which counsel for Staff of the Commission ("Staff") attended, counsel attended on behalf of TBS, TBS PLC, CNF Food, CNF Candy and Firestone, but no one attended on behalf of Green;

AND WHEREAS on July 12, 2010, Staff provided the Commission with the Affidavit of Dale Victoria Grybauskas, sworn on July 9, 2010, describing the attempts of Staff to serve the Respondents with copies of the Temporary Order, the Notice of Hearing, and the Affidavit of Stephen Carpenter;

AND WHEREAS on July 12, 2010, the Commission was satisfied that Staff had properly served or attempted to serve the Respondents with copies of the Temporary Order, the Notice of Hearing and the Affidavit of Stephen Carpenter;

AND WHEREAS on July 12, 2010, the Commission considered the evidence and submissions before it and the Commission was of the opinion that satisfactory information has not been provided to it by the Respondents and the Commission was of the opinion that it was in the public interest to extend the Temporary Order, subject to an amendment of the Temporary Order for the benefit of Firestone;

AND WHEREAS Staff did not object to amending the Temporary Order, as submitted by counsel for Firestone;

IT IS ORDERED that the Temporary Order be amended by including a paragraph as follows: Notwithstanding the provisions of this Order, Firestone is permitted to trade, solely through a registered dealer or, as appropriate, a registered dealer in a foreign jurisdiction (which dealer must be given a copy of this order) in (a) any "exchange-traded security" or "foreign exchange-traded security" within the meaning of National Instrument 21-101 provided that he does not own beneficially or exercise control or direction over more than 5 percent of the voting or equity securities of the issuer(s) of any such securities; or (b) any security issued by a mutual fund that is a reporting issuer; and provided that Firestone provides Staff with the particulars of the accounts in which such trading is to occur (as soon as practicable before any trading in such accounts occurs) including the name of the registered dealer through which the trading will occur and the account numbers, and Firestone shall instruct the registered dealer to provide copies of all trade confirmation notices with respect to trading in the accounts directly to Staff at the same time that such notices are provided to him;

IT IS FURTHER ORDERED pursuant to subsections 127 (7) and (8) of the Act that the Temporary Order, as amended by this Order, is extended to September 9, 2010; and

IT IS FURTHER ORDERED that the Hearing is adjourned to September 8, 2010 at 10:00 a.m.

Dated at Toronto this 12th day of July, 2010.

"James E. A. Turner"

2.2.3 Juniper Fund Management Corporation 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
THE JUNIPER FUND MANAGEMENT CORPORATION, JUNIPER INCOME FUND, JUNIPER EQUITY GROWTH FUND AND ROY BROWN (a.k.a. ROY BROWN-RODRIGUES)

ORDER
(Section 127 of the Securities Act)

WHEREAS on March 8, 2006, the Ontario Securities Commission (the "Commission") ordered pursuant to subsection 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that all trading in the securities of the Juniper Income Fund ("JIF") and the Juniper Equity Growth Fund ("JEGF") collectively (the "Funds") shall cease forthwith for a period of 15 days from the date thereof (the "Temporary Order");

AND WHEREAS pursuant to subsections 127(1) and 127(5) of the Act, a hearing was scheduled for March 23, 2006 at 10:00 a.m. (the "Hearing");

AND WHEREAS the Respondents were served with the Temporary Order, the Notice of Hearing dated March 21, 2006, the Statement of Allegations dated March 21, 2006 and the Affidavit of Trevor Walz sworn March 17, 2006;

AND WHEREAS on March 23, 2006, the Commission ordered: (i) an extension of the Temporary Order to May 4, 2006; and (ii) an adjournment of the Hearing to May 4, 2006;

AND WHEREAS Staff have advised that the Commission issued two Directions dated May 4, 2006 under subsection 126(1) of the Act freezing bank accounts of The Juniper Fund Management Corporation ("JFM"), the Funds and Roy Brown without notice to any of the Respondents;

AND WHEREAS on May 4, 2006, the Commission ordered: (i) the Hearing adjourned to May 23, 2006; (ii) the Temporary Order extended to May 23, 2006; (iii) JFM not to be paid any monthly management fees; (iv) JFM's requests for funds to pay expenses incurred by the Funds to continue to be subject to approval by NBCN Inc. ("NBCN"); (v) weekly lists of expenses by the Funds to continue to be provided to and reviewed by Staff; and (vi) neither JFM nor Roy Brown to deal in any way with the assets or investments of the Funds;

AND WHEREAS Staff have advised that on May 11, 2006 and June 30, 2006, the Ontario Superior Court of Justice (the "Superior Court") ordered that the two

Directions dated May 4, 2006 freezing bank accounts of JFM, the Funds and Roy Brown be extended with the exception of the personal accounts and one JFM account as defined in the Superior Court orders dated May 11, 2006 and June 30, 2006;

AND WHEREAS the two Directions expired on September 30, 2006;

AND WHEREAS on May 18, 2006, the Superior Court issued an *ex parte* order appointing Grant Thornton Limited as receiver (the "Receiver") over the assets, undertakings and properties of JFM and the Funds;

AND WHEREAS on May 18, 2006, the Commission granted leave to McMillan Binch Mendelsohn LLP to withdraw as counsel for the Respondents;

AND WHEREAS on May 23, 2006, the Commission ordered: (i) the Hearing adjourned to September 21, 2006; and (ii) the Temporary Order extended to September 21, 2006;

AND WHEREAS on June 2, 2006, the Superior Court confirmed and extended the Receivership Order and approved the conduct of the Receiver and its counsel as set out in the First Report of the Receiver dated May 30, 2006;

AND WHEREAS on September 21, 2006, the Commission ordered: (i) the Hearing adjourned to November 8, 2006; and (ii) the Temporary Order extended to November 8, 2006;

AND WHEREAS NBCN and National Bank Financial Ltd. (“NBFL”) have brought a motion for intervenor status in these proceedings (the “Intervenor Motion”);

AND WHEREAS on November 7, 2006, the Commission adjourned the Hearing and the Intervenor Motion to December 13, 2006 and extended the Temporary Order to December 13, 2006;

AND WHEREAS on November 17, 2006, the Superior Court ordered, *inter alia*, that: (i) the Receiver is authorized to call a meeting of unitholders of the Funds; and (ii) the conduct of the Receiver and its counsel, as described in the Second and Third Reports of the Receiver, is approved without prejudice to the right of NBFL and NBCN to dispute the Receiver’s conclusion that NBFL and NBCN hold no units in the JEGF;

AND WHEREAS by letter dated December 6, 2006, counsel for NBCN and NBFL advised that they intended to withdraw the Intervenor Motion;

AND WHEREAS on December 13, 2006, the Commission ordered: (i) an extension of the Temporary Order to March 2, 2007; and (ii) an adjournment of the Hearing to March 2, 2007;

AND WHEREAS on December 13, 2006, counsel for the Receiver advised that the Receiver would shortly be sending out an update letter to all unitholders explaining the steps taken by the Receiver and the status of the ongoing receivership;

AND WHEREAS on December 13, 2006 Staff advised that Staff’s investigation and the investigation by the Receiver are both ongoing and there was a reasonable prospect that Staff’s investigation would be completed by March 2007;

AND WHEREAS on December 13, 2006, counsel for the Receiver and Staff of the Commission consented to: (i) an adjournment of the Hearing to March 2, 2007; and (ii) an extension of the Temporary Order to March 2, 2007 and counsel for Roy Brown did not consent to the adjournment or the extension of the Temporary Order and requested the earliest possible return date;

AND WHEREAS on December 13, 2006, counsel for Roy Brown and Staff of the Commission scheduled a tentative pre-hearing conference with a Commissioner on February 27, 2007 at 11:00 a.m.;

AND WHEREAS on March 2, 2007, Staff advised that Staff’s investigation and the investigation by the Receiver are both ongoing and that there was a reasonable prospect that Staff’s investigation would be completed by April 2007;

AND WHEREAS on March 2, 2007, Staff advised that the tentative pre-hearing conference scheduled for February 27, 2007 did not proceed as Staff’s investigation was ongoing;

AND WHEREAS on March 2, 2007, Staff advised that thirteen volumes of initial Staff disclosure were sent to counsel for Roy Brown on February 23, 2007;

AND WHEREAS on March 2, 2007, counsel for the Receiver provided an update of the ongoing receivership and advised that an update letter had been sent to all unitholders;

AND WHEREAS on March 2, 2007, Staff of the Commission requested and counsel for the Receiver consented to: (i) an adjournment of the Hearing to May 22, 2007; and (ii) an extension of the Temporary Order to May 22, 2007 and counsel for Roy Brown did not consent to the adjournment and extension of the Temporary Order;

AND WHEREAS on March 2, 2007, the Commission ordered: (i) an extension of the Temporary Order to May 22, 2007; and (ii) an adjournment of the Hearing to May 22, 2007;

AND WHEREAS the First, Second, Third and Fourth Reports of the Receiver have been filed with the Commission;

AND WHEREAS on May 22, 2007, based on Staff’s submissions, the panel expected that Staff would

conclude their investigation, amend their Statement of Allegations, provide additional disclosure to the Respondents and have attended at a pre-hearing conference in order to set a date for a hearing on the merits, all by mid-July 2007;

AND WHEREAS on May 22, 2007, Staff of the Commission requested and the Commission ordered: (i) an adjournment of the Hearing to July 17, 2007; and (ii) an extension of the Temporary Order to July 17, 2007, and counsel for Roy Brown did not consent and counsel for the Receiver did consent to the adjournment and extension of the Temporary Order;

AND WHEREAS Staff of the Commission provided fifteen volumes of disclosure to counsel for Roy Brown on June 14 and 21, 2007 and the remaining five volumes of disclosure on July 9, 2007;

AND WHEREAS Staff of the Commission amended the Statement of Allegations on July 5,2007;

AND WHEREAS a pre-hearing conference was held on July 20, 2007 and a second pre-hearing conference was scheduled for September 18, 2007;

AND WHEREAS on July 17, 2007, Staff of the Commission requested and counsel for the Receiver consented to and counsel to Roy Brown neither consented to nor opposed and the Commission ordered: (i) an adjournment of the Hearing to September 4, 2007; and (ii) an extension of the Temporary Order to September 4, 2007;

AND WHEREAS the parties were provided and agreed at the last pre-hearing conference to tentative hearing dates of April 7 to 11, 2008 and April 14 to 18, 2008;

AND WHEREAS on September 4, 2007, the Commission ordered: (i) the Hearing to commence on April 7, 2008 and continue for nine days; and (ii) an extension of the Temporary Order until the conclusion of the Hearing;

AND WHEREAS on November 14, 2007, the Superior Court ordered, *inter alia*, that : (i) the activities and conduct of the Receiver as described in the Fifth Report of the Receiver were approved; (ii) the claims process defined in the Fifth Report of the Receiver was approved; and (iii) the JEGF unitholder registry was amended as described in the Fifth Report of the Receiver;

AND WHEREAS on November 15, 2007, the Receiver held separate unitholder meetings for the Funds to obtain direction on how the receivership should proceed;

AND WHEREAS JEGF unitholders voted 99.65% in favour of liquidating the investments held by JEGF and completing a redemption of all JEGF units;

AND WHEREAS JIF unitholders voted 100% in favour of liquidating the investments held by JIF and completing a redemption of all JIF units;

AND WHEREAS on January 14, 2008, the Superior Court ordered, *inter alia*, that : (i) the distribution process to JEGF and JIF unitholders as proposed by the Receiver was approved; (ii) the JEGF unitholder registry as prepared by the Receiver was complete and final; and (iii) the JIF unitholder registry as prepared by the Receiver was complete and final (the "Distribution Approval Order");

AND WHEREAS on February 22, 2008, the Commission revoked the Temporary Order pursuant to section 144 of the Act to permit the Receiver to complete a distribution of redemption proceeds to JEGF unitholders and JIF unitholders, in accordance with the Distribution Approval Order;

AND WHEREAS on March 13, 2008, the Commission granted leave for the withdrawal of Brown's counsel of record;

AND WHEREAS on March 26, 2008, Brown brought a motion to adjourn the Hearing on the basis that he is no longer represented by counsel and he needed additional time to prepare for the Hearing;

AND WHEREAS on March 31, 2008, Brown requested an adjournment and advised that: (1) he is no longer represented by counsel; (2) he has not yet seen Staff's disclosure volumes which were served on his former counsel; and (3) he requires additional time to prepare for the Hearing;

AND WHEREAS Staff opposed the adjournment request on the basis that the dates have been scheduled since September 4, 2007, witnesses have been summonsed and Staff are ready to proceed;

AND WHEREAS on March 31, 2008, the Commission ordered that: (i) the Hearing scheduled to commence on April 7, 2008 was adjourned; (ii) the Hearing would commence on June 16, 2008, or such other date as is agreed by the parties and determined by the Office of the Secretary;

AND WHEREAS on June 4, 2008, Staff brought a motion to adjourn the Hearing as Staff were not available on June 16, 2008;

AND WHEREAS Staff, Brown and counsel for the Receiver consented to the Hearing being adjourned to a date to be set by a pre-hearing conference commissioner or agreed to among the parties;

AND WHEREAS the Office of the Secretary tentatively scheduled the Hearing for June 15 to 19, 2009 but Brown was not available on those dates, and a second pre-hearing conference had not been confirmed prior to these dates being scheduled;

AND WHEREAS Staff requested by letter to the Secretary's office dated December 23, 2009 that a pre-hearing conference in this matter be scheduled;

AND WHEREAS a pre-hearing conference was held on March 2, 2010 at which a further pre-hearing conference was scheduled for April 30, 2010 at 9:30 a.m.;

AND WHEREAS a pre-hearing conference was held on April 30, 2010 at which the parties agreed to hearing dates of November 15 to 18, November 24 to 26, November 29 and 30 and December 1 and 2, 2010 and to a further pre-hearing conference on June 16, 2010;

AND WHEREAS a pre-hearing conference was held on June 16, 2010 at which Staff and Roy Brown provided an update on their preparations for the Hearing scheduled to commence on November 15, 2010 and Staff agreed to complete Staff's productions and to interview and deliver witness statements for two potential Staff witnesses prior to the next pre-hearing conference;

AND WHEREAS Roy Brown is still waiting for documents requested from Receiver's counsel on May 7, 2010 and not yet delivered;

AND WHEREAS Roy Brown has agreed to provide documents on which he intends to rely and to advise whether he intends to bring any preliminary disclosure motions prior to the next pre-hearing conference;

AND WHEREAS the parties have agreed to continue their discussions on the outstanding issues;

AND WHEREAS the Commission is of the opinion that issuing this Order is not prejudicial to the public interest;

IT IS ORDERED that another pre-hearing conference shall be held on September 23, 2010 at 9:30 a.m.

DATED at Toronto this 14th day of July, 2010.

"James E. A. Turner"

2.2.4 Nest Acquisitions and Mergers et al.

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

AND

IN THE MATTER OF
NEST ACQUISITIONS AND MERGERS,
IMG INTERNATIONAL INC.,
CAROLINE MYRIAM FRAYSSIGNES,
DAVID PELCOWITZ, MICHAEL SMITH, AND
ROBERT PATRICK ZUK

ORDER

WHEREAS on January 18, 2010, the Secretary to the Ontario Securities Commission (the "Commission") issued a Notice of Hearing, pursuant to sections 37, 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), for a hearing to commence at the offices of the Commission at 20 Queen Street West, 17th Floor Hearing Room on Monday, January 28th, 2010 at 10 a.m., or as soon thereafter as the hearing can be held;

AND WHEREAS on January 18, 2010, Staff of the Commission ("Staff") filed with the Commission a Statement of Allegations in this matter;

AND WHEREAS previously on April 8, 2009 a temporary cease trade order was issued, pursuant to subsections 127(1) and 127(5) of the Act, ordering that all trading in securities by Nest Acquisitions and Mergers and Caroline Myriam Frayssignes shall cease, and on January 22, 2010, pursuant to subsection 127(8), this order was extended until the end of the hearing on the merits;

AND WHEREAS previously on June 11, 2009 a temporary cease trade order was issued, pursuant to subsections 127(1) and 127(5) of the Act, ordering that all trading in securities by IMG International Inc./Investors Marketing Group International Inc. and Michael Smith shall cease, and on January 22, 2010, pursuant to subsection 127(8) of the Act, this order was extended until the end of the hearing on the merits;

AND WHEREAS Staff served the respondents with copies of the Notice of Hearing and the Statement of Allegations dated January 18, 2010, as evidenced by the Affidavit of Tammy Orta sworn on January 27, 2010, and filed with the Commission;

AND WHEREAS on January 28, 2010, counsel for Staff, counsel for Robert Patrick Zuk, who was also acting as agent for counsel for Caroline Myriam Frayssignes and Nest Acquisitions and Mergers, and David Pelcowitz appeared before the Commission;

AND WHEREAS on January 28, 2010, no one appeared on behalf of Michael Smith and IMG International Inc.;

AND WHEREAS the parties present on January 28, 2010 consented to the adjournment of the hearing until March 22, 2010 for the purpose of reviewing the status of disclosure, determining whether any motions by any party will be brought, to set a date for a pre-hearing conference, if necessary, and to set dates for the hearing on the merits in this matter;

AND WHEREAS on March 22, 2010, counsel for Staff, counsel for Robert Patrick Zuk, and counsel for Caroline Myriam Frayssignes and Nest Acquisitions and Mergers appeared before the Commission;

AND WHEREAS on March 22, 2010, no one appeared on behalf of David Paul Pelcowitz, Michael Smith and IMG International Inc.;

AND WHEREAS on March 22, 2010, Staff advised that disclosure of 18 volumes of information was made available to the respondents on February 19, 2010, and that the balance of disclosure would be available in approximately one week;

AND WHEREAS the parties present on March 22, 2010 consented to the setting of a pre-hearing conference for July 15, 2010 for purpose of reviewing the status of disclosure, determining whether any motions by any party will be brought, and to set dates for the hearing on the merits in this matter;

AND WHEREAS on July 15, 2010, counsel for Staff, counsel for Robert Patrick Zuk, counsel for Caroline Myriam Frayssignes and Nest Acquisitions and Mergers, and David Pelcowitz appeared before the Commission for the purpose of a pre-hearing conference;

AND WHEREAS on July 15, 2010, no one appeared on behalf of Michael Smith and IMG International Inc., and the Commission was satisfied that Michael Smith and IMG International Inc. had been provided with notice of the pre-hearing conference;

AND WHEREAS on July 15, 2010, counsel for Staff, counsel for Robert Patrick Zuk, counsel for Caroline Myriam Frayssignes and Nest Acquisitions and Mergers, and David Pelcowitz agreed to a timetable in this matter, including the service of Staff's hearing briefs by November 8, 2010, a further pre-hearing conference on November 25, 2010 at 2:00 p.m., and the hearing on the merits from January 31, 2011 to February 11, 2011 (except for February 8, 2011);

IT IS ORDERED that this matter is adjourned to November 25, 2010 at 2:00 p.m. for the purpose of a continued confidential pre-hearing conference; and

IT IS FURTHER ORDERED that the hearing on the merits is set down for the period January 31, 2011 to February 11, 2011 (except for February 8, 2011).

DATED at Toronto this 15th day of July 2010.

"Mary G. Condon"

2.2.5 Magna International Inc. et al.

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

AND

IN THE MATTER OF
MAGNA INTERNATIONAL INC.

AND

IN THE MATTER OF
THE STRONACH TRUST AND
446 HOLDINGS INC.

ORDER

WHEREAS the Ontario Securities Commission (the "Commission") convened a hearing pursuant to a Notice of Hearing dated June 15, 2010 (the "Hearing") in order to consider an application brought by Commission Staff ("Staff") pursuant to section 127 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended;

AND WHEREAS the Hearing was heard by the Commission on June 23 and 24, 2010;

AND WHEREAS the Commission issued a Decision and Order on June 24, 2010;

AND WHEREAS Magna International Inc. ("Magna") was a respondent to the Application;

AND WHEREAS the Commission made an order dated June 18, 2010 (the "June 18, 2010 Order") providing for confidentiality of non-public documents delivered by Magna to any of the parties or intervenors or their respective legal counsel, in respect of this proceeding (the "Confidential Information");

AND WHEREAS at the Hearing Staff and the parties tendered into evidence the Confidential Information in tabbed volumes under the understanding that a further order of the Commission would be made to determine which of the documents so tendered would continue to be non-public;

AND WHEREAS the parties and intervenors consent to this variation of the June 18, 2010 Order;

THE COMMISSION THEREFORE ORDERS THAT:

1. The June 18, 2010 Order is varied to the extent that only the following documents in Exhibits 1 through 7 as contained in the hearing briefs tendered by Staff shall remain confidential:

   Tab 19: last page, first bullet under "Other Considerations";
   Tab 44: last page, first bullet under "Other Considerations";
   Tab 68: the draft PwC Report on E-Car;
   Tab 69: the draft PwC Report on E-Car;
   Tab 102: the PwC Final Report (filed on SEDAR with redactions);
   Tab 104: Schedule A, recital B2: from "to reacquire" to "subsidiaries";
   Tab 106: the PwC Report;
   Tab 123 (in its entirety); and
   Tab 124 (in its entirety)

   (together, the "Confidential Exhibits").

2. Copies of the Confidential Exhibits in the possession or control of the parties and intervenors shall be redacted, or removed from the tabbed volumes and destroyed, as the case may be, by the parties and intervenors and their respective legal counsel;

3. All non-public documents delivered by Magna to the parties or intervenors and not tendered into evidence at the Hearing shall remain subject to the June 18, 2010 Order;

4. All other documents tendered into evidence at the Hearing shall be publicly available; and

5. The June 18, 2010 Order shall remain in full force and effect as varied by this Order.

Dated at Toronto this 16th day of July, 2010.

“James E. A. Turner”

2.2.6 World Point Inc. (formerly World Point Terminals Inc.) – s. 1(10)

Headnote

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

Applicable Legislative Provisions

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

July 16 , 2010

World Point Inc.
1959 Upper Water Street, Suite 900,
Halifax, Nova Scotia, B3J 2X2

Dear Sirs/Mesdames:

Re: World Point Inc. (formerly World Point Terminals Inc.) (the Applicant)
Application for an order under clause 1(10)(b) of the *Securities Act* (Ontario) (the Act) that the Applicant is not a reporting issuer

The Applicant has applied to the Ontario Securities Commission for an order under clause 1(10)(b) of the Act that the Applicant is not a reporting issuer.

As the Applicant has represented to the Commission that:

- the outstanding securities of the Applicant, including debt securities, are beneficially owned, directly or indirectly, by less than 15 security holders in Ontario and less than 51 security holders in Canada;
- no securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
- the Applicant is not in default of any of its obligations under the Act as a reporting issuer; and
- the Applicant will not be a reporting issuer or the equivalent in any jurisdiction in Canada immediately following the Director granting the relief requested.

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

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

2.3 Rulings

2.3.1 Cumberland Private Wealth Management Inc. and Cumberland Investment Management Inc. – ss. 74(1), 144(1)

Headnote

Relief from the prospectus requirement of the Act to permit the distribution of pooled fund securities to managed accounts held by non-accredited investors on an exempt basis – NI 45-106 containing carve-out for managed accounts in Ontario prohibiting portfolio manager from making exempt distributions of securities of its proprietary pooled funds to its managed account clients in Ontario unless managed account client qualifies as accredited investor or invests $150,000 – portfolio manager providing *bona fide* portfolio management services to high net worth clients – Not all managed account clients are accredited investors – portfolio manager permitted to make exempt distributions of proprietary pooled funds to its managed accounts provided written disclosure is delivered to clients advising them of the relief granted – portfolio manager is restricted from distributing proprietary pooled fund securities to parties other than its managed account clients.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74(1), 144(1).

Rules Cited

National Instrument 45-106 Prospectus and Registration Exemptions.
National Instrument 31-103 Registration Requirements and Exemptions.

July 13, 2010

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

AND

IN THE MATTER OF
CUMBERLAND PRIVATE WEALTH MANAGEMENT INC. (CPWM)
CUMBERLAND INVESTMENT MANAGEMENT INC. (CIMI)
(CPWM and CIMI, collectively, the Filers)

RULING
(Subsections 74(1) and 144(1) of the Act)

Background

The Ontario Securities Commission (the **Commission**) has received an application from the Filers, on behalf of themselves and any open-ended investment fund that is not a reporting issuer for which CIMI or CPWM acts or will

act as manager and CPWM acts or will act as portfolio manager (the **Funds**) for a ruling pursuant to:

1. subsection 74(1) of the Act, that distributions of securities of the Funds to Managed Accounts (as defined below) of Clients (as defined below) will not be subject to the prospectus requirement under section 53 of the Act (the **Prospectus Requirement**); and

2. subsection 144(1) of the Act, to revoke and replace the Current Relief (as defined below)

(collectively, the **Requested Relief**).

Interpretation

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

Representations

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

1. CPWM is a corporation organized under the *Business Corporations Act* (Ontario) (the **OBCA**). Its head office is in Toronto, Ontario. CPWM is registered as an investment dealer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the **Jurisdictions**). CPWM is a member of the Investment Industry Regulatory Organization of Canada (**IIROC**). CPWM provides portfolio investment management services in accordance with the rules of IIROC.

2. CIMI is a corporation organized under the OBCA. It is not registered as a dealer or an adviser in any of the Jurisdictions. CIMI is proposing to apply for registration as an investment fund manager with the Ontario Securities Commission (**OSC**) in accordance with the requirements of National Instrument 31-103 *Registration Requirements and Exemptions* (**NI 31-103**), unless CPWM is appointed investment fund manager of the Funds. In that case, CPWM would apply for registration as an investment fund manager.

3. The Filers are “affiliates” as defined in National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**).

4. The Funds are open-end mutual fund trusts established under the laws of Ontario. Each Fund is or will be offered pursuant to exemptions from the prospectus requirements.

5. CIMI is or will be the trustee of the Funds. CPWM is or will be the portfolio advisor and distributor of the Funds. CIMI is the current investment fund manager of the Funds and either CIMI or CPWM will be the investment fund manager of the Funds.

6. CPWM provides discretionary investment management services (**Managed Services**) primarily to high net worth individuals, institutions and foundations (each a **Client** or collectively, **Clients**) through a managed account (**Managed Account**).

7. Each Client enters into a discretionary investment management agreement (**Managed Account Agreement**) with CPWM, whereby the Client appoints CPWM to provide the Managed Services. Based on the assets of the Client and depending on the allocation of a Client’s assets to a particular asset class, CPWM either manages the Client’s assets on a segregated account basis or invests the Client’s assets in one or more Funds. The Managed Account Agreement further sets out how the Managed Account operates and informs the Client of CPWM's various rules, procedures and policies.

8. The Managed Services consist of the following:

   (a) CPWM supervises, manages and directs purchases and sales for the Managed Account, at CPWM’s full discretion, on a continuing basis;

   (b) CPWM’s qualified employees perform investment research, securities selection and management functions with respect to all securities, investments, cash equivalents or other assets in the Managed Account; and

   (c) CPWM selects securities for the Managed Account including investing clients in mutual funds for which CPWM is the portfolio advisor and changing those funds as CPWM determines in accordance with the mandate of the Clients.

9. The Managed Services are provided by employees of CPWM who are registered under the legislation of the applicable Jurisdictions to trade in securities (the **Legislation**); CPWM acts as an advisor without registration under the Legislation pursuant to the exemption in Section 8.24 of NI 31-103 by virtue of its membership in IIROC and provision of its advisory activities in accordance with the rules of IIROC.

10. At the initial meeting between a new Client and a Client Portfolio Manager (**CPM**) who is an employee of CPWM, the CPM establishes the Client's general investment goals and objectives. Typically, the CPM then makes investment recommendations to the client that describe the

strategies that CPWM shall employ to meet these objectives.

11. After the initial meeting, the CPM offers to meet at least once per year with his/her Clients (or more frequently as required) to review the performance of their account and their investment goals.

12. PWM sends each Client a quarterly portfolio valuation showing current holdings in his/her Managed Account. In addition, clients are provided with monthly or quarterly account statements (depending on account activity) as well as trade confirmations for each purchase or redemption of units of the Funds. The CPM is available to review and discuss with Clients all account statements and portfolio valuations.

13. CPWM may determine that to best fulfill its fiduciary duty to its Clients, all or a portion of the asset mix in a Client's portfolios should be invested in one or more of the Funds.

14. The Funds are, or will be, established by the Filers with a view to achieving efficiencies in the delivery of portfolio management services to the Clients of CPWM. CPWM will not be paid any compensation with respect to the distribution of the Funds' securities to the Managed Accounts.

15. CPWM's minimum aggregate balance for all the Managed Accounts of a Client is $500,000. From time to time, CPWM will accept Clients who do not meet this minimum threshold if there are exceptional factors that have persuaded CPWM for business reasons to accept such persons as Clients and waive the minimum aggregate balance.

16. Most of CPWM's Clients, who meet the minimum threshold, qualify as accredited investors as defined in Section 1.1 of NI 45-106. The vast majority of Clients who would not qualify as accredited investors are holders of "**Secondary Managed Accounts**" as that term is defined under exemptive relief granted to the Filers by the Commission on May 18, 2007 (the **Current Relief**). The Current Relief granted the Filers relief from the Prospectus Requirement to distribute units of the Funds to such Secondary Managed Accounts in amounts that are less than $150,000. A condition of the Current Relief is that the Secondary Managed Accounts meet that definition at all times.

17. From time to time, CPWM may also have a small number of Managed Accounts that are held by Clients who are not accredited investors or Secondary Managed Accounts (**Non-Exempt Clients**). These Non-Exempt Clients are typically Clients who, due to a change in circumstances are no longer accredited investors or Secondary Managed Accounts, or who may otherwise have a relationship with a current Client but the relationship does not meet the definition of a Secondary Managed Account under the Current Relief.

18. CPWM's usual practice is to not provide its services to Non-Exempt Clients. However, in certain limited cases, CPWM has determined that it may wish to provide its services to Non-Exempt Clients, often due to the strength of the pre-existing relationship between the Non-Exempt Client and CPWM or another Client.

19. Investments in individual securities may not be ideal for Non-Exempt Clients, since they may not receive the same asset diversification benefits and may incur disproportionately higher brokerage commissions relative to the Clients with larger Managed Accounts due to minimum commission charges. Accordingly, reliance on the minimum investment exemption amount in section 2.10 of NI 45-106 may not be appropriate for Clients with smaller Managed Accounts as this might require a disproportionately high percentage of the account to be invested in a single Fund.

20. While a Managed Account qualifies as an "accredited investor" in each province and territory outside Ontario, NI 45-106 contains a carve out for Managed Accounts in Ontario when the securities being purchased by the Managed Account are those of an investment fund. Absent the relief being requested, the Funds are prohibited in Ontario from distributing units, and CPWM cannot rely on the accredited investor exemption in NI 45-106 or on the Current Relief to provide its services to Managed Accounts held by Non-Exempt Clients.

21. To give all of its Clients the benefit of asset diversification, access to investment products with a very high minimum investment threshold and economies of scale on brokerage commission charges, CPWM proposes to cause certain of its Clients, including Non-Exempt Clients, to invest in units of the Funds, without the Client needing to invest a minimum of $150,000 in a Fund, subject to each Client's risk tolerance and account objectives.

22. Each Fund pays or will pay all administration fees and expenses relating to its operation, including any management fees payable to the investment fund manager of the Fund and investment management fees or performance fees payable by the Fund to CPWM. The investment fund manager of each Fund gets paid a nominal fixed management fee (currently $2,500). None of the Funds charges or will charge a commission to investors. Typically, CPWM receives investment management fees directly from investors in each of the Funds based upon a percentage of the value of the Clients Managed Account and no investment management fees are payable by the

Fund to CPWM. The terms of these fees, as well as any investment management or performance fees payable by a Fund to CPWM, are detailed in each Client's Managed Account Agreement or in another agreement with the client.

23. Where CPWM invests on behalf of a Managed Account in a Fund to which CPWM will charge an investment management fee or performance fee, the necessary steps will be taken to ensure that there will be no duplication of fees between a Managed Account and the Funds.

Ruling

The Commission being satisfied that the relevant tests contained in subsections 74(1) and 144(1) of the Act have been met, the Commission rules that the Requested Relief is granted provided that:

(a) units of the Funds distributed pursuant to the relief from the Prospectus Requirement contained in this ruling shall only be distributed to Managed Accounts;

(b) for each Client that becomes a Client of CPWM after the date of this ruling that will invest in units of one or more Funds through a Managed Account pursuant to this ruling, CPWM shall deliver to such Client, prior to effecting a trade in the units of a Fund in reliance on this ruling, written disclosure advising of:

(i) the nature of the relief granted under this ruling, and

(ii) the fact that this ruling permits the Client to invest in an investment fund product which the Client otherwise would not be allowed to invest in on an exempt basis through their Managed Account; and

(c) this ruling will terminate upon the coming into force of any legislation or rule of the Commission exempting a trade by a fully managed account in Ontario in securities of investment funds from the Prospectus Requirement.

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

“Paulette L. Kennedy”
Commissioner
Ontario Securities Commission

Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Echo Energy Canada Inc.	02 July 10	14 July 10	16 July 10	
BioSyntech, Inc.	07 July 10	19 July 10	19 July 10	
PPOA Holding, Inc. (formerly Protective Products of America, Inc.	08 July 10	20 July 10	20 July 10	
Freeport Capital Inc.	08 July 10	20 July 10	20 July 10	
4504020 Canada Inc.	21 July 10	02 Aug 10		

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 ITEMS 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.	07 Oct 09	19 Oct 09	19 Oct 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 Purchase Price ($)	# of Securities Distributed
03/29/2010	157	Aldrin Resource Corp. - Common Shares	7,000,000.00	14,000,000.00
06/30/2010	33	Alston Ventures Inc. - Units	592,572.00	2,576,400.00
04/19/2010	18	Amex Exploration Inc. - Units	445,000.00	1,780,000.00
06/29/2010 to 07/08/2010	5	Andromeda Resources Inc. - Common Shares	1,650,000.00	825,000.00
03/17/2010 to 03/22/2010	114	Apoquindo Minerals Inc. - Units	39,180,903.00	46,095,180.00
05/07/2010	10	Arch Biopartners Inc. - Common Shares	700,000.00	1,400,000.00
04/28/2010	7	Argonaut Exploration Inc. - Flow-Through Shares	1,000,000.00	4,166,665.00
07/06/2010	2	Banco do Brasil S.A. - Common Shares	13,204,512.00	356,849,660.00
06/30/2010	3	Bending Lake Iron Group Limited - Flow-Through Shares	441,320.00	N/A
06/29/2010	2	Black Panther Mining Corp. - Common Shares	305,000.00	1,525,000.00
03/29/2010	13	Blue Vista Technologies Inc. - Units	85,500.00	1,710,000.00
06/18/2010 to 06/23/2010	3	BNP Paribas Arbitrage Issuance B.V. - Certificate	189,033.73	190.00
06/22/2010 to 06/23/2010	4	BNP Paribas Arbitrage Issuance B.V. - Certificate	346,460.42	352.00
06/24/2010	2	BR Capital Limited Partnership - Limited Partnership Units	40,000.00	4.00
06/04/2010 to 06/09/2010	3	Bri-Gill Development Corporation Ltd. - Preferred Shares	235,000.00	2,350.00
07/08/2010	54	Canadian Horizons First Mortgage Investment Corporation - Preferred Shares	1,811,278.00	1,811,278.00
07/08/2010	16	CareVest Blended Mortgage Investment Corporation - Preferred Shares	903,927.00	903,927.00
07/08/2010	17	CareVest Capital Blended Mortgage Investment Corp. - Preferred Shares	380,235.00	380,235.00
06/01/2010	4	Case New Hollland Inc. - Notes	27,109,394.00	1.00
06/28/2010	1	Chimera Investment Corporation - Common Shares	5,640,000.00	1,500,000.00
07/09/2010	2	CHOP Exploration Inc. - Common Shares	0.00	1,500,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
06/23/2010 to 06/25/2010	11	Colwood City Centre Limited Partnership - Notes	555,000.00	550,000.00
07/06/2010	3	Colwood City Centre Limited Partnership - Notes	109,000.00	109,000.00
07/09/2010	7	Cricket Capital Corp. - Units	500,000.00	5,000,000.00
07/06/2010	1	Dayforce Corporation - Common Shares	4,999,999.90	7,142,857.00
07/05/2010	1	Development Notes Limited Partnership - Units	75,000.00	75,000.00
05/07/2010	4	Duncan Park Holdings Corporation - Common Shares	200,000.00	4,000,000.00
03/11/2010 to 04/22/2010	3	Dynamic Systems Holdings Inc. - Notes	150,000.00	3.00
04/01/2010	33	Dynasty Metals & Mining Inc. - Units	15,000,000.00	3,750,000.00
06/25/2010	1	Eagle Landing Retail Limited Partnership - Units	125,000.00	125,000.00
06/21/2010	15	Edgewater Exploration Ltd. - Units	3,000,000.00	6,000,000.00
06/21/2010		Edgewater Exploration Ltd. - Warrants		5,000,000.00
07/08/2010	1	Edgeworth Mortgage Investment Corporation - Preferred Shares	141,690.00	14,169.00
03/15/2010	43	Energizer Resources Inc. - Units	7,118,275.10	21,666,667.00
04/01/2010	4	Everton Resources Inc. - Units	240,000.00	960,000.00
03/11/2010	2	Excalibur Resources Ltd. - Units	60,000.00	500,000.00
07/08/2010	6	Fidelity National Information Services, Inc. - Notes	7,051,050.00	6,750.00
07/06/2010	1	First Leaside Expansion Limited Partnership - Units	150,020.00	150,020.00
07/06/2010	1	First Leaside Ultimate Limited Partnership - Units	97,883.35	93,240.00
07/06/2010	1	First Leaside Universal Limited Partnership - Units	99,858.00	99,858.00
05/10/2010	11	Fluid Music Canada Inc. - Receipts	60,000,000.00	37,500,000.00
03/19/2010	4	Genesis Worldwide Inc. - Common Shares	593,389.87	5,639,241.00
06/30/2010	9	Georgian Partners Growth Fund I, LP - Limited Partnership Interest	38,750,000.00	38,750,000.00
06/30/2010	2	Georgian Partners Growth Fund (International) I, L.P. - Limited Partnership Interest	5,100,000.00	N/A
07/02/2010	1	GigOptix, Inc. - Common Shares	55,907.25	30,000.00
03/31/2010 to 04/09/2010	72	GoldQuest Mining Corporation - Units	1,781,224.00	13,209,800.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
04/06/2010 to 05/04/2010	2	Great Western Minerals Group Ltd. - Common Shares	97,500.00	N/A
05/04/2010	8	Greenscape Capital Group Inc. - Notes	3,056,407.20	N/A
06/29/2010	1	Hudson Pacific Properties, Inc. - Common Shares	447,482.50	12,800,000.00
06/30/2010	3	IGW Mortgage Investment Corporation - Preferred Shares	30,000.00	30,000.00
07/06/2010 to 07/09/2010	5	IGW Real Estate Investment Trust - Units	137,126.28	136,579.96
06/22/2010 to 06/25/2010	13	IGW Real Estate Retail Investment Trust - Units	331,127.86	N/A
06/30/2010	1	Insight Communications Company, Inc. - Notes	4,772,700.00	1.00
06/14/2010 to 07/06/2010	3	Interface Biologics Inc. - Notes	666,668.00	N/A
06/07/2010	14	International Bio Recovery Corp. - Common Shares	2,284,749.00	N/A
04/01/2010 to 04/06/2010	36	International Tower Hill Mines Ltd. - Common Shares	30,000,000.00	5,000,000.00
06/30/2010	1	IPICO Inc. - Debentures	500,000.00	N/A
02/11/2010	25	Journey Resources Corp. - Common Shares	430,350.00	N/A
05/27/2010	15	Journey Resources Corp. - Units	689,600.04	N/A
07/06/2010	2	Jovian Capital Corporation - Notes	15,000,000.00	1.00
06/28/2010	7	Kids and Company Ltd. - Common Shares	2,100,000.00	1,750,000.00
07/05/2010	1	Laricina Energy Ltd. - Common Shares	249,999,990.00	8,333,333.00
03/19/2010	2	Liquidation World Inc. - Notes	2,000,000.00	2,000,000.00
07/05/2010	1	Lutheran Homes Kitchener-Waterloo - Debentures	250,000.00	1.00
05/06/2010	9	Malaga Inc. - Units	5,248,249.95	18,321,666.00
03/05/2010	1	Mantis Mineral Corp. - Common Shares	17,292.66	345,840.00
06/30/2010	1	Mega Group Inc. - Certificate	1,400,000.00	280.00
06/30/2010	1	Merna Reinsurance III Ltd. - Notes	265,150,000.00	1.00
03/31/2010	5	MetalCorp Limited - Units	1,000,000.00	5,000,000.00
07/06/2010 to 07/08/2010	4	Miracle Mile Limited Partnership - Units	89,000.00	89,000.00
07/15/2010	6	Mobidia Technology Inc. - Preferred Shares	888,549.20	807,772.00
03/17/2010	31	New Global Ventures International Ltd. - Units	1,016,250.00	6,775,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
07/06/2010	1	New Solutions Financial (II) Corporation - Debentures	500,000.00	1.00
07/09/2010	1	New Solutions Financial (II) Corporation - Debentures	140,000.00	2.00
05/10/2010 to 05/12/2010	5	Newport Fixed Income Fund - Units	1,058,311.43	10,036.10
06/30/2010	6	Nickel Oil & Gas Corp. - Flow-Through Shares	115,000.00	120,000.00
03/30/2010	4	NWM Mining Corporation - Units	2,840,000.00	35,500,000.00
09/25/2009	13	Opawica Explorations Inc. - Non-Flow Through Units	393,000.00	N/A
06/07/2010 to 06/17/2010	14	PAKIT Inc. - Units	236,000.00	N/A
04/22/2010	3	Penn Virginia Resource Partners L.P. - Notes	4,000,000.00	4,000,000.00
06/29/2010	14	PetroNova Inc. - Units	10,000,000.00	10,000,000.00
05/04/2010	4	Phonetime Inc. - Notes	1,000,000.00	1,000,000.00
06/29/2010	1	PIMCO Total Return Bond Fund - Units	415,880.00	18,157.06
04/06/2010	4	Plato Gold Corp - Units	180,000.00	3,600,000.00
07/08/2010	1	Premier Lotteries Capital UK Limited - Notes	273,144,610.64	1.00
07/08/2010	3	Proforma Capital Bond Corporation - Bonds	480,000.00	4,800.00
05/07/2010	14	ProSep Inc. - Common Shares	3,700,500.05	20,384,616.00
03/16/2010	92	Protox Therapeutics Inc. - Units	5,078,424.60	11,285,388.00
07/08/2010	1	Prysm, Inc. - Common Shares	52,205,204.00	10,921,800.00
05/14/2010	9	Qustream Corporation - Common Shares	397,604.15	7,952,083.00
07/14/2010	2	Radiant Energy Corporation - Common Shares	250,000.00	40,000.00
04/09/2010	2	Radiant Energy Corporation - Debentures	250,000.00	2,000.00
07/08/2010	2	Radisson Mining Resources Inc. - Common Shares	600,000.00	6,000,000.00
07/01/2010	1	Renewable Energy Asia Fund, L.P. - Capital Commitment	1,303,500.00	1.00
03/19/2010	24	Resin Systems Inc. - Common Shares	7,413,577.68	22,465,396.00
06/30/2010	104	Rogers Oil & Gas Inc. - Flow-Through Shares	1,954,230.00	N/A
04/30/2010	2	Rubicon Minerals Corporation - Common Shares	199,999.80	54,054.00
03/26/2010	17	Sandspring Resources Corp. - Special Warrants	12,000,000.00	7,500,000.00

Transaction Date	# of Purchasers	Issuer/Security	Total Purchase Price ($)	# of Securities Distributed
06/29/2010	14	Sherbrook SBK Sport Corp. - Units	380,250.00	0.00
05/14/2010	1	Southern Andes Energy Inc. - Common Shares	4,593,062.36	81,654,442.00
06/23/2010	1	Spruce Lodge Non-Profit Housing Corporation - Debentures	537,274.00	1.00
07/01/2010	1	Stacey Muirhead Limited Partnership - Limited Partnership Units	2,000.00	54.64
07/01/2010	1	Stacey Muirhead RSP Fund - Trust Units	500.00	51.25
06/28/2010	3	Stoney View Capital Inc. - Bonds	40,000.00	400.00
06/28/2010	3	Stoney View Crossing Inc. - Units	16.00	1,600.00
03/16/2010	40	Tirex Resources Ltd. - Common Shares	1,000,000.00	4,000,000.00
06/28/2010	67	Traverse Energy Ltd. - Units	2,775,500.00	2,135,000.00
03/24/2010	4	Trina Solar Limited - American Depository Shares	16,112,773.12	775,000.00
03/09/2010	1	TrustMark Auto Group, Inc. dba TrustMark Capital - Common Shares	70,000.00	350,000.00
06/28/2010	5	UBS AG, London Branch - Certificate	1,024,433.31	1,116.00
04/20/2010	3	Victoria Gold Corp. - Flow-Through Shares	4,305,000.00	4,100,000.00
06/30/2010	17	Walton AZ Verona Investment Corporation - Common Shares	227,130.00	22,713.00
06/30/2010	36	Walton Southern U.S. Land Investment Corporation - Common Shares	747,890.00	74,789.00
06/29/2010	4	Western Financial Group Inc. - Common Shares	10,281,329.55	3,879,747.00
06/29/2010	2	White Tiger Mining Corp. - Units	394,999.64	1,410,713.00
07/02/2010 to 07/06/2010	5	Wimberly Fund - Units	170,040.00	172,040.00
05/14/2010	1	xRM Global Inc. - Units	26,000.00	N/A
03/02/2010	1	Yukon-Nevada Gold Corp. - Common Shares	7,368.00	32,036.00
06/29/2010	1	Z-Gold Exploration Inc. - Common Shares	17,250.00	150,000.00
06/30/2010	1	Z-Gold Exploration Inc. - Common Shares	94,500.00	900,000.00

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Brasoil Exploration Corporation
Principal Regulator - Alberta
Type and Date:
Amended Restated Preliminary Long Form Prospectus dated July 20, 2010
NP 11-202 Receipt dated July 20, 2010
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common Share
Underwriter(s) or Distributor(s):
TD Securities Inc.
GMP Securities L.P.
Raymond James Ltd.
BMO Nesbitt Burns Inc.
Cormark Securities Inc.
FirstEnergy Capital Corp.
Macquarie Capital Markets Canada Ltd.
Peters & Co. Limited
Acumen Capital Finance Partners Limited
Promoter(s):
-
Project #1604113

Issuer Name:
Beutel Goodman American Equity Fund
Beutel Goodman Balanced Fund
Beutel Goodman Canadian Dividend Fund
Beutel Goodman Canadian Equity Fund
Beutel Goodman Canadian Equity Plus Fund
Beutel Goodman Canadian Intrinsic Fund
Beutel Goodman Corporate/Provincial Active Bond Fund
Beutel Goodman Global Dividend Fund
Beutel Goodman Income Fund
Beutel Goodman International Equity Fund
Beutel Goodman Long Term Bond Fund
Beutel Goodman Money Market Fund
Beutel Goodman Short Term Bond Fund
Beutel Goodman Small Cap Fund
Beutel Goodman World Focus Equity Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses and Annual Information Form (NI 81-101) dated July 15, 2010
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
Class B Units, Class F Units and Class I Units
Underwriter(s) or Distributor(s):
Beutel Goodman Managed Funds Inc,
Promoter(s):
Beutal Goodman Managed Funds Inc.
Project #1607050

Issuer Name:
CanAsia Financial Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Long Form Prospectus dated July 8, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
36 million Common Shares 29 million Preferred Shares
Underwriter(s) or Distributor(s):
Leede Financial Markets Inc.
Promoter(s):
Jay Leung
Project #1606446

Issuer Name:
Crombie Real Estate Investment Trust
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated July 14, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
$29,503,500.00 - 2,670,000 Units Price: $11.05 per Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
TD Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Canaccord Genuity Corp.
Macquarie Capital Markets Canada Ltd.
Beacon Securities Limited
Raymond James Ltd.
Jennings Capital Inc.
Promoter(s):
-
Project #1606644

Issuer Name:
Dianor Resources Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Base Shelf Prospectus dated July 19, 2010
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
$30,000,000 - Common Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1608034

Issuer Name:
Fidelity Premium Fixed Income Capital Yield Private Pool
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated July 19, 2010
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
(Series B, I, F, S5, I5, and F5 Securities)
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Promoter(s):
FIDELITY INVESTMENTS CANADA ULC
Project #1607939

Issuer Name:
Fidelity Corporate Bond Capital Yield Class
Fidelity Corporate Bond Fund
Fidelity Real Return Bond Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated July 19, 2010
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
(Series A, B, F, and O Securities and
Series A, B, F, F5, S5, T5 and F5 Shares)
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Promoter(s):
FIDELITY INVESTMENTS CANADA ULC
Project #1607941

Issuer Name:
Frontenac Mortgage Investment Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated July 15, 2010
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
W.A. Robinson & Associates Ltd.
Project #1607098

Issuer Name:
Alexis Minerals Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated July 13, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
$12,500,000.00 - 69,444,445 Units Price: $0.18 per Unit
Underwriter(s) or Distributor(s):
Industrial Alliance Securities Inc.
NCP Northland Capital Partners Inc.
Promoter(s):
-
Project #1606426

Issuer Name:
Gastem Inc.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated July 13, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
$ *- * Units Price: $ * per Unit
Underwriter(s) or Distributor(s):
Industrial Alliance Securities Inc.
Fraser Mackenzie Limited
Mackie Research Capital Corporation
Promoter(s):
-
Project #1606250

Issuer Name:
Golden Moor Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated July 14, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
Minimum 3,000,000 Common Shares ($300,000.00); Maximum 10,000,000 Common Shares ($1,000,000.00)
Price: $0.10 per Share
Underwriter(s) or Distributor(s):
JITNEYTRADE INC.
Promoter(s):
-
Project #1606577

Issuer Name:
Magma Energy Corp.
Principal Regulator - British Columbia
Type and Date:
Amended and Restated Preliminary Short Form Prospectus dated July 14, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
$40,000,000.00 - 35,714,286 Common Shares Price: $1.12 per Common Share
Underwriter(s) or Distributor(s):
Raymond James Ltd.
National Bank Financial Inc.
Cormark Securities Inc.
Dundee Securities Corporation
Jacob Securities Inc.
Mackie Research Capital Corporation
Salman Partners Inc.
Wellington West Capital Markets Inc.
Canaccord Genuity Corp.
Promoter(s):
-
Project #1605912

Issuer Name:
NEXX Systems, Inc.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Long Form PREP Prospectus dated July 19 , 2010 amending and restating the Preliminary Long Form PREP Prospectus dated April 6, 2010 as amended by the Amended and Restated Preliminary Long Form PREP Prospectus dated May 14, 2010 and the amended and restated Preliminary Long Form PREP Prospectus dated June 8, 2010 and the amended and restated Preliminary Long Form PREP Prospectus dated June 29, 2010.
NP 11-202 Receipt dated July 20, 2010
Offering Price and Description:
$ * - 5,424,955 Shares of Common Stock Price: $ * per Share
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
CIBC World Markets Inc.
Macquarie Capital Markets Canada Ltd.
TD Securities Inc.
Promoter(s):
-
Project #1561419

Issuer Name:
S Split Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated July 12, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
Warrants to Subscribe for up to * Units (each Unit consisting of one Class A Share and one Preferred Share) Price: $ * per Unit
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1606561

Issuer Name:
Sabina Gold & Silver Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated July 16, 2010
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
$22,410,000.00 - 8,300,000 Common Shares PRICE: $2.70 per Offered Share
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
Paradigm Capital Inc.
Desjardins Securities Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
Promoter(s):
-
Project #1607615

Issuer Name:
San Gold Corporation
Principal Regulator - Manitoba
Type and Date:
Preliminary Short Form Prospectus dated July 19, 2010
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
$80,000,000.00 - 20,000,000 COMMON SHARES Price: $4.00 per Common Share
Underwriter(s) or Distributor(s):
Dundee Securities Corporation
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Raymond James Ltd.
TD Securities Inc.
Cormark Securities Inc.
Wellington West Capital Markets Inc.
Mackie Research Capital Corporation
Stonecap Securities Inc.
Toll Cross Securities Inc.
Promoter(s):
-
Project #1607959

Issuer Name:
Torquay Oil Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated July 19, 2010
NP 11-202 Receipt dated July 20, 2010
Offering Price and Description:
$12,012,000.00 - 11,440,000 Class A Shares Issuable upon Exercise of 11,440,000 Subscription Receipts
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
GMP Securities L.P.
Macquarie Capital Markets Canada Ltd.
Acumen Capital Finance Partners Limited
Promoter(s):
J. Brent McKercher
Terry R. McCallum
Darwin K. Little
Project #1608262

Issuer Name:
Whitecap Resources Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated July 16, 2010
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
$40,050,000.00 - 89,000,000 Subscription Receipts each representing the right to receive one Common Share Price $0.45 per Subscription Receipt
Underwriter(s) or Distributor(s):
GMP Securities L.P.
National Bank Financial Inc.
Cormark Securities Inc.
FirstEnergy Capital Corp.
Haywood Securities Inc.
Macquarie Capital Markets Canada Ltd.
Mackie Research Capital Corporation
Promoter(s):
-
Project #1607707

Issuer Name:
World Financial Split Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated July 12, 2010
NP 11-202 Receipt dated July 15, 2010
Offering Price and Description:
Warrants to Subscribe for up to * Units (each Unit consisting of one Class A Share and one Preferred Share) Price: $ * per Unit
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1606562

Issuer Name:
Quadrus Series, H Series and N Series Securities (unless otherwise indicated) of:
Conservative Folio Fund
Moderate Folio Fund (Also offering D5 series securities)
Balanced Folio Fund (Also offering D5 series and D8 series securities)
Advanced Folio Fund (Also offering D5 series and D8 series securities)
Aggressive Folio Fund (Also offering D5 series and D8 series securities)
Quadrus Cash Management Corporate Class of Multi-Class Investment Corp.
Quadrus Fixed Income Corporate Class of Multi-Class Investment Corp.
Quadrus Canadian Equity Corporate Class of Multi-Class Investment Corp. (Also offering D5
series and D8 series securities)
Quadrus Sionna Canadian Value Corporate Class of Multi-Class Investment Corp. (Also offering
D5 series and D8 series securities)
Quadrus Eaton Vance U.S. Value Corporate Class of Multi-Class Investment Corp. (Also offering
D5 series and D8 series securities)
Quadrus North American Specialty Corporate Class of Multi-Class Investment Corp.
Quadrus U.S. and International Equity Corporate Class of Multi-Class Investment Corp. (Also
offering D5 series and D8 series securities)
Quadrus U.S. and International Specialty Corporate Class of Multi-Class Investment Corp.
Quadrus Setanta Global Dividend Corporate Class of Multi-Class Investment Corp. (Also offering
D5 series and D8 series securities)
Quadrus Money Market Fund (Quadrus series, H series and Premium series only)
GWLIM Corporate Bond Fund
London Capital Canadian Bond Fund
Quadrus Fixed Income Fund (N series securities only)
Quadrus Laketon Fixed Income Fund
London Capital Diversified Income Fund (Also offering D5 series securities)
London Capital Income Plus Fund (Also offering D5 series securities)
Mackenzie Maxxum Canadian Balanced Fund (Also offering D5 series and D8 series securities)
Mackenzie Sentinel Strategic Income Class of Mackenzie Financial Capital Corporation (Also
offering D5 series securities)
GWLIM Canadian Growth Fund (Also offering D5 series and D8 series securities)
London Capital Canadian Diversified Equity Fund (Also offering D5 series and D8 series
securities)
London Capital Canadian Dividend Fund (Also offering D5 series and D8 series securities)
Mackenzie Focus Canada Fund (Also offering D5 series and D8 series securities)
Mackenzie Maxxum Dividend Fund (Also offering D5 series and D8 series securities)
Mackenzie Maxxum Canadian Equity Growth Fund (Also offering D5 series and D8 series
securities)

Quadrus AIM Canadian Equity Growth Fund
London Capital U.S. Value Fund(1)
Mackenzie Universal American Growth Class of Mackenzie Financial Capital Corporation (Also offering Mutual Fund Shares, Unhedged Class)
Mackenzie Universal U.S. Growth Leaders Fund (Quadrus series and H series securities only)
GWLIM North American Mid Cap Fund
Mackenzie Focus Far East Class of Mackenzie Financial Capital Corporation
Mackenzie Ivy European Class of Mackenzie Financial Capital Corporation
Mackenzie Universal Emerging Markets Class of Mackenzie Financial Capital Corporation
Mackenzie Universal Global Growth Fund (Quadrus series and H series securities only)
Quadrus Templeton International Equity Fund (Also offering D5 series and D8 series securities)
Quadrus Trimark Global Equity Fund
London Capital Global Real Estate Fund (Also offering D5 series securities)
Mackenzie Universal Canadian Resource Fund
Mackenzie Universal Precious Metals Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 8, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Quadrus Investment Services Ltd.
Quadrus Investment Services Inc.
Promoter(s):
Mackenzie Financial Corporation
Project #1592942

Issuer Name:
AEterna Zentaris Inc.
Principal Regulator - Quebec
Type and Date:
Final Base Shelf Prospectus dated July 15, 2010
NP 11-202 Receipt dated July 15, 2010
Offering Price and Description:
U.S.$85,000,000.00 - Common Shares Warrants to Purchase Common Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1603398

Issuer Name:
AltaGas Ltd.
Principal Regulator - Alberta
Type and Date:
Final Shelf Prospectus dated July 15, 2010
NP 11-202 Receipt dated July 15, 2010
Offering Price and Description:
$1,000,000,000.00:
Common Shares
Preferred Shares
Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1605291

Issuer Name:
BMG BullionFund
BMG Gold BullionFund
Principal Regulator - Ontario
Type and Date:
Amended and Restated Simplified Prospectuses and Annual Information Form dated July 5, 2010 (the amended prospectus), amending and restating the Simplified Prospectuses and Annual Information Form dated September 4, 2009
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
Class A, Class F, Class I, Class S1 and Class S2 Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Bullion Management Services Inc.
Project #1450525

Issuer Name:
Dacha Capital Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated July 20, 2010
NP 11-202 Receipt dated July 20, 2010
Offering Price and Description:
$22,000,050.00 - 48,889,001 Common Shares on Exercise of 48,889,001 Special Warrants Price: $0.45 per Special Warrant
Underwriter(s) or Distributor(s):
Mackie Research Capital Corporation
Dundee Securities Corporation
CIBC World Markets Inc.
Promoter(s):
-
Project #1585065

Issuer Name:
Dalradian Resources Inc.
Principal Regulator - Ontario
Type and Date:
AMENDED AND RESTATED PROSPECTUS DATED JULY 14, 2010 Amending and Restating the Prospectus dated July 12, 2010.
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
22,700,000.00 - UNITS - $34,050,000 Price: $1.50 per Unit
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Dundee Securities Corporation
Clarus Securities Inc.
Cormark Securities Inc.
Promoter(s):
Patrick F.N. Anderson
Project #1595801

Issuer Name:
Fidelity Dividend Class
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated July 16, 2010 to the Simplified Prospectus and Annual Information Form dated March 22, 2010
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fidelity Investments Canada ULC
Promoter(s):
-
Project #1533221

Issuer Name:
Fidelity Income Trust Fund
(Series A, B, F and O units)
Fidelity Monthly High Income Fund
(Series A, B, F, O, T8 and S8 units)
Fidelity Dividend Fund
(Series A, B, F, O, T5, T8, S5 and S8 units)
Fidelity Monthly Income Fund
(Series A, B, F, O, T5, T8, S5 and S8 units)
Principal Regulator - Ontario
Type and Date:
Amendment #3 dated July 16, 2010 to the Simplified Prospectuses and Annual Information Form dated November 2, 2009
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Fidelity Investments Canada Limited
Fidelity Investments Canada ULC
Promoter(s):
Fidelity Investments Canada ULC
Project #1481108

Issuer Name:
Jov Canadian Equity Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 9, 2010
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
Series A Shares @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
JovInvestment Management Inc.
Project #1593346

Issuer Name:
Lawrence India Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated June 17, 2010 to the Simplified Prospectus and Annual Information Form dated July 17, 2009
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
Series A, F and O Units @ Net Asset Value
Underwriter(s) or Distributor(s):
Lawrence Asset Management Inc,
Promoter(s):
Lawrence Asset Management Inc.
Project #1432807

Issuer Name:
Series A, F, J and O Securities of:
Mackenzie All-Sector Canadian Balanced Fund (also Series F6, F8, J6, J8, T6, T8)
Mackenzie Saxon Balanced Class (also Series F8, I, J6, J8, T6, T8)*
Mackenzie Saxon Small Cap Class (also Series I)*
Mackenzie Saxon Stock Class (also Series I)*
*(Each is a class of Mackenzie Financial Capital Corporation)
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuseses dated July 8, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
Series A, F, J and O Securities @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Mackenzie Financial Corporation
Project #1584853

Issuer Name:
Northland Power Preferred Equity Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated July 19, 2010
NP 11-202 Receipt dated July 20, 2010
Offering Price and Description:
$150,000,000.00 - 6,000,000 Cumulative Rate Reset Preferred Shares, Series 1 - Price: $25.00 per Series 1 Share to yield initially 5.25%per annum
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Scotia Capital Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Macquarie Capital Markets Canada Ltd.
Canaccord Genuity Corp.
FirstEnergy Capital Corp.
Cormark Securities Inc.
Promoter(s):
-
Project #1605815

Issuer Name:
Nova Scotia Power Incorporated
Principal Regulator - Nova Scotia
Type and Date:
Amended and Restated Short Form Base Shelf Prospectus dated July 15, 2010
NP 11-202 Receipt dated July 15, 2010
Offering Price and Description:
$500,000,000.00 - Debt Securities (unsecured)
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1574454

Issuer Name:
SCITI ROCS Trust
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated July 16, 2010
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
Warrants to Subscribe for up to 7,608,576 Units at a Subscription Price of $6.87
Underwriter(s) or Distributor(s):
Scotia Capital Inc.
Promoter(s):
-
Project #1604278

Issuer Name:
Select Income Advantage Managed Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 13, 2010
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Investments Inc.
Project #1593781

Issuer Name:
Select Income Advantage Managed Trust
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated July 13, 2010
NP 11-202 Receipt dated July 16, 2010
Offering Price and Description:
Class C units
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Investments Inc.
Project #1593784

Issuer Name:
Solid Gold Resources Corp.
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated July 19, 2010
NP 11-202 Receipt dated July 20, 2010
Offering Price and Description:
Minimum Offering: $3,500,000.00; Maximum Offering: $5,000,000.00 - (at $0.25 per Unit and $0.30 per Flow-Through Share)
Underwriter(s) or Distributor(s):
Raymond James Ltd.
Promoter(s):
Richard Cohen
Andre Tanguay
Project #1554863

Issuer Name:
SPROTT DIVERSIFIED YIELD FUND
(Series A, Series T, Series F and Series I units)
SPROTT SHORT-TERM BOND FUND
(Series A, Series F and Series I units)

Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated July 16, 2010
NP 11-202 Receipt dated July 19, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
SPROTT ASSET MANAGEMENT GP INC.
Project #1601073

Issuer Name:
Volta Resources Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated July 14, 2010
NP 11-202 Receipt dated July 14, 2010
Offering Price and Description:
$34,499,900.00 - 22,258,000 Common Shares Issuable on Exercise of 22,258,000 Special Warrants at $1.55 per Special Warrant
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
GMP Securities L.P.
Wellington West Capital Markets Inc.
M Partners Inc.
Promoter(s):
-
Project #1596623

Issuer Name:
Metron Capital Corp.
Principal Regulator – British Columbia
Type and Date:
Preliminary CPC Prospectus dated August 20, 2009
Withdrawn on July 13, 2010
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1463254

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Societe Generale Asset Management (Japan) Co., Ltd. To: Amundi Japan Ltd.	Portfolio Manager (International Adviser)	July 1, 2010
Voluntary Surrender of Registration	Aviva Investors North America, Inc.	Portfolio Manager (International Adviser)	July 13, 2010
Voluntary Surrender of Registration	Arena Advisors Canada Inc.	Exempt Market Dealer	July 14, 2010
Change of Category	Tradex Management Inc.	From: Mutual Fund Dealer To: Mutual Fund Dealer and Investment Fund Manager	July 14, 2010
New Registration	SHSC Financial Inc.	Investment Fund Manager	July 14, 2010
Voluntary Surrender of Registration	Amundi Japan Ltd.	Portfolio Manager (International Adviser)	July 15, 2010
New Registration	Lycos Asset Management Inc.	Portfolio Manager	July 15, 2010
New Registration	Seymour Investment Management Ltd.	Exempt Market Dealer, Portfolio Manager and Investment Fund Manager	July 15, 2010
New Registration	Spreng Asset Management Inc.	Portfolio Manager and Investment Fund Manager	July 16, 2010

Type	Company	Category of Registration	Effective Date
Change of Registration Category	Acuity Investment Management Inc.	From: Portfolio Manager To: Portfolio Manager, Exempt Market Dealer	July 16, 2010
Voluntary Surrender of Registration	Aronson+Johnson+Ortiz, L.P.	Portfolio Manager (International Adviser)	July 19, 2010
Change in Registration Category	Franklin Templeton Investments Corp.	From: Mutual Fund Dealer and Portfolio Manager To: Mutual Fund Dealer, Portfolio Manager, and Investment Fund Manager	July 19, 2010
New Registration	Analytic Investors, LLC	Portfolio Manager	July 20, 2010

Chapter 25

Other Information

25.1 Approvals

25.1.1 Kinsale Private Wealth Inc. – s. 213(3)(b) of the LTCA

Headnote

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

Statutes Cited

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

July 13, 2010

Fasken Martineau DuMoulin LLP
Suite 3700, P.O. Box 242
800 Place Victoria
Montreal, Quebec, Canada H47 1E9

Attention: Pierre-Yves Châtillon

Dear Sirs/Mesdames:

Re: Kinsale Private Wealth Inc. (the "Applicant")
Application pursuant to clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario) for approval to act as trustee
Our File No. 2010/0378

Further to your application dated June 7, 2010 (the "Application") filed on behalf of the Applicant, and based on the facts set out in the Application, and the representation by the Applicant that the assets of the mutual fund trusts as the Applicant may establish from time to time (the "Funds") will be held in the custody of a bank listed in Schedule I, II or III of the *Bank Act* (Canada) or an affiliate of such bank, the Ontario Securities Commission (the "Commission") makes the following order:

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

Yours truly,

"James Turner"

"Paulette Kennedy"

25.2 Consents

25.2.1 Lagasco Corp. – s. 4(b) of the Regulation

Headnote

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

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

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

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

AND

IN THE MATTER OF
LAGASCO CORP.

CONSENT
(Subsection 4(b) of the Regulation)

UPON the application of Lagasco Corp. (the "Applicant") to the Ontario Securities Commission (the "Commission") requesting the consent from the Commission to continue in another jurisdiction pursuant to subsection 4(b) of the Regulation;

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

AND UPON the Applicant representing to the Commission that:

1. The Applicant was formed by articles of incorporation under the OBCA dated June 22, 1948 under the name "Nasco Metal Mines Limited". By articles of amendment dated March 1, 1951 the name of the Applicant was changed to Nasco Cobalt Silver Mines Limited. By articles of amendment dated January 14, 1974 the name of the Applicant was changed to Frankfield Explorations Ltd. By articles of amendment dated

July 14, 1992 the name of the Applicant was changed to Frankfield Consolidated Corporation. By articles of amendment dated April 5, 1994 the name of the Applicant was changed to its current name, "Lagasco Corp.".

2. The authorized share capital of the Applicant consists of an unlimited number of common shares. As at the record date, June 7, 2010, of the annual and special meeting of the shareholders of the Applicant held on July 12, 2010 (the "Meeting"), an aggregate of 36,313,983 common shares were issued and outstanding. The common shares of the Applicant are listed for trading on the NEX Exchange under the symbol "LCO".

3. The Applicant's registered office is located at 365 Bay Street, Wildeboer Dellelce Place, Suite 800, Toronto, Ontario, Canada, M5H 2V1.

4. The Applicant has made an application to the Director under the OBCA pursuant to section 181 of the OBCA (the "Application for Continuance") for authorization to continue as a corporation under the *Business Corporations Act* (British Columbia), S.B.C. 2002, c. 57 (the "BCBCA") (the "Continuance"). Following the Continuance, the Applicant's registered office will be located in Vancouver, British Columbia.

5. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation, the Application for Continuance must be accompanied by consent from the Commission.

6. The Applicant is an offering corporation under the OBCA and is a reporting issuer under the *Securities Act* (Ontario) (the "Act"). The Applicant is also a reporting issuer under the securities legislation of each of the provinces of Alberta and British Columbia.

7. The Applicant is not in default under any provision of the Act or the regulations or rules made under the Act or under the securities legislation of any other jurisdiction where it is a reporting issuer.

8. The Applicant is not a party to any proceedings or to the best of its knowledge, information and belief, any pending proceeding under the Act or under the OBCA.

9. The holders of the common shares of the Applicant (the "Shareholders") were asked to consider and, if thought fit, pass a special resolution authorizing the Continuance at the Meeting. The special resolution authorizing the Continuance was approved by 100% of the votes cast by the Shareholders at the Meeting.

10. The principal reason for the Continuance is that the Applicant's principal place of business is located, and the majority of the Applicant's management reside, in British Columbia.

11. The Applicant intends to remain a reporting issuer in the provinces of Ontario, British Columbia and Alberta following the Continuance.

12. Pursuant to section 185 of the OBCA, all Shareholders of record as of the record date for the Meeting were entitled to exercise dissent rights with respect to the Application for Continuance. The management information circular of the Applicant dated June 7, 2010 provided to the Shareholders in connection with the Meeting advised the Shareholders of their dissent rights under the OBCA.

13. The material rights, duties and obligations of a corporation governed by the BCBCA are substantially similar to those of a corporation governed by the OBCA.

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

THE COMMISSION HEREBY CONSENTS to the continuance of the Applicant as a corporation under the BCBCA.

DATED at Toronto on this 16th day of July, 2010.

"Paulette Kennedy"
Commissioner
Ontario Securities Commission

"James Turner"
Commissioner
Ontario Securities Commission

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