The Ontario Securities Commission

OSC Bulletin

March 18, 2011

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

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

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

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Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

March 18, 2011

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

The Harry S. Bray Hearing Room
Ontario Securities Commission
Cadillac Fairview Tower
Suite 1700, Box 55
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Toronto, Ontario
M5H 3S8

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Vern Krishna	—	VK
Christopher Portner	—	CP
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

March 21-28, March 30-31 and April 4-7, 2011	**Paul Donald** s. 127
10:00 a.m.	C. Price in attendance for Staff
March 29, 2011	Panel: CP/PLK
2:30 p.m.	
March 21-22, March 24, March 28, March 30, May 2-9 and May 11-13, 2011	**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**
10:00 a.m.	
March 29 and March 31, 2011	s. 127
2:30 p.m.	H. Craig/C. Rossi in attendance for Staff
	Panel: VK/EPK
March 24, 2011	**Simply Wealth Financial Group Inc., Naida Allarde, Bernardo Giangrosso, K&S Global Wealth Creative Strategies Inc., Kevin Persaud, Maxine Lobban and Wayne Lobban**
10:00 a.m.	
	s. 127 and 127.1
	C. Johnson in attendance for Staff
	Panel: JDC
March 25, 2011	**North American Financial Group Inc., North American Capital Inc., Alexander Flavio Arconti, and Luigino Arconti**
10:00 a.m.	
	s. 127
	M. Britton in attendance for Staff
	Panel: EPK

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: JDC
March 30, 2011 11:30 a.m.	**David M. O'Brien** s. 37, 127 and 127.1 B. Shulman in attendance for Staff Panel: JDC
March 31, 2011 10:00 a.m.	**Peter Sbaraglia** s. 127 S. Horgan/P. Foy in attendance for Staff Panel: JDC
April 4-7, April 11, April 13-18 and April 20, 2011 10:00 a.m.	**Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan** s. 127 H. Craig/C.Rossi in attendance for Staff Panel: VK/SOA
April 4-11 and April 13-15, 2011 10:00 a.m.	**L. Jeffrey Pogachar, Paola Lombardi, Alan S. Price, New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., 2126375 Ontario Inc., 2108375 Ontario Inc., 2126533 Ontario Inc., 2152042 Ontario Inc., 2100228 Ontario Inc., and 2173817 Ontario Inc.** s. 127 M. Britton in attendance for Staff Panel: EPK/[TBA]
April 5, 2011 2:30 p.m.	**Lehman Brothers & Associates Corp., Greg Marks, Kent Emerson Lounds and Gregory William Higgins** s. 127 H. Craig in attendance for Staff Panel: JEAT
April 11, April 13-21, and April 27-29, 2011 10:00 a.m.	**Axcess Automation LLC, Axcess Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver, David Rutledge, 6845941 Canada Inc. carrying on business as Anesis Investments, Steven M. Taylor, Berkshire Management Services Inc. carrying on business as International Communication Strategies, 1303066 Ontario Ltd. carrying on business as ACG Graphic Communications, Montecassino Management Corporation, Reynold Mainse, World Class Communications Inc. and Ronald Mainse** s. 127 Y. Chisholm in attendance for Staff Panel: CP/PLK
April 18 and April 20, 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: JDC/MCH

April 26, 2011 2:30 p.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: CP
April 27, 2011 10:00 a.m.	**QuantFX Asset Management Inc., Vadim Tsatskin, Lucien Shtromvaser and Rostislav Zemlinsky** s. 127 H. Craig in attendance for Staff Panel: MGC
May 2-9, May 11-16, 2011 10:00 a.m.	**Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt** s. 127 C. Rossi in attendance for Staff Panel: JDC/MCH
May 3, 2011 10:00 a.m.	**Global Energy Group, Ltd., New Gold Limited Partnerships, 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: TBA
May 4-5, 2011 10:00 a.m.	**Biovail Corporation, Eugene N. Melnyk, Brian H. Crombie, John R. Miszuk and Kenneth G. Howling** s. 127(1) and 127.1 J. Superina, A. Clark in attendance for Staff Panel: JEAT/PLK/MGC
May 10, 2011 2:30 p.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 M. Vaillancourt in attendance for Staff Panel: JDC
May 12, 2011 10:00 a.m.	**Magna Partners Ltd.** s. 21.7 M. Vaillancourt in attendance for Staff Panel: JEAT/CP
May 16, 2011 10:00 a.m.	**Global Consulting and Financial Services, Crown Capital Management Corporation, Canadian Private Audit Service, Executive Asset Management, Michael Chomica, Peter Siklos (Also Known As Peter Kuti), Jan Chomica, and Lorne Banks** s. 127 H. Craig/C. Rossi in attendance for Staff Panel: MGC

May 16-19, May 25, May 27-31, 2011 10:00 a.m.	**Nelson Financial Group Ltd., Nelson Investment Group Ltd., Marc D. Boutet, Stephanie Lockman Sobol, Paul Manuel Torres, H.W. Peter Knoll**
May 24, 2011	s. 127
2:30 p.m.	P. Foy in attendance for Staff
May 26, 2011	Panel: EPK/MCH
2:00 p.m.	
May 17, 2011 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
May 19, 2011	**Andrew Rankin**
10:00 a.m.	s. 144
	S. Fenton/K. Manarin in attendance for Staff
	Panel: JEAT/PLK/CP
May 24, 2011 2:30 p.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)
	H. Craig in attendance for Staff
	Panel: TBA
May 25-31, 2011 10:00 a.m.	**Sunil Tulsiani, Tulsiani Investments Inc., Private Investment Club Inc., and Gulfland Holdings LLC**
	s. 127
	C. Rossi in attendance for Staff
	Panel: JDC/CWMS
June 1-2, 2011 10:00 a.m.	**Hector Wong** s. 21.7
	A. Heydon in attendance for Staff
	Panel: EPK/PLK
June 6 and June 8-9, 2011 10:00 a.m.	**Lehman Brothers & Associates Corp., Greg Marks, Kent Emerson Lounds and Gregory William Higgins**
	s. 127
	H. Craig in attendance for Staff
	Panel: JDC/CWMS
June 20 and June 22-30, 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
July 15, 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
July 26, 2011 11:00 a.m.	**Marlon Gary Hibbert, Ashanti Corporate Services Inc., Dominion International Resource Management Inc., Kabash Resource Management, Power to Create Wealth Inc. and Power to Create Wealth Inc. (Panama)**
	s. 127
	S. Chandra in attendance for Staff
	Panel: TBA

September 6-12, September 14-26 and September 28, 2011 10:00 a.m.	**Anthony Ianno and Saverio Manzo** s. 127 and 127.1 A. Clark in attendance for Staff Panel: EPK/PLK
September 12, 14-26 and September 28-30, 2011 10:00 a.m.	**FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun** s. 127 C. Price in attendance for Staff Panel: TBA
September 14-23, September 28 – October 4, 2011 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
October 12-24 and October 26-27, 2011 10:00 a.m.	**Helen Kuszper and Paul Kuszper** s. 127 and 127.1 U. Sheikh in attendance for Staff Panel: JDC/CWMS
October 17-24 and October 26-31, 2011 10:00 a.m.	**Richvale Resource Corp., Marvin Winick, Howard Blumenfeld, John Colonna, Pasquale Schiavone, and Shafi Khan** s. 127(7) and 127(8) H. Craig in attendance for Staff Panel: TBA
November 7, November 9-21, November 23 – December 2, 2011 10:00 a.m.	**Majestic Supply Co. Inc., Suncastle Developments Corporation, Herbert Adams, Steve Bishop, Mary Kricfalusi, Kevin Loman and CBK Enterprises Inc.** s. 37, 127 and 127.1 D. Ferris in attendance for Staff Panel: TBA
November 14-21 and November 23-28, 2011 10:00 a.m.	**Shaun Gerard McErlean and Securus Capital Inc.** s. 127 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

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

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

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

s. 127

C. Johnson 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/C. Rossi 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

Shane Suman and Monie Rahman

s. 127 and 127(1)

C. Price in attendance for Staff

Panel: JEAT/PLK

TBA

Gold-Quest International, Health and Harmoney, Iain Buchanan and Lisa Buchanan

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

TBA

Abel Da Silva

s. 127

M. Boswell in attendance for Staff

Panel: TBA

TBA

Sextant Capital Management Inc., Sextant Capital GP Inc., Otto Spork, Robert Levack and Natalie Spork

s. 127

T. Center in attendance for Staff

Panel: TBA

TBA

Ameron Oil and Gas Ltd., MX-IV Ltd., Gaye Knowles, Giorgio Knowles, Anthony Howorth, Vadim Tsatskin, Mark Grinshpun, Oded Pasternak, and Allan Walker

s. 37, 127 and 127.1

H. Craig/C. Rossi in attendance for Staff

Panel: TBA

TBA

Paul Azeff, Korin Bobrow, Mitchell Finkelstein, Howard Jeffrey Miller and Man Kin Cheng (a.k.a. Francis Cheng)

s. 127

T. Center/D. Campbell in attendance for Staff

Panel: TBA

TBA

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

A. Perschy/C. Rossi in attendance for Staff

Panel: CP/PLK

TBA

Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiaints Select American Transfer Co., Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., Nutrione Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group

s. 127 and 127.1

H. Craig in attendance for Staff

Panel: TBA

TBA

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: TBA

TBA

Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA

Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) and Liberty Consulting Ltd.

s. 127

S. Horgan in attendance for Staff

Panel: TBA

TBA **Rezwealth Financial Services Inc., Pamela Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc., Sylvan Blackett, 1778445 Ontario Inc. and Willoughby Smith**

s. 127(1) and (5)

A. Heydon in attendance for Staff

Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

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 OSC Staff Notice 21-705 – Process for Marketplace Filings and Proposed Rules of Exchanges

OSC STAFF NOTICE 21-705
PROCESS FOR MARKETPLACE FILINGS AND PROPOSED RULES OF EXCHANGES

Exchanges, quotation and trade reporting systems (QTRS) and alternative trading systems (ATS) have initial and ongoing reporting requirements that are set out in National Instrument 21-101 *Marketplace Operation* (NI 21-101).[1] NI 21-101 also requires exchanges to file all rules, policies and other similar instruments (collectively, Rules), as well as amendments to these Rules.[2] Today, the Canadian Securities Administrators (CSA) published for comment a number of materials, including proposed amendments to NI 21-101 (Proposed Amendments). One of the objective of the Proposed Amendments is to update and streamline the regulatory and reporting requirements applicable to all marketplaces.[3]

In addition to the requirements in NI 21-101, recognized exchanges are subject to the terms and conditions of their recognition orders. These include requirements relating to the types of Rules that an exchange must have. The recognition orders also require recognized exchanges to comply with protocols that outline the process for filing, publication and Commission review and approval for new Rules and Rule amendments.

OSC staff's existing process for reviewing the initial filings for exchanges and ATSs and changes to certain of the operations of recognized exchanges and ATSs is described in OSC Staff Notice 21-703 *Transparency of the Operations of Stock Exchanges and Alternative Trading Systems (Revised – Previously Published October 9, 2009)*.[4] The staff notice also describes the information relating to the operations of ATSs that is made public and the publication process.

On December 9, 2010, a number of legislative amendments came into force in Ontario that would support the creation of a formal approval of both the initial Form 21-101F2 filed by an ATS and of changes in an ATS's operations as outlined in this form.[5] As a result, OSC staff are currently developing protocols that will set out the process for filing, publication, review and approval of changes to all marketplaces' operations described in Form 21-101F1 or 21-101F2, as applicable. We are also reviewing the existing rule protocols applicable to exchanges to assess what, if any, changes are needed to increase consistency among the existing protocols and with the processes applicable to ATSs.

We plan to consult during the development process. We will also consider comments received in the public comment process for the Proposed Amendments[6] in finalizing these protocols.

Questions may be referred to:

Ruxandra Smith
Ontario Securities Commission
ruxsmith@osc.gov.on.ca

Sonali GuptaBhaya
Ontario Securities Commission
sguptabhaya@osc.gov.on.ca

Tracey Stern
Ontario Securities Commission
tstern@osc.gov.on.ca

March 18, 2011

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1 Sections 3.1, 4.1 and subsection 6.4(1) of NI 21-101 include the initial filing requirements for exchanges, QTRSs and ATSs, respectively. Sections 3.2, 4.2 and subsections 6.4(2), 6.4(3) and 6.4(4) include the ongoing filing requirements.

2 See section 5.5 of NI 21-101.

3 As part of the Proposed Amendments, we propose to: shorten the prior notification period for fee changes; revise the filing requirements for changes that do not constitute significant changes; require that all marketplaces file quarterly reports of their trading activities; and give guidance on what is considered to be a significant change.

4 Available at http://www.osc.gov.on.ca/en/28679.htm

5 Specifically, new section 21.0.1 of the Act added regulatory powers relating to decision-making authority with respect to ATSs; definitions of "ATS" and "marketplace" were added to the Act; and a reference was added to paragraph 12(i) under subsection 143(1) of the Act to mirror the Commission's existing rulemaking activity in relation to exchanges.

6 The Proposed Amendments are published for a 90 day comment period that ends on June 16, 2011.

1.1.3 NuLoch Resources Inc. and Enbridge Inc. et al.

In the March 4, 2011 issue of the Bulletin, *NuLoch Resources Inc.* (2011), 34 OSCB 2571 was published in error. The correct decision is *Enbridge Inc. et al.*, which appears in this Bulletin at (2011), 34 OSCB 3207.

1.2 Notices of Hearing

1.2.1 Magna Partners Ltd. – s. 21.7

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

AND

IN THE MATTER OF
MAGNA PARTNERS LTD.

AND

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

NOTICE
Section 21.7

TAKE NOTICE THAT the Ontario Securities Commission will hold a hearing pursuant to section 21.7 of the *Securities Act*, R.S.O. 1990, c S.5, as amended, to consider the Application made by Magna Partners Ltd. for a review of a decision of the Investment Industry Regulatory Organization of Canada made October 28, 2010;

AND TAKE FURTHER NOTICE THAT the hearing will be held on May 12, 2011 at 10:00 a.m. at Commission's offices at 20 Queen Street West, 17th Floor, Toronto, Ontario.

Dated at Toronto this 11th day of March, 2011

"Josée Turcotte"
Secretary to the Commission

1.4 Notices from the Office of the Secretary

1.4.1 QuantFX Asset Management Inc. et al.

FOR IMMEDIATE RELEASE
March 14, 2011

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

AND

IN THE MATTER OF
QUANTFX ASSET MANAGEMENT INC.,
ADIM TSATSKIN, LUCIEN SHTROMVASER AND
ROSTISLAV ZEMLINSKY

TORONTO – The Commission issued an Order in the above named matter which provides that the Temporary Order is extended to April 28, 2011 and that the hearing in this matter is adjourned to April 27, 2011 at 10:00 a.m. or on such other date as provided by the Secretary's Office and agreed to by the parties, subject to the right of the parties to make further submissions on the appropriate date and time to which this Temporary Order is extended.

A copy of the Order dated March 11, 2011 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

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

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.2 Helen Kuszper and Paul Kuszper

FOR IMMEDIATE RELEASE
March 14, 2011

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

AND

IN THE MATTER OF
HELEN KUSZPER AND PAUL KUSZPER

TORONTO – The Commission issued an Order in the above named matter which provides that any pre-hearing motions in this matter to be made by the parties shall be filed with the Commission by no later than August 1, 2011.

A copy of the Order dated March 10, 2011 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

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

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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416-593-8314
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1.4.3 TBS New Media Ltd. et al.

FOR IMMEDIATE RELEASE
March 14, 2011

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

AND

TBS NEW MEDIA LTD., TBS NEW MEDIA PLC,
CNF FOOD CORP., CNF CANDY CORP.,
ARI JONATHAN FIRESTONE and MARK GREEN

TORONTO – The Commission issued a Temporary Order in the above named matter which provides that the Temporary Order, as amended by the July 12, 2010 Order, is extended to May 18, 2011 and the Hearing is adjourned to May 17, 2011 at 10:00 a.m., or such other date and time as set by the Office of the Secretary and agreed upon by the parties.

A copy of the Temporary Order dated March 11, 2011 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

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

Dylan Rae
Media Relations Specialist
416-595-8934

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

1.4.4 Magna Partners Ltd.

FOR IMMEDIATE RELEASE
March 14, 2011

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

AND

IN THE MATTER OF
MAGNA PARTNERS LTD.

AND

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

TORONTO – The Office of the Secretary issued a Notice of Hearing setting the matter down to be heard on May 12, 2011 at 10:00 a.m. or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated March 11, 2011 and the Amended Request for Review dated December 2, 2010 are 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

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

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 CIBC Asset Management Inc.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to a fund manager as a "company providing services to the mutual fund" under section 11.1(1)(b) of NI 81-102 – Relief permits the fund manager to commingle client cash related to the manager's open-ended mutual funds in the same trust account as client cash temporarily received by the fund manager for investment in deposits offered by an affiliate.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 11.1(1)(b), 19.1.

March 9, 2011

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
CIBC ASSET MANAGEMENT INC.
(the Filer)

DECISION

Background

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

- relief under section 19.1 of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) from the requirements of section 11.1(1)(b) of NI 81-102 (the "**Commingling Prohibition**") that cash received by a person or company providing services to a mutual fund, for investment in, or on the redemption of, securities of the mutual fund (**Mutual Fund Cash**) may be commingled only with cash received by the service provider for the sale or on the redemption of other mutual fund securities (the **Commingling Relief**); and

- revocation of the Decision Document (the "**Prior Decision**") granted by the principal regulator on May 5, 2009 in favour of the Filer (the "**Revocation Relief**").

(The Commingling Relief and the Revocation Relief are collectively referred to as the "**Exemption Sought**".)

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

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

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

(The Jurisdiction and the Passport Jurisdictions are collectively, the **Jurisdictions**).

Interpretation

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

Representations

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

1. The Filer is a service provider to a number of mutual funds sponsored by it (the **Funds**) and is also the manager and trustee of the Funds.

2. The Filer is registered as an investment fund manager in Ontario. The Filer is also registered as an adviser in the category of portfolio manager in each of the provinces and territories of Canada and as commodity trading manager in Ontario.

3. Securities of the Funds are generally sold through registered dealers (**Dealers**).

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

5. The Filer maintains one or more trust accounts on behalf of the Funds managed by it (the **Trust Accounts**) with major Canadian financial institutions in which all monies (**Mutual Fund Cash**) invested by securityholders in the Funds (**Investors**) are paid by way of cheque, wire transfer, electronic funds transfer and the FundSERV electronic order entry systems (**Industry Standard Settlement Processes**) and from which redemption proceeds or assets to be distributed are paid. The Trust Accounts are interest bearing and all of the interest earned on cash in the Trust Accounts is paid to Investors of the Funds or to each of the Funds on a pro rata basis in compliance with subsection 11.1(4) of NI 81-102. The Filer maintains separate Trust Accounts for Canadian monies (the "**Canadian Trust Accounts**") and U.S. monies (the "**U.S. Trust Accounts**"). The Filer also ensures compliance with section 11.3 in the way in which the Trust Accounts are maintained.

6. Each Trust Account is held on behalf of the Funds. The Filer, as manager and trustee of the Funds, has access to the applicable Trust Account and has control over which of its employees has access to the applicable Trust Account.

7. Canadian Imperial Bank of Commerce (**CIBC**) is a federally regulated bank. The Filer is a wholly-owned subsidiary of CIBC.

8. CIBC intends to accept Canadian dollar cash deposits into Canadian high interest savings accounts (**Canadian Deposits**) and U.S. dollar cash deposits into U.S high interest savings account (**U.S. Deposits**) from Investors via Dealers (collectively such investments, the **Deposits**) by way of Industry Standard Settlement Processes. The Deposits will be offered by CIBC through the Filer and will be held at CIBC.

9. The Filer provides the administrative infrastructure necessary to permit CIBC to offer the Deposits to Investors via Dealers, specifically including the operational means by which Investors' funds will be moved from the Dealers to CIBC.

10. The Canadian Deposits offered by CIBC are or will be savings accounts eligible for deposit insurance from the Canada Deposit Insurance Corporation (**CDIC**) subject to CDIC rules and regulations. The U.S. Deposits are ineligible for CDIC insurance as CDIC does not insure any accounts or products in U.S. dollars. Investors who wish to invest cash in the Deposits may also purchase units of the Funds from their Dealer at the same time.

11. Dealers who accept cash from Investors for investment in the Deposits (**Other Cash**) and for investment in the Funds (as noted above, **Mutual Fund Cash**) will forward such cash to the Filer via Industry Standard Settlement Processes. Once received, the Filer proposes to hold both Mutual Fund Cash and Other Cash temporarily in the Canadian Trust Accounts or U.S. Trust Accounts, as applicable. Investors' Other Cash will then be forwarded by the Filer from its Trust Accounts to CIBC, while Investor's Mutual Fund Cash will be forwarded by the Filer from the Trust Account to the Funds' custodian that will apply it to the individual Fund accounts in the custodian's name. For a brief time then, the Filer anticipates that Mutual Fund Cash and Other Cash will be temporarily commingled in the Trust Accounts.

12. As manager of the Funds, the Filer is subject to the statutory standard of care set forth in section 116 of the *Securities Act* (Ontario) and to similar provisions contained in the legislation of the Jurisdictions. As a federally regulated company, CIBC accepts the Deposits as guaranteed trust money and the Filer, acting as an agent of CIBC, will comply with the fiduciary standard of care and applicable customer protection legislation and regulations which apply to CIBC in respect of the Deposits. Investors' Other Cash in the Canadian Deposits will be eligible for deposit insurance from CDIC subject to CDIC rules and regulations. The Filer also maintains insurance coverage in accordance with section 12.5 of National Instrument 31-103 – *Registration Requirements and Exemptions*.

13. The temporary commingling of Other Cash with Mutual Fund Cash in the Trust Accounts will permit a seamless method to move funds from Dealers to the Funds and CIBC, and in reverse, and will facilitate significant administrative and systems economies that will enable the Filer to enhance its level of service to its clients.

14. In the absence of the Exemption Sought, the commingling of the Mutual Fund Cash with Other Cash would contravene the Commingling Prohibition and would require the Filer to establish separate trust accounts for the Funds and the Deposits. This would effectively not permit the offering of the Deposits to Investors alongside mutual fund investments within the same nominee-name accounts, which the Filer believes to be of significant value to investors.

15. Commingled Mutual Fund Cash and Other Cash will be forwarded to individual Fund accounts in the name of the Funds' custodian and to CIBC, as applicable, no less frequently than following overnight processing of Fund purchase and Deposit orders. Commingled Mutual Fund Cash and Other Cash will be forwarded from the Trust Accounts to the relevant dealers or dealer trust accounts which redeem Funds or order withdrawals from the Deposits no less frequently than following overnight processing of redemption or withdrawal orders, subject to the time it may

take for an Investor to redeem a cheque issued in respect of redeemed Fund units or withdrawn Deposits. Accordingly, all monies held in the Trust Accounts will be cleared no less frequently than on a daily basis at the beginning of each business day following the previous business day's overnight processing of all purchase and deposit transactions involving the Funds and Deposits and most redemptions from the Funds and withdrawals from the Deposits.

16. The Filer does not believe that the interests of its clients will be prejudiced in any way by the commingling of Other Cash with Mutual Fund Cash in the Trust Accounts.

17. The Filer is a "company providing services to the mutual fund" under the provisions of section 11.1(1)(b) of NI 81-102. Accordingly, the Commingling Prohibition prohibits the Filers from commingling Mutual Fund Cash with Other Cash.

18. Mutual Fund Cash or Other Cash related to the transaction initiated by one of the Filer's clients will not be used to settle the transaction initiated by any other client of the Filer.

19. In providing services, the Filer currently has systems in place to be able to account for all monies it received into and all of the monies that are to be paid out of the Trust Accounts in order to meet the policy objectives of section 11.1 of NI 81-102.

20. The Filer will ensure that proper records with respect to client cash in a commingled account are kept, and will ensure that its respective Trust Accounts are reconciled, and that Mutual Fund Cash and Other Cash are properly accounted for, daily.

21. The Filer will ensure that all transactions in its Trust Accounts are manually reviewed on a daily basis in order to monitor the Trust Account for discrepancies in the handling of Mutual Fund Cash and Other Cash in the Trust Accounts.

22. Any error in the handling of monies in a Filer's Trust Account as a result of the commingling of funds identified through such daily review process will promptly be corrected by the Filer.

23. Except for the Commingling Prohibition, the Filer will comply with all other requirements prescribed in Part 11 of NI 81-102 with respect to handling and segregation of client cash.

24. Upon obtaining the Exemption Sought, the Filer will no longer rely on the Prior Decision.

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.

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

2.1.2 Norwall Group Inc. – s. 1(10)

Headnote

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

Applicable Legislative Provisions

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

March 10, 2011

Norwall Group Inc.
150 Delta Park Blvd.
Brampton, Ontario
L6T 5T6

Attention: Edward G. Diochon,
Vice President, Finance

Re: Norwall Group Inc. (the Applicant) – application for a decision under the securities legislation of the Provinces of Ontario, Alberta, Quebec, Saskatchewan, Manitoba, 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

2.1.3 Feronia Inc.

Headnote

NP 11-203 – Exemption from qualification requirements to permit filer to file a prospectus in the form of a short form prospectus – Filer does not have a current AIF and therefore cannot comply with s. 2.2(d) of National Instrument 44-101 Short Form Prospectus Distributions – Filer is a "successor issuer" but cannot rely on exemption in s. 2.7(2) because Filer did not have to prepare an information circular in connection with restructuring transaction – Filer has filed a listing application including the disclosure prescribed for a filing statement by TSXV Form 3B2 – Listing application in all material respects includes the disclosure in connection with the Filer and the RTO that would be included in an information circular prepared in accordance with Item 14.5 of Form 51-102F5 Information Circular.

Applicable Legislative Provisions

National Instrument 44-101 Short Form Prospectus Distributions, ss. 2.2, 2.7, 8.1.

March 9, 2011

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
FERONIA INC.
(the "Filer")

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the "**Application**") from the Filer for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") that the Filer be exempted from the qualification requirement in paragraph 2.2(d)(ii) of National Instrument 44-101 *Short Form Prospectus Distributions* ("**NI 44-101**") in respect of any prospectus filed by the Filer prior to April 29, 2011 (the "**Exemptive Relief 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 the application, and

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

Interpretation

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

Representations

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

1. The Filer was continued under the laws of the Province of Ontario and its head office is located in Toronto, Ontario.

2. The Filer's common shares and common share purchase warrants are listed on the TSX Venture Exchange (the "**TSXV**") and the Filer is a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan and Ontario.

3. On September 9, 2010, the Filer (then known as G.T.M. Capital Corporation) completed a reverse takeover transaction (the "**RTO**") with Feronia CI Inc., a private company incorporated under the laws of the Cayman Islands ("**Feronia CI**"), by way of an exchange offer and merger of Feronia CI with Feronia PHC Limited, a wholly-owned subsidiary of the Filer, resulting in the Filer owning all of the issued and outstanding securities of the merged entity.

4. Upon completion of the RTO, the Filer changed its name from "G.T.M. Capital Corporation" to "Feronia Inc."

5. The financial year-end of the Filer is December 31. The Filer expects to file audited annual financial statements for the year ended December 31, 2010 on or prior to April 29, 2011.

6. In connection with the RTO and in accordance with TSXV Policy 2.4, the Filer filed a listing application dated August 27, 2010 (the "**Listing Application**") on SEDAR, which included the disclosure prescribed for a filing statement by TSXV Form 3B2 – *Information Required in a Filing Statement for a Qualifying Transaction* ("**Form 3B2**").

7. As required by Form 3B2, the Listing Application appended audited financial statements of Feronia CI for the interim period ended March 31, 2010, the year ended December 31, 2009 and the five-month period ended December 31, 2008, and pro forma financial statements of the Resulting Issuer

(as such term is defined in Form 3B2). In addition, the Listing Application appended audited financial statements of Plantations et Huileries du Congo SARL, being the operating subsidiary of Feronia CI, for the years ended December 31, 2009, 2008 and 2007.

8. The Filer did not file an information circular as prescribed by Form 3B1 – *Information Required in an Information Circular for a Qualifying Transaction* because the consent of the Filer's shareholders was not required in order to complete the RTO.

9. The Filer is not in default of securities legislation in any jurisdiction.

10. The Filer is not in default of any of the rules, regulations or policies of the TSXV.

11. The Filer wishes to be qualified to file a short form prospectus pursuant to NI 44-101.

12. As a venture issuer under National Instrument 51-102 *Continuous Disclosure Obligations*, the Filer is not required to file an annual information form ("**AIF**") and has never filed an AIF.

13. As a result of the RTO, the Filer is a "successor issuer" as such term is defined in NI 44-101.

14. An exemption from paragraph 2.2(d) of NI 44-101 is provided under subsection 2.7(2) of NI 44-101 to permit a successor issuer that does not have a current AIF to qualify to file a prospectus in the form of a short form prospectus, subject to certain conditions; in particular, the condition in paragraph 2.7(2)(b) that an information circular relating to the restructuring transaction that resulted in the successor issuer was filed by the successor issuer or an issuer that was a party to the restructuring transaction, and such information circular: (i) complied with applicable securities legislation, and (ii) included disclosure in accordance with Item 14.2 or 14.5 of Form 51-102F5 – *Information Circular* for the successor issuer.

15. The Filer is unable to rely on the exemption in subsection 2.7(2) because it did not file an information circular relating to the RTO and therefore cannot technically satisfy the condition in paragraph 2.7(2)(b).

16. The Listing Application in all material respects includes the disclosure in connection with the Filer and the RTO that would be included in an information circular prepared in accordance with Item 14.5 of Form 51-102F5.

17. But for the Filer not having prepared an information circular relating to the Filer and the RTO, the Filer would be able to rely on the exemption in subsection 2.7(2) of NI 44-101 to be qualified to file a prospectus in the form of a short form prospectus pursuant to the qualification criteria in section 2.2 of NI 44-101.

18. On February 25, 2011, the Filer filed on SEDAR a notice pursuant to section 2.8 of NI 44-101 declaring its intention to be qualified to file a short form prospectus.

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 Exemptive Relief Sought is granted provided that the Filer incorporates by reference the Listing Application in any short form prospectus filed prior to April 29, 2011, pursuant to NI 44-101.

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

2.1.4 Provident Energy Trust and Provident Energy Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemption granted from the requirement to include financial statements in an information circular for an entity participating in an arrangement – the information circular will be sent to the Trust's unitholders in connection with a proposed internal reorganization pursuant to which its business operations will be conducted through a corporate entity – the corporate entity will own, directly or indirectly, all of the existing assets and assume all of the existing liabilities of the Trust and PEL and its sole business will be the current business of the Trust.

Exemption granted from the current annual financial statement and current AIF short form prospectus qualification criteria and the requirement to file a notice declaring its intention to be qualified to file a short form prospectus at least 10 business days prior to the filing of a preliminary short form prospectus – relief granted as disclosure regarding the predecessor issuer will effectively be the disclosure of Trust – the Trust is qualified to file a short form prospectus.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1 – Information circular.
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1 – Qualification.
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1 – 10 day notice.

Citation: Provident Energy Trust, Re, 2010 ABASC 501

October 27, 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
PROVIDENT ENERGY TRUST (THE TRUST) AND
PROVIDENT ENERGY LTD.
(PEL and, together with the Trust, 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 the Trust from the requirement under Section 14.2 of Form 51-102F5 *Information Circular* (the **Circular Form**) of the Legislation to provide the PEL Financial Statements (as defined below) and the PEL MD&A (as defined below) in the management information circular (the **Circular**) to be prepared by the Trust and delivered to the holders (**Unitholders**) of units of the Trust (**Trust Units**) in connection with a special meeting (the **Meeting**) of Unitholders to be held on December 1, 2010 for the purposes of, among other things, considering a plan of arrangement under the *Business Corporations Act* (Alberta) (the **Arrangement**) involving the Trust, PEL, 1564911 Alberta ULC, a wholly-owned subsidiary of PEL (**Newco**) and the Unitholders resulting in the internal reorganization of the Trust's trust structure into a corporate structure (the **Circular Relief**);

(b) exempting Provident Energy (as defined below) from the qualification criteria for short form prospectus eligibility contained in Subsection 2.2(d) of National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**) following completion of the Arrangement until the earlier of: (a) March 31, 2011; and (b) the date upon which Provident

Energy (as defined below) has filed both its annual financial statements and annual information form for the year ended December 31, 2010 pursuant to NI 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) (the **Qualification Relief**); and

(c) exempting Provident Energy (as defined below) from the requirement to file a notice under Section 2.8 of NI 44-101 declaring its intention to be qualified to file a short form prospectus at least 10 business days prior to the filing of its first preliminary short form prospectus after the notice (the **Prospectus 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 Subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island 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 National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

THE TRUST, PEL AND NEWCO

The Trust

1. The Trust is an unincorporated open-ended trust established under the laws of the Province of Alberta and created pursuant to a trust indenture dated January 25, 2001, as amended (the Trust Indenture) between a predecessor of Computershare Trust Company of Canada (**Computershare**) and a predecessor of PEL. The principal office of the Trust is located in Calgary, Alberta.

2. Computershare is the trustee of the Trust, PEL is the administrator of the Trust and the beneficiaries of the Trust are the Unitholders.

3. The authorized capital of the Trust includes an unlimited number of Trust Units and special voting units. As at October 20, 2010, there were 267,460,369 Trust Units and no special voting units outstanding.

4. The Trust is a reporting issuer or the equivalent under the securities legislation of each of the provinces of Canada. To its knowledge, the Trust is not in default of securities legislation in any jurisdiction of Canada.

5. The Trust Units are listed on the Toronto Stock Exchange (**TSX**) under the symbol "PVE.UN" and on the New York Stock Exchange (**NYSE**) under the symbol PVX.

6. As of October 20, 2010, the Trust had outstanding approximately $99.0 million aggregate principal amount of 6.5 percent convertible unsecured subordinated debentures of the Trust issued on March 1, 2005 (the **Initial 6.5 Percent Debentures**). The Initial 6.5 Percent Debentures mature on August 31, 2012 and bear interest at a rate of 6.5 percent per annum. The Initial 6.5 Percent Debentures are listed on the TSX under the symbol "PVE.DB.C".

7. As of October 20, 2010, the Trust had outstanding approximately $150.0 million aggregate principal amount of supplemental 6.5 percent convertible unsecured subordinated debentures of the Trust issued on November 15, 2005 (the **Supplemental 6.5 Percent Debentures**). The Supplemental 6.5 Percent Debentures mature on April 30, 2011 and bear interest at a rate of 6.5 percent per annum. The Supplemental 6.5 Percent Debentures are listed on the TSX under the symbol "PVE.DB.D".

8. The Trust has filed a "current AIF" and has "current annual financial statements" (as such terms are defined in NI 44-101) for the financial year ended December 31, 2009.

PEL

9. PEL is a corporation amalgamated under the laws of the Province of Alberta. The principal office of PEL is located in Calgary, Alberta.

10. PEL is wholly-owned by the Trust.

11. PEL is a reporting issuer in British Columbia, Alberta, Saskatchewan, Ontario and Québec. Pursuant to a Mutual Reliance Review System decision document dated January 5, 2005 (the **MRRS Decision Document**), PEL is relieved from the continuous disclosure obligations of NI 51-102 and certain other disclosure requirements subject to certain conditions. PEL continues to satisfy the conditions set out in the MRRS Decision Document and is not in default of applicable securities legislation in any jurisdiction of Canada.

12. The authorized capital of PEL consists of an unlimited number of common shares of PEL (**PEL Common Shares**), Exchangeable Shares, issuable in series, Series A Exchangeable Shares, Series B Exchangeable Shares, Series C Exchangeable Shares and Series D Exchangeable Shares. As of the date hereof, there is one PEL Common Share issued and outstanding, which is held by the Trust. There are no Exchangeable Shares, issuable in series, Series A Exchangeable Shares, Series B Exchangeable Shares, Series C Exchangeable Shares and Series D Exchangeable Shares issued and outstanding.

13. The issued and outstanding PEL Common Shares are not listed or posted for trading on any exchange or quotation and trade reporting system. PEL has no securities listed on any exchanges.

14. The principal business of PEL is to manage and administer the operating activities associated with the natural gas liquids midstream processing and marketing business held by the Trust's various subsidiaries. The board of directors of PEL has generally been delegated the significant management decisions of the Trust and supervises the management of the business and affairs of the Trust.

Newco

15. Newco is an unlimited liability corporation incorporated under the ABCA for the sole purpose of participating in the Arrangement. The principal office of Newco is located in Calgary, Alberta.

16. Newco is a wholly-owned subsidiary of PEL. Newco is not a reporting issuer in any jurisdiction.

ARRANGEMENT

17. As part of the Arrangement, (i) PEL and Newco will be amalgamated to form Provident Energy Ltd. (**Provident Energy**) at which time PEL will cease to become a reporting issuer; (ii) Trust Units held by Unitholders will be sold, transferred and assigned to Provident Energy (free of any claims) in exchange for the issuance by Provident Energy to Unitholders of fully paid and non-assessable common shares in the capital of Provident Energy (**Provident Energy Common Shares**) on the basis of one fully paid and non-assessable Provident Energy Common Share for each one Trust Unit so exchanged; (iii) all of the property of the Trust will be transferred to Provident Energy, Provident Energy will assume all of the liabilities and obligations of the Trust, Provident Energy will dispose of all of its interest as a beneficiary under the Trust, and the Trust will be dissolved; and (iv) Provident Energy will own, directly or indirectly, all of the existing assets and assume all of the existing liabilities of the Trust, effectively resulting in the internal reorganization of the Trust's trust structure into a corporate structure.

18. The only securities that will be distributed to Unitholders pursuant to the Arrangement will be Provident Energy Common Shares.

19. Provident Energy will assume all covenants and obligations in respect of the Initial 6.5 Percent Debentures and the Supplemental 6.5 Percent Debentures and will enter into a supplemental debenture trust indenture with Computershare at the closing of the Arrangement. Completion of the Arrangement will constitute a "change of control" under the terms of the Initial 6.5 Percent Debentures and the Supplemental 6.5 Percent Debentures. As a result, within 30 days following the Arrangement, Provident Energy will be required to make an offer to purchase the Initial 6.5 Percent Debentures and the Supplemental 6.5 Percent Debentures at a price of 101% of the principal amount. Provided the Arrangement is completed, holders of the Initial 6.5 Percent Debentures and the Supplemental 6.5 Percent Debentures will thereafter be entitled to receive Provident Energy Common Shares, rather than Trust Units, on the basis of one Provident Energy Common Share in lieu of each one Trust Unit which they were previously entitled to receive, on conversion of such debentures.

20. The rights of the holders of the Initial 6.5 Percent Debentures and the Supplemental 6.5 Percent Debentures in respect of Provident Energy following the Arrangement will be substantially equivalent to the rights the holders of Initial 6.5 Percent Debentures and the Supplemental 6.5 Percent Debentures currently have in respect of the Trust.

21. Following the completion of the Arrangement, Provident Energy will be a reporting issuer or the equivalent under the securities legislation in each of the provinces of Canada and the Provident Energy Common Shares will, subject to approval by the TSX and the NYSE, be listed for trading on the TSX and the NYSE.

22. The Arrangement does not contemplate the acquisition of any additional operating assets or the disposition of any existing operating assets.

23. Pursuant to the Trust Indenture, the Alberta *Business Corporations Act* and applicable securities laws, the Unitholders will be required to approve the Arrangement at the Meeting. The Arrangement must be approved by not less than two-thirds of the votes cast by Unitholders at the Meeting. The Meeting will take place on December 1, 2010 and the Circular is expected to be mailed on or about November 5, 2010.

24. The Arrangement will be a "restructuring transaction" under NI 51-102 in respect of the Trust and therefore will require compliance with Section 14.2 of the Circular Form.

25. The Arrangement involves a proposed internal reorganization of the Trust and certain of its subsidiaries through which the Trust's current trust structure will be replaced with a corporate structure. The Arrangement is being recommended in light of the fact that the transition period for the application of the changes in the tax treatment of SIFT trusts (originally announced by the Canadian Federal government on October 31, 2006) ends on December 31, 2010. If the Arrangement is approved, the Trust will be replaced by a publicly-traded, dividend-paying corporation to be known as "Provident Energy Ltd" Provident Energy will own, directly or indirectly, the same assets that the Trust owned immediately prior to the effective time of the Arrangement and Provident Energy will assume all of the obligations of the Trust.

26. While changes to the consolidated financial statements of Provident Energy will be required to reflect the new organizational structure following the Arrangement, the financial position of Provident Energy will be substantially the same as reflected in the Trust's audited annual consolidated financial statements most recently filed under Part 4 of NI 51-102 prior to the date of the Circular and the unaudited interim consolidated financial statements of the Trust's most recently filed under Part 4 of NI 51-102 prior to the date of the Circular. In particular, the entity that exists both before and subsequent to the Arrangement would be substantially the same given the fact that the assets and liabilities of the enterprise, from both an accounting perspective and economic perspective, are not changing based on the Arrangement.

27. The Arrangement will be an internal reorganization undertaken without dilution to the Trust Unitholders or additional debt or interest expense.

FINANCIAL STATEMENT AND MANAGEMENT'S DISCUSSION AND ANALYSIS DISCLOSURE IN THE CIRCULAR

28. Section 14.2 of the Circular Form requires, among other Sections, that the Circular contain the disclosure (including financial statements) prescribed under securities legislation and described in the form of prospectus that Provident Energy would be eligible to use immediately prior to the sending and filing of the Circular for a distribution of its securities.

29. As Provident Energy will be the corporation resulting from the amalgamation of PEL and Newco pursuant to the Arrangement and will not be in existence as of the date of the Circular, Subsection 32.1(a) of Form 41-101F1 Information Required in a Prospectus (the **Prospectus Form**) requires that the financial statements of any predecessor entity that formed the basis of the business of Provident Energy be included in the Circular. Since PEL is currently one of the principal operating entities of the Trust and will form the basis of the business of Provident Energy to be carried on following the completion of the Arrangement, the Circular must contain the disclosure in respect of PEL prescribed by the Prospectus Form.

30. Subsection 32.2(1) of the Prospectus Form requires the Trust to include certain annual financial statements of PEL in the Circular, including: (i) an income statement, a statement of retained earnings, and a cash flow statement of PEL for each of the financial years ended December 31, 2009, December 31, 2008 and December 31, 2007; and (ii) a balance sheet of PEL as at December 31, 2009 and December 31, 2008 (collectively, the **PEL Annual Financial Statements**). Subsection 32.3(1) of the Prospectus Form also requires the Trust to include certain comparative interim financial statements of PEL in the Circular, including: (i) an income statement, a statement of retained earnings and a cash flow statement of PEL for the interim periods ended June 30, 2010 and June 30, 2009; and (ii) a balance sheet of PEL as at

the end of June 30, 2010 and December 3l, 2009 (together with the PEL Annual Financial statements, the **PEL Financial Statements**).

31. Sections 8.2(1)(a) and (b) and 8.2(2) of the Prospectus Form require the Trust to include MD&A corresponding to each of the financial years ended December 31, 2009 and December 31, 2008 and the interim period ended June 30, 2010 of PEL (the **PEL MD&A**) in the Circular.

32. Subsection 4.2(1) of NI 41-101 requires that the PEL Annual Financial Statements required to be included in the Circular must be audited in accordance with National Instrument 52-107 *Acceptable Accounting Principles, Auditing Standards and Reporting Currency*.

EXEMPTIVE RELIEF SOUGHT

Circular Relief

33. The financial statements of the Trust and related MD&A are prepared on a consolidated basis, which includes the financial results for PEL. As PEL is relieved from continuous disclosure obligations of NI 51-102 and certain other disclosure requirements subject to certain conditions due to the MRRS Decision Document, PEL does not report its financial results independently from the consolidated financial statements of the Trust. To present the PEL Financial Statements and the PEL MD&A in the Circular, which would exclude accounts of the Trust, could be misleading, since there are transactions between PEL and the Trust that eliminate when consolidation is performed at the Trust level. To present the PEL Financial Statements, which would exclude the accounts of the Trust, would present the effects of only one side of the financing activities between PEL and the Trust. This would result in significant intra-group liabilities and large amounts of intra-group interest expense being reflected on the PEL Financial Statements. To present PEL excluding the Initial 6.5 Percent Debentures and the Supplemental 6.5 Percent Debentures would be potentially misleading as the debentures will be assumed by Provident Energy under the Arrangement. As a result, the presentation of these intra-group transactions, which will be eliminated upon completion of the Arrangement, would present a confusing (and potentially misleading) picture of financial performance.

34. The PEL Financial Statements and the PEL MD&A are not relevant to the Unitholders for the purposes of considering the Arrangement, as the PEL Financial Statements and the PEL MD&A, other than as discussed above, would be substantially and materially the same as the consolidated financial statements of the Trust filed in accordance with Part 4 of NI 51-102 prior to the completion of the Arrangement because the financial position of the entity that exists both before and after the Arrangement is substantially the same.

35. The Circular will contain prospectus level disclosure in accordance with the Prospectus Form (other than the PEL Financial Statements and the PEL MD&A) and will contain sufficient information to enable a reasonable Unitholder to form a reasoned judgement concerning the nature and effect of the Arrangement and the nature of the resultant public entity and reporting issuer from the Arrangement, being Provident Energy.

Qualification Relief

36. Subsection 2.7(2) of NI 44-101 contains an exemption for successor issuers from the qualification criteria for short form prospectus eligibility contained in Subsection 2.2(d) of NI 44-101, if an information circular relating to the restructuring transaction that resulted in the successor issuer was filed by the successor issuer or an issuer that was a party to the restructuring transaction, and such information circular (i) complied with applicable securities legislation, and (ii) included disclosure in accordance with Section 14.2 or 14.5 of the Circular Form of the successor issuer. Provident Energy will be a "successor issuer" (as such term is defined in NI 44-101) as a result of the Arrangement (which, as discussed above, is a restructuring transaction). The Circular will be filed by the Trust (a party to the restructuring transaction), the Circular will comply with applicable securities legislation and the Circular will include the disclosure required by Section 14.2 of the Circular Form, except for the PEL Financial Statements and the PEL MD&A which will not be included in the Circular pursuant to the Circular Relief.

Prospectus Relief

37. The Trust is qualified to file a prospectus in the form of a short form prospectus pursuant to Section 2.2 of NI 44-101 and is deemed to have filed a notice of intention to be qualified to file a short form prospectus under Subsection 2.8(4) of NI 44-101.

38. The Filers anticipate that Provident Energy may wish to file a preliminary short form prospectus following the completion of the Arrangement, relating to the offering or potential offering of securities of Provident Energy (including Provident Energy Common Shares, debt securities or subscription receipts).

39. In anticipation of the filing of a preliminary short form prospectus, and assuming the Arrangement has been completed, Provident Energy intends to file a notice of intention to be qualified to file a short form prospectus (the **Notice of Intention**) following completion of the Arrangement. In the absence of the Prospectus Relief, Provident Energy will not be qualified to file a preliminary short form prospectus until 10 business days from the date upon which the Notice of Intention is filed.

40. Pursuant to the qualification criteria set forth in Section 2.2 of NI 44-101 as modified by the Qualification Relief, following the Arrangement, Provident Energy will be qualified to file a short form prospectus pursuant to NI 44-101.

41. Notwithstanding Section 2.2 of NI 44-101 as modified by the Qualification Relief, Subsection 2.8(1) of NI 44-101 provides that an issuer is not qualified to file a short form prospectus unless it has filed a notice declaring its intention to be qualified to file a short form prospectus at least 10 business days prior to the issuer filing its first preliminary short form prospectus.

42. The short form prospectus of Provident Energy will incorporate by reference the documents that would be required to be incorporated by reference under Section 11 of Form 44-101F1 in a short form prospectus of Provident Energy, as modified by the Qualification Relief.

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:

(a) the Circular Relief is granted;

(b) the Qualification Relief is granted provided that any short form prospectus filed by Provident Energy pursuant to NI 44-101 during the Qualification Relief specifically incorporates by reference:

(i) the Information Circular and any financial statements and related management's discussion and analysis of the Trust incorporated by reference into the Information Circular, and

(ii) any financial statements, management's discussion and analysis, material change reports or other documents that would have to be incorporated by reference in any short form prospectus filed by the Trust; and

(c) the Prospectus Relief is granted, provided that at the time Provident Energy files its Notice of Intention, Provident Energy meets the requirements of Section 2.2 of NI 44-101, as modified by the Qualification Relief.

"Cheryl McGillivray"
Manager, Corporate Finance
Alberta Securities Commission

2.1.5 Moira Partnership – s. 1(10)(b)

Headnote

Application for an order that the issuer is not a reporting issuer under applicable securities laws – requested relief granted.

Applicable Legislative Provisions

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

March 9, 2011

Moira Partnership
c/o Realstar Management Partership
77 Bloor Street West, Suite 2000
Toronto, Ontario M5S 1M2

Dear Sirs/Mesdames:

Re: Moira Partnership (the Applicant) – Application for an order under clause 1(10)(b) of the *Securities Act* (Ontario) 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:

(a) 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;

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

(c) The Applicant is not in default of any of its obligations under the Act as a reporting issuer; and

(d) 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.

"Michael Brown"
Assistant Manager, Corporate Finance

2.1.6 Rattlesnake Ventures Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards, s. 5.1 – A reporting issuer wants to early adopt IFRS for purposes of preparing its financial statements – The issuer has assessed the readiness of its staff, board, audit committee, auditors and investors.

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards, s. 5.1.

March 9, 2011

**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
RATTLESNAKE VENTURES INC.
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision (the **Exemption Sought**) under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Filer from the requirements of Part 4 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (the **Instrument**) including the requirement that financial statements be prepared in accordance with generally accepted accounting principles determined with reference to Part V of the Handbook of the Canadian Institute of Chartered Accountants (the **Handbook**) applicable to public enterprises (**Old Canadian GAAP**), in order that the Filer may prepare financial statements for periods relating to financial years beginning on or after April 1, 2010 in accordance with generally accepted accounting principles determined with reference to Part I of the Handbook applicable to publicly accountable enterprises, that is International Financial Reporting Standards (**IFRS**) as issued by the International Accounting Standards Board (**IFRS-IASB**).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia and Alberta (the **Passport Jurisdictions**).

Interpretation

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

Representations

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

1. The Filer is a corporation incorporated on October 11, 2007 under the *Business Corporations Act* (Ontario).

2. The registered head office of the Filer is located at 10463 Guelph Line, Campbellville, Ontario L0P 1B0 and the executive office is located at 2305 Wyecroft Road, 2nd Floor, Oakville, Ontario L6L 6R2.

3. The Filer is a "reporting issuer" or its equivalent in Ontario, British Columbia and Alberta. The Filer is not in default of its reporting issuer obligations under the legislation in those jurisdictions.

4. The Filer's common shares are listed on the NEX board of the TSX Venture Exchange (the **TSXV**) under the symbol “RVI.H”.

5. The Filer is a Capital Pool Company (**CPC**) as that term is defined in Policy 2.4 of the TSXV. The Filer is pursuing a Qualifying Transaction under Policy 2.4 of the TSXV (the **Qualifying Transaction**).

6. The Filer currently prepares its financial statements in accordance with Old Canadian GAAP.

7. The financial year end of the Filer is March 31.

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

9. Absent an exemption, section 4.2(1) of the Instrument requires, among other things, that the Filer’s financial statements for periods relating to financial years beginning before (or prior to) January 1, 2011, other than acquisition statements, be prepared in accordance with Old Canadian GAAP.

10. The Filer has entered into a Letter of Intent to acquire all of the outstanding ordinary shares of Minsud Resources Inc. (**Minsud**), a Canadian company in exchange for the issuance by the Filer of its common shares. Prior to the completion of this transaction, Minsud will become the majority shareholder of an Argentinean company, Minera Sud Argentina (**Minsud SA**), which holds certain gold and silver exploration rights in Argentina. This transaction is intended to be the Filer’s Qualifying Transaction.

11. Completion of the Qualifying Transaction is expected to take place in early 2011 and is subject to, among other things, the approval of the TSXV.

12. In accordance with the policies of the TSXV, and applicable laws, the Filer intends to submit a Filing Statement (the **Filing Statement**) to the TSXV as soon as is practicable in connection with its Qualifying Transaction and this Filing Statement will be filed on SEDAR concurrently with its submission to the TSXV.

13. As required by the policies of the TSXV and applicable laws, the Filer will include financial statements of the Filer, Minsud and Minsud S.A in the Filing Statement. In particular, the Filing Statement will include the audited financial statements of the Filer for the year ended March 31, 2010 together with the notes thereto and the auditors' report thereon. The Filing Statement will also include the unaudited interim financial statements of the Filer for the three and nine-month periods ended December 31, 2010.

14. In addition, the Filing Statement will include (i) financial statements of Minsud for the period from August 12, 2010 (its date of incorporation) to January 31, 2011 together with the notes thereto and the auditors' report thereon; and (ii) financial statements of Minsud SA for the year ended December 31, 2010 together with the notes thereto and the auditors' report thereon; in each case prepared in accordance with IFRS-IASB and audited in accordance with Canadian generally accepted auditing standards.

15. The Filing Statement will also include unaudited *pro forma* financial statements of the Filer as at December 31, 2010 together with the notes thereon. Subsection 4.14 of NI 52-107 provides that *pro forma* financial statements must be prepared in accordance with the issuer's GAAP.

16. In anticipation of the ongoing financial reporting obligations of the Filer, in recognition of the work that has already been done by each of Minsud and Minsud S.A. and their auditors in preparation

for the Qualifying Transaction and to simplify the preparation of the unaudited *pro forma* financial statements to be included in the Filing Statement an exemption is requested to permit the Filer to adopt IFRS-IASB effective April 1, 2010.

17. In CSA Staff Notice 52-321 – *Early Adoption of International Financial Reporting Standards, Use of US GAAP and Reference to IFRS-IASB* (**SN 52-321**) the Canadian Securities Administrators noted that some issuers may wish to prepare their financial statements in accordance with IFRS-IASB for periods prior to the mandatory conversion date, which would be the financial year commencing April 1, 2011 in the case of the Filer. SN 52-321 provides that staff would be prepared to recommend exemptive relief on a case by case basis to permit a domestic issuer to early adopt IFRS-IASB notwithstanding the requirements of Part 4 of NI 52-107. SN 52-321 also contemplated that such an application could be made during a fiscal year provided that the issuer filed revised interim financial statements prepared in accordance with IFRS-IASB, revised management's discussion and analysis and new interim certificates for periods where such information had already been prepared under Old Canadian GAAP and filed.

18. The Filer has carefully assessed the readiness of its staff, board of directors, audit committee, auditors, investors and other market participants for its adoption of IFRS-IASB for financial periods commencing April 1, 2010 and has concluded that they are adequately prepared for the Filer's adoption of IFRS-IASB.

19. The Filer has considered the implication of adopting IFRS-IASB for its financial period commencing April 1, 2010 on its obligations under securities legislation including, but not limited to, those relating to CEO and CFO certifications, business acquisition reports, offering documents, and previously released material including forward looking information.

20. Subject to obtaining the Exemption Sought, the Filer intends to prepare and file its financial statements for the financial year ended March 31, 2011 in accordance with IFRS-IASB.

21. The Filer recognizes that it will be necessary to prepare, and file on SEDAR, interim financial statements prepared using IFRS-IASB for the three month period ended June 30, 2010, for the three and six-month periods ended September 30, 2010 and for the three and nine-month periods ended December 31, 2010. Management's discussion and analysis and the CEO and CFO certifications for those periods will also have to be re-filed on SEDAR.

22. The Filer has disclosed relevant information about its conversion to IFRS-IASB as contemplated by CSA Staff Notice 52-320 *Disclosure of Expected Changes in Accounting Policies Relating to Changeover to International Financial Reporting Standards* in its management's discussion and analysis for the interim period ended December 31, 2010, including the key elements and timing of the Filer's changeover plan.

23. The Filer is a CPC and has very few or no significant differences between IFRS-IASB and Old Canadian GAAP.

24. The Filer will include in the Filing Statement clear disclosure as to the basis of presentation of the Filer's financial statements, and those of Minsud and Minsud S.A., and the basis of the audit reports thereon.

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:

1. the Filer restates and re-files (collectively, the **Restated and Refiled Interim Filings**) interim financial statements for interim periods beginning on or after April 1, 2010 in accordance with IFRS-IASB on or before the time of filing its first IFRS-IASB financial statements together with the related restated interim management's discussion and analysis as well as the certificates required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**); and

2. the Restated and Refiled Interim Filings, the Filer's annual financial statements, annual management's discussion and analysis and the certificates required by NI 52-109 for the year ended March 31, 2011 and the *pro forma* financial statements referred to in paragraph 15:

   (i) are prepared in accordance with IFRS-IASB;

   (ii) comply with Part 3 of the Instrument that came into force on January 1, 2011;

   (iii) comply with the IFRS-related amendments to National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) that came into force on January 1, 2011;

   (iv) comply with the IFRS-related amendments to NI 52-109 that came into force on January 1, 2011; and

(v) comply with the IFRS-related amendments to National Instrument 52-110 *Audit Committees* that came into force on January 1, 2011.

"Jo-Anne Matear"
Assistant Manager
Ontario Securities Commission

2.1.7 Nortel Networks Corporation and Nortel Networks Limited

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – Issuer and parent issuer subject of creditor protection proceedings in Canada, United States and elsewhere – issuers in process of selling principal operating businesses and remaining businesses – issuers are reporting issuers in Canada and "venture issuers" for purposes of National Instrument 51-102 – Continuous Disclosure (NI 51-102) – issuer was formerly an "SEC issuer" as defined in NI 51-102 and National Instrument 52-107 – Acceptable Accounting Principles, Auditing Standards and Reporting Currency (NI 52-107) but has completed deregistration process – parent issuer continues to be an SEC issuer – no securities of either issuer trade on any exchange – issuers have publicly announced holders of equity securities unlikely to receive any value from creditor protection proceedings – creditors of issuers unlikely to receive full recovery – issuers seeking to reduce costs to maximize value of their estates for the benefit of creditors – parent issuer and issuer formerly complied with Canadian reporting requirements by filing corresponding U.S. filings in accordance with NI 51-102 and 52-107 – parent issuer will continue to be an SEC issuer under NI 51-102 and NI 52-107 and will continue to file all required disclosure on SEDAR – as a result of deregistration, issuer no longer an SEC issuer for purposes of NI 51-102 or NI 52-107 and required to file financial statements prepared in accordance with Canadian GAAP and to file executive compensation disclosure prepared in accordance with Form 6 of NI 51-102 (NI 51-102F6) – parent issuer and issuer further seeking relief from delivery requirements to deliver financial statements and MD&A to holders of equity securities – in light of expectation that equity securities will receive no value in the creditor protection proceedings and ultimately will be cancelled, filers do not believe incurrence of printing, mailing and handling costs justified – Relief granted, subject to conditions, to permit issuer to file specified disclosure in accordance with specified U.S. requirements until conclusion of creditor protection proceedings.

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, ss. 3.2, 3.3.
National Instrument 51-102 Continuous Disclosure Obligations, ss. 4.6, 5.6, 11.6(2).

March 9, 2011

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO

AND

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

AND

IN THE MATTER OF
NORTEL NETWORKS CORPORATION AND
NORTEL NETWORKS LIMITED

DECISION

Background

The principal regulator has received an application from Nortel Networks Corporation (**NNC**) and Nortel Networks Limited (**NNL**, and collectively with NNC, the **Filers**) under the securities legislation of Ontario (the **Legislation**) for a decision pursuant to Section 5.1 of National Instrument 52-107 – *Acceptable Accounting Principles and Auditing Standards* (**NI 52-107**) and Section 13.1 of National Instrument 51-102 – *Continuous Disclosure Obligations* (**NI 51-102**) that: (1) NNL is exempt from (i) the requirements of Sections 3.2 and 3.3 of NI 52-107 for all **financial statements** (as such term is defined in NI 52-107 and NI 51-102) for periods beginning on or after January 1, 2011 until the conclusion of the CCAA Proceedings (as defined below) (collectively, the **Extended Exempted Periods**), and (ii) the requirements of Section 11.6(2) of NI 51-102 for its financial years ending on or after December 31, 2010 until the conclusion of the CCAA Proceedings; and (2) each of the Filers is exempt from the requirements of Sections 4.6 and 5.6 of NI 51-102 until the conclusion of the CCAA Proceedings (collectively, the **Exemptions Sought**).

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

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

(b) the Filers have provided notice that Section 4.7(1) of Multilateral Instrument 11-102 – *Passport System* is intended to be relied upon in each of the provinces and territories of Canada other than Ontario (together with Ontario, the Jurisdictions).

Interpretation

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

Representations

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

1. NNC is incorporated under the *Canada Business Corporations Act* (the **CBCA**) and is a reporting issuer in each Jurisdiction where such concept exists.

2. NNL is incorporated under the CBCA and is a reporting issuer in each Jurisdiction where such concept exists.

3. For the purposes of Parts 4, 5, 6 and 9 of NI 51-102, and for the purposes of Form 51-102F1 and Form 51-102F6 under NI 51-102, as at the end of the Filers' most recently completed financial year, being December 31, 2010, each of the Filers was a venture issuer, as such term is defined in NI 51-102.

4. The Filers are not in default of any of their respective obligations as reporting issuers under the securities legislation of any of the Jurisdictions.

5. NNC's issued share capital and outstanding debt securities consist of common shares, together with associated rights under a shareholder rights protection plan (the **NNC Common Shares**) and two series of convertible senior notes (collectively, the **NNC Notes**), which notes are fully and unconditionally guaranteed by NNL and a subsidiary of the Filers.

6. NNL's issued share capital and outstanding debt securities consist of common shares (the **NNL Common Shares**) all of which are held by NNC, two series of Class A Preferred Shares (collectively, the **NNL Preferred Shares**), three series of senior notes which notes are fully and unconditionally guaranteed by NNC and a subsidiary of the Filers (collectively, the **High Yield Notes**) and one other series of notes (collectively with the High Yield Notes, the **NNL Notes**). NNL has also fully and unconditionally guaranteed the payment of a series of notes issued by a subsidiary of the Filers.

7. NNL is NNC's principal direct operating subsidiary and NNL's financial results are consolidated with the financial results of NNC.

8. Since January 14, 2009, the Filers and certain of their Canadian subsidiaries have been operating under court protection from their creditors in Canada under the *Companies' Creditors Arrangement Act* (the **CCAA Proceedings**) and certain other subsidiaries of the Filers have been operating under court protection from their creditors under applicable bankruptcy or insolvency legislation in the United States and

various other countries (together with the CCAA Proceedings, the **Creditor Protection Proceedings**).

9. Pursuant to the Creditor Protection Proceedings, the Filers have sold substantially all of their businesses, substantially all of the net proceeds of which are being held in escrow pending agreement or other final determination on the allocation of such proceeds among the Filers and those subsidiaries of the Filers that participated in the sales.

10. The Filers are now focused on providing global transitional services to the purchasers of the businesses, pursuant to contractual obligations entered into in connection with the sales, and on maximizing cash flows and sale proceeds of their remaining assets. This includes the winding up of the Filers' remaining operations and subsidiaries globally.

11. Although creditor claims against the Filers in the CCAA Proceedings have not been finally determined or resolved, it is all but certain that unsecured creditors of the Filers will not receive full recovery on the debts owed to them. Consequently, such creditors have an interest in preserving the assets of the Filers. The Filers, in turn, have a responsibility to reduce unnecessary costs and take other steps to maximize the value of their estates for their respective creditors.

12. The timing of the filing and approval of a plan of arrangement by the Filers and other debtor subsidiaries in the CCAA Proceedings currently remains uncertain and is dependent upon, among other things, the final resolution of the allocation of sale proceeds and creditor claims matters.

13. Since the commencement of the Creditor Protection Proceedings, the Filers have disclosed in numerous news releases and in other continuous disclosure documents the expectation that the holders of NNC Common Shares and NNL Preferred Shares will not receive any value from the Creditor Protection Proceedings and that such proceedings will ultimately result in the cancellation of such equity interests.

14. The NNC Common Shares were delisted from the New York Stock Exchange on February 2, 2009. The NNC Common Shares and the NNL Preferred Shares were delisted from the Toronto Stock Exchange on June 26, 2009. The NNC Common Shares and the NNL Preferred Shares are not currently listed on any stock exchange.

15. None of the NNC Notes or the NNL Notes are listed on any stock exchange.

16. Each of the Filers is required to meet the continuous disclosure requirements prescribed by Canadian securities legislation for venture issuers (**Canadian Reporting Requirements**).

17. NNC is, and until March 18, 2010 NNL was, an **SEC issuer**, as such term is defined in NI 51-102 and NI 52-107. In accordance with NI 51-102 and NI 52-107, NNC complies with, and until March 18, 2010 NNL complied with, certain of its Canadian Reporting Requirements by filing corresponding disclosure documents prepared in accordance with, and filed within the time periods prescribed by, the periodic reporting requirements of the 1934 Act (**U.S. Reporting Requirements** and, collectively with the Canadian Reporting Requirements, the **Reporting Obligations**).

18. NNC qualifies as a smaller reporting company as defined under Regulation S-K under the 1934 Act (a **Smaller Reporting Company**). The disclosure requirements for Smaller Reporting Companies under the 1934 Act are, in certain respects, less onerous than those applicable to issuers that do not qualify as Smaller Reporting Companies.

19. Prior to Deregistration (as defined below), NNL did not qualify as a Smaller Reporting Company.

20. As part of their ongoing cost reduction activities, the Filers and certain of their subsidiaries, on March 11, 2010, made the necessary filings with the SEC to reflect the automatic suspension of the reporting requirements under the 1934 Act with respect to their debt securities and related guarantees. Also, on March 18, 2010, NNL made the necessary filings with the SEC under the 1934 Act to terminate the registration of the NNL Common Shares under the 1934 Act and suspend NNL's obligations to file periodic reports with the SEC, including Forms 10-K, 10-Q and 8-K. As a result of the foregoing processes, known as "deregistration" (**Deregistration**), as of March 18, 2010 NNL had no further obligations under the 1934 Act to file periodic reports with the SEC.

21. Following Deregistration:

    (a) the NNC Common Shares remain registered under section 12(g) of the 1934 Act;

    (b) NNC continues to be subject to U.S. Reporting Requirements as a Smaller Reporting Company and is, therefore, required to prepare its annual and interim financial statements in accordance with **U.S. GAAP**, as such term is defined in NI 52-107, and file disclosure documents in accordance with U.S. Reporting Requirements;

    (c) NNC continues to be eligible to rely on the exceptions applicable to SEC issuers provided for in NI 51-102 and NI 52-107

in respect of Canadian Reporting Requirements; and

(d) all periodic reports, including interim and annual financial statements and related management's discussion and analysis of financial condition and results of operations (**MD&A**) and officer's certificates contained therein, that are filed by NNC with the SEC continue to be filed in Canada on SEDAR in accordance with NI 51-102 and NI 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings*.

22. As a result of Deregistration, as of March 18, 2010 NNL was no longer required to comply with U.S. Reporting Requirements and was, therefore, no longer an SEC issuer for the purposes of NI 51-102 or NI 52-107. Absent the 2010 Exemptive Relief (as defined below), NNL would have had to commence reporting under Canadian securities legislation in accordance with the disclosure requirements applicable to reporting issuers that are not SEC issuers.

23. On April 15, 2010, NNL obtained discretionary exemptions (collectively, the **2010 Exemptive Relief**) from the following continuous disclosure requirements in all Jurisdictions, subject to certain conditions:

(a) the requirements of Sections 3.1 and 3.2 (as then in effect) of NI 52-107 for its financial year ended December 31, 2009, for each of the interim periods in its financial year ending December 31, 2010, and for its financial year ending December 31, 2010 (the **Exempted Periods**), provided its financial statements for the Exempted Periods were prepared in accordance with U.S. GAAP as supplemented by the requirements of Regulation S-X under the 1934 Act that are applicable to NNC (i.e., as if NNL were also a Smaller Reporting Company) and, in the case of its annual financial statements for the Exempted Periods, such financial statements were audited in accordance with U.S. GAAS (as such term was then defined in NI 52-107) and accompanied by an auditor's report prepared in accordance with U.S. GAAS that complied with paragraphs (a) through (d) of Section 4.2 (as then in effect) of NI 52-107, as if such Section were applicable; and

(b) the requirements of Section 11.6(2) of NI 51-102 for its financial year ended December 31, 2009, provided that NNL satisfied the executive compensation disclosure required by Section 11.6(1) of NI 51-102 for such financial year by providing the information required by Item 402 ("Executive Compensation") of Regulation S-K under the 1934 Act.

24. If the Exemptions Sought are not granted, NNL would be required under NI 52-107 to file financial statements prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises (**IFRS**) commencing with the first quarter of 2011. Further, NNL would be required to file executive compensation disclosure prepared in accordance with the form requirements of Form 51-102F6 commencing with its financial year ended December 31, 2010.

25. NNL is NNC's principal direct operating subsidiary and NNL's financial results continue to be consolidated with the financial results of NNC.

26. The Filers also continue to have the same **NEOs**, as such term is defined in Form 51-102F6, and the executive compensation disclosure required to be filed by NNC in satisfaction of its Reporting Obligations for its financial year ended December 31, 2010 would be the same as the executive compensation disclosure that NNL would be required to file to satisfy the corresponding Canadian Reporting Requirements for such financial year if NNL were an SEC issuer that qualified as a Smaller Reporting Company.

27. NNL has reported its financial results in accordance with U.S. GAAP since January 1, 2000 and has publicly disclosed its expectation that, in view of its circumstances, it will not be adopting IFRS.

28. In light of the expectation that the NNC Common Shares and NNL Preferred Shares will receive no value in the Creditor Protection Proceedings and ultimately will be cancelled, the Filers and the Monitor do not believe that the incurrence of further printing, mailing and handling costs to satisfy the delivery requirements of NI 51-102 are justified or consistent with the interests and expectations of creditors of the Filers.

Decision

The principal regulator is satisfied that this 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 Exemptions Sought are granted provided that the following conditions are satisfied:

(a) NNC remains the holder of all of the NNL Common Shares;

(b) NNC continues to be an SEC issuer;

(c) NNL's financial results continue to be consolidated with the financial results of NNC in NNC's financial statements filed in satisfaction of its Reporting Obligations;

(d) for the Extended Exempted Periods, NNL prepares its financial statements in accordance with U.S. GAAP as supplemented by the requirements of Regulation S-X under the 1934 Act that are applicable to NNC and, in the case of its financial statements that are required by securities legislation to be audited, such financial statements are audited in accordance with **U.S. PCAOB GAAS** (as such term is defined in NI 52-107 and NI 51-102) and accompanied by an auditor's report prepared in accordance with U.S. PCAOB GAAS that complies with the requirements of Section 3.8 of NI 52-107, as if such Section were applicable;

(e) NNL satisfies the executive compensation disclosure required pursuant to Section 11.6(1) of NI 51-102 for its financial years ending on or after December 31, 2010 until the conclusion of the CCAA Proceedings by providing the information required by Item 402 ("Executive Compensation") of Regulation S-K under the 1934 Act, which, so long as NNC qualifies as a Smaller Reporting Company, may be provided as if NNL were also a Smaller Reporting Company; and

(f) each of the Filers issues and files a news release at the time it files its financial statements and related MD&A disclosing that such filings have been made and that such filings will be available on such Filer's website and providing its website address, and such filings are made available on such Filer's website as soon as reasonably practicable thereafter;

and provided further that the Filers shall give the principal regulator prompt written notice, including reasonable details, of (i) any changes in the representations contained in paragraphs 4, 11 (with respect to the expectation that unsecured creditors of the Filers will not receive full recovery on the debts owed to them), 14, 15, 16, 17, 21, 25, 26 and 28 hereof that occur prior to the conclusion of the CCAA Proceedings, and (ii) the conclusion of the CCAA Proceedings.

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

2.1.8 York Receivables Trust III – 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).

March 11, 2011

McCarthy Tetrault LLP
Box 48, Suite 5300
Toronto Dominion Bank Tower
Toronto, Ontario
M5K 1EB

Attention: Mr. K. Michael McConnell

Re: York Receivables Trust III (the Applicant) – application for a decision under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia, Prince Edward Island, New Brunswick 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

2.1.9 Nordion Inc.

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 NYSE – relief granted, provided that purchases are 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).

March 11, 2011

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
NORDION INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction 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 Filer's common Shares (the **Shares**) made by the Filer through the facilities of the New York Stock Exchange (the **NYSE**) (the **Exemption Sought**).

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

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

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

Edward Island, Quebec, Saskatchewan and the Yukon.

Interpretation

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

Representations

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

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

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

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

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

(e) As at February 28, 2011, the Filer had approximately 65,020,907 Shares issued and outstanding.

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

(g) On January 20, 2011, the Filer announced that the TSX had authorized it to make normal course issuer bid purchases of its Shares through the facilities of the TSX (the **Bid**).

(h) As at February 28, 2011, the Filer had purchased 547,508 Shares on the TSX and 1,835,256 Shares on the NYSE pursuant to the Bid.

(i) The by-laws, regulations and policies of the TSX relating to normal course issuer bids (the **TSX NCIB Rules**) allow normal course issuer bid purchases of up to 10% of the public float (as defined in the TSX NCIB Rules) of the class of securities subject to such a bid to be made through the facilities of the TSX over the course of any 12-month period.

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

(k) Issuer Bid purchases made through the facilities of the NYSE are exempt from the Issuer Bid Requirements pursuant to the "other published markets exemption" contained in the Legislation (the **Other Published Markets Exemption**), which limits the aggregate number of securities which may be purchased during a 12-month period to 5% of the securities of that class issued and outstanding at the commencement of that period.

(l) Purchases of Shares by the Filer of up to 10% of the public float through the facilities of the NYSE would be permitted under the rules of the NYSE and under U.S. federal securities law.

(m) No other exemptions exist under the Legislation that would otherwise permit the Filer to make purchases through the NYSE on an exempt basis where the purchases exceed the 5% limitation in the Other Published Markets Exemption.

(n) The Filer may from time to time, in the future, apply to the TSX for authorization to conduct further normal course issuer bids involving purchases of Shares through the facilities of both the TSX and the NYSE pursuant to the TSX NCIB Rules. Such applications may relate to normal course issuer bids which exceed the 5% limitation in the Other Published Markets Exemption.

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

(i) purchases of Shares made by the Filer through the facilities of the NYSE are part of a normal course issuer bid that complies with the TSX NCIB Rules, and

(ii) the Filer does not acquire Shares in reliance on the Other Published Markets Exemption if the aggregate number of Shares purchased by the Filer and any person or company acting jointly or in concert with the Filer, in reliance on this decision, the Designated Exchange Exemption and the Other Published Markets Exemption within any period of 12 months, exceeds 5 percent of the outstanding Shares on the first day of such 12-month period.

"Margot C. Howard"
Commissioner
Ontario Securities Commission

"James Turner"
Vice-Chair
Ontario Securities Commission

2.1.10 Equinox Minerals Limited and Lundin Mining Corporation

Headnote

Section 9.1(1) of NI 43-101, Part 4 of MI 11-102 and Section 3.6 of NP 11-203 – Unsolicited offer, disclosure and filings in respect of management information circular for dilutive acquisition and take-over bid circular – acquisition target has already filed technical reports supporting the scientific and technical disclosure–- relief from the requirement to file a technical report in respect of scientific and technical disclosure regarding an acquisition target's mineral properties in relation to an unsolicited offer and relief from requirement to obtain consent from retired QP author of current technical report – management information circular exempt from s. 4.2(1)(c) of NI 43-101 requirement to file technical report and take-over bid circular exempt from s. 4.2(8)(b) requirement of NI 43-101 to file updated certificates and consents of each qualified person responsible for portions of the technical report.

Applicable Legislative Provisions

National Instrument 43-101 Standards of Disclosure for Mineral Projects, ss. 4.2(1)(c), 4.2(8)(b), 9.1(1).

March 11, 2011

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
EQUINOX MINERALS LIMITED (the "Filer")
AND LUNDIN MINING CORPORATION

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer in connection with an offer (the "**Offer**") to acquire all of the issued and outstanding common shares (the "**Lundin Shares**") of Lundin Mining Corporation ("**Lundin**"), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "**Legislation**") that the Filer shall be exempt pursuant to:

- Section 9.1(1) of National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") from the requirement in Section 4.2(1)(c) of NI 43-101 that Equinox file a technical report, in connection with the Equinox Circular (as

defined herein), in accordance with NI 43-101 and Form 43-101F1 in respect of the existing mineral projects of Lundin, to the extent that any of such projects would be material to the Filer following completion of its acquisition of Lundin, in each jurisdiction in Canada in which it is a reporting issuer (the "**Technical Report Relief**");

- Section 9.1(1) of NI 43-101 from the requirements in Sections 4.2(1)(c) and 4.2(1)(i) of NI 43-101 that Equinox file an updated technical report in connection with the Bid Circular (as defined herein) and the Equinox Circular (as defined herein) (the "**43-101 QP Consent Relief**"), where Section 4.2(8) of NI 43-101 is unavailable to exempt Equinox from the requirements in Sections 4.2(1)(c) and 4.2((1)(i) of NI 43-101 as Equinox cannot file an updated certificate and consent of one of its qualified persons who has been responsible for preparing or supervising the preparation of a portion of such technical report; and

- Section 104(2) of the Securities Act (Ontario) (the "Act") and Section 6.1 of Multilateral Instrument 62-104 – *Take-over Bids and Issuer Bids* ("**MI 62-104**") from the requirements in Section 94.7 of the Act and Section 2.15 of MI 62-104, respectively, that the Filer file a consent of one of its qualified persons who has been responsible for preparing or supervising the preparation of a portion of one of its technical reports in connection with the Bid Circular (the "**94.7 QP Consent Relief**").

This Application is a "passport application" pursuant to Multilateral Instrument 11-102 – *Passport System* ("**MI 11-102**") and National Policy 11-203 – *Process for Exemptive Relief Applications in Multiple Jurisdictions* ("**NP 11-203**"). In accordance with Part 4 of MI 11-102 and Section 3.6 of NP 11-203, the OSC has been selected as the principal regulator for this Application.

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

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

(b) the Filer have provided notice that section 4.7(1) of MI 11-102 is intended to be relied upon in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador and the Northwest Territory, the Yukon Territory and Nunavut.

Interpretation

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

Representations

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

1. The Filer is a corporation incorporated under the federal laws of Canada and a reporting issuer in each of the provinces and territories of Canada. The registered office of the Filer is located at Royal Bank Plaza, South Tower, 200 Bay Street, Suite 2940, Toronto, Ontario, M5J 2J2.

2. The authorized share capital of the Filer consists of an unlimited number of common shares ("**Equinox Shares**"). As of February 1, 2011, there were 877,042,919 Equinox Shares issued and outstanding.

3. The Filer was established for the purpose of becoming the Canadian holding company and to carry on the business of the Filer Resources Limited, a company incorporated in 1993 under the Australian *Corporations Act 2001 (Cth)*, pursuant to a court-approved scheme of arrangement under Australian law. The Equinox Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") and the Filer CHESS Depository Interest ("**CDIs**") are listed for trading on the Australian Securities Exchange. Equinox Shares and CDIs can be converted each into the other on a one-for-one basis.

4. The Filer is a mineral exploration company focused on operating its 100%-owned large scale Lumwana copper mine in Zambia and the construction of the Jabal Sayid Copper-Gold project in Saudi Arabia. The Filer also owns interests in various other mineral exploration projects.

5. The Filer is not in default of applicable securities legislation in any jurisdiction.

6. Lundin is a corporation incorporated under the federal laws of Canada and a reporting issuer in each of the provinces of Canada. The registered and head office of Lundin is located at #1500 - 150 King Street West, P.O. Box 38, Toronto, ON, M5H 1J9.

7. Lundin is a diversified Canadian base metals mining company with operations in Portugal, Sweden, Spain and Ireland, producing copper, zinc, lead and nickel. In addition, Lundin holds a development project pipeline which includes expansion projects at its Zinkgruvan and Neves-Corvo mines along with its equity stake in the

Tenke Fungurume copper/cobalt mine in the Democratic Republic of Congo.

8. The authorized share capital of Lundin consists of an unlimited number of Lundin Shares and one special share without nominal or par value. As of February 23, 2011, there were 581,604,450 Lundin common shares outstanding (as disclosed by Lundin in its Management's Discussion and Analysis for the year ended December 31, 2010).

9. The Lundin Shares are listed for trading on the TSX and Swedish Depository Receipts evidencing Lundin Shares are listed on the NASDAQ OMX Stockholm.

10. On January 12, 2011, Lundin and Inmet Mining Corporation ("**Inmet**") announced that they had entered into an arrangement agreement to merge the two companies and create Symterra Corporation. Pursuant to the arrangement, each Inmet shareholder would receive 3.4918 shares of Symterra, and each Lundin shareholder would receive 0.3333 shares of Symterra, in each case for each share held.

11. On February 27, 2011, Lundin announced by press release that it had been advised by the Filer of the Filer's intention to make an unsolicited bid for the shares of Lundin. On February 28, 2011, the Filer issued a press release announcing its intention to make the Offer for all of the issued and outstanding Lundin Shares on the basis of $8.10 in cash, or 1.2903 Equinox Shares and $0.01 in cash, subject, in each case, to pro-ration as set out herein. The maximum amount of cash consideration available under the Offer will be approximately $2.4 billion and the maximum number of Equinox Shares issuable under the Offer will be approximately 379 million Equinox Shares. The consideration payable under the Offer will be prorated on each take-up date as necessary to ensure that the total aggregate consideration payable under the Offer and in any subsequent acquisition transaction does not exceed these maximum aggregate amounts and will be based on the number of Lundin Shares acquired in proportion to the number of Lundin Shares outstanding on an adjusted fully-diluted basis. The Offer will be made by way of formal take-over bid under the Act and MI 62-104.

12. On November 24, 2009, changes to the TSX Company Manual came into effect, thereafter requiring security holder approval be obtained in circumstances where the number of securities issued or issuable in payment of the purchase price for an acquisition exceeds 25% of the number of securities of the acquiring listed issuer which are outstanding, on a non-diluted basis (the "**TSX Rule**").

13. In connection with the Offer, the Filer expects to issue a maximum of approximately 379 million Equinox Shares, representing approximately 43% of the issued and outstanding Equinox Shares. As a result of the TSX Rule, the Filer will be required to obtain security holder approval in order to complete the Offer.

14. The Filer has called a special meeting of holders of Equinox Shares (as of March 9, 2011) to consider the Offer (the "**Meeting**"), which will be held on April 11, 2011.

15. In connection with the Meeting, the Filer will, in accordance with applicable law, prepare and send to each holder of Equinox Shares a management information circular describing the Offer (the "**Equinox Circular**"). As a result of section 14.2 of Form 51-102F5, the Filer will be required to include prospectus-level disclosure regarding Lundin, including disclosure of the mineral reserves and mineral resources for Lundin's material properties.

16. Pursuant to Section 4.1(2)(c) of NI 43-101, an issuer must file a technical report for each mineral project on a property material to the issuer *or resulting issuer* to support scientific or technical information filed or made available to the public in connection with an information or proxy circular concerning a direct or indirect acquisition of a mineral property where the issuer or resulting issuer issues securities as consideration [our emphasis].

17. As a result of the TSX Rule and Section 4.2(1)(c) of NI 43-101, the Filer will be required to file a technical report for (a) each property material to the Filer and (b) each property that will be material to the Filer following its acquisition of Lundin (i.e. the "resulting issuer").

18. Under Section 4.2(1)(i) of NI 43-101, the Filer will be required to file a technical report in respect of each property material to the Filer at the time of filing the take-over bid circular in respect of the Offer (including any notice of variation or notice of change to the bid circular, the "**Bid Circular**"). Similarly, under Section 4.2(1)(c), the Filer will be required to file a technical report in respect of each property material to the Filer at the time of filing the Equinox Circular.

19. In connection with the filing of the Bid Circular, Equinox would have otherwise relied on Section 4.2(8) of NI 43-101 and filed updated certificates and consents for each qualified person who has been responsible for preparing or supervising the preparation of each portion of such technical reports, in lieu of filing an updated technical report for its Lumwana property in Zambia and its Jabal Sayid property in Saudi Arabia. Similarly, in connection with the filing of the Equinox Circular,

Equinox would have otherwise filed updated qualified person certificates and consents in reliance on Section 4.2(8) of NI 43-101.

20. Under Section 94.7 of the Act and Section 2.15 of MI 62-104, an issuer is required, if a report, valuation, statement or opinion of an expert is included in or accompanies a bid circular or any notice of change or notice of variation to the circular, to file the written consent of each expert to the use of such report, valuation, statement or opinion. As a result, at the time of filing the Bid Circular, Equinox will be required to file a consent for each qualified person who has prepared or supervised the preparation of a portion of a technical report on a property material to Equinox.

21. For the technical report regarding the Filer's Lumwana property, four qualified persons prepared or supervised the preparation of such technical report, being Mr. Ross Bertinshaw, Mr. Daniel Guibal, Mr. Andrew Daley and Mr. Robert Rigo (Vice President, Project Development, the Filer). Three of the four qualified persons are external consultants, while Mr. Rigo is an employee of the Filer. It is anticipated that each of Mr. Rigo, Mr. Bertinshaw and Mr. Guibal will be in a position to provide updated certificates and consents in accordance with Section 4.2(8) of NI 43-101 (which will also satisfy the requirements of Section 94.7 of the Act and Section 2.15 of MI 62-104). However, Mr. Andrew Daley has recently retired and is accordingly no longer available to the Filer to provide updated certificates and consents in connection with the filings of the Bid Circular and the Equinox Circular.

22. Mr. Rigo will assume responsibility for the portions of such technical report authored by Mr. Daley and will certify as much in his filed updated certificate filed under Section 4.2(8) of NI 43-101.

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 the Technical Report Relief is granted provided that, in the Equinox Circular, the Filer:

(i) identifies the title and effective date of the existing technical reports filed by Lundin in respect of its material properties; and

(ii) states with equal prominence that it is not in possession of any scientific or technical information related to Lundin's properties other than what has been previously disclosed in Lundin's own public disclosure record.

The further decision of the principal regulator under the Legislation is that the 43-101 QP Consent Relief and the 94.7 QP Consent Relief are granted.

DATED March 11, 2011

"Margot C. Howard"
Commissioner
Ontario Securities Commission

"James Turner"
Vice-Chair
Ontario Securities Commission

2.1.11 The Canadian Professionals Services Trust

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted from the prospectus requirement in connection with distributions of units in the Filer to any officer who is designated by the administrator of the Filer to be a Qualified Officer subject to certain conditions.

Applicable Legislative Provisions

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

Citation: The Canadian Professionals Services Trust , Re, 2011 ABASC 22

January 14, 2011

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

AND

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

AND

IN THE MATTER OF
THE CANADIAN PROFESSIONALS SERVICES TRUST
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application (the **Application**) from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer be exempted from the requirement contained in the Legislation to file a prospectus in connection with distributions of units in the Filer (the **Filer Units**) made pursuant to an offering memorandum (**Offering Memorandum**) to any individual who has been duly appointed an officer of Bennett Jones Services Inc. (the **Administrator**) and who is designated by the Administrator to be a qualified officer (**Qualified Officer**) (the **Exemption 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 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 herein.

Representations

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

1. Bennett Jones LLP (**Bennett Jones**) is a limited liability partnership registered in Alberta on 12 June 2000 and extra-provincially registered in Ontario on 5 March 2001.

2. Bennett Jones is not a reporting issuer and will not become a reporting issuer in any jurisdiction.

3. The Administrator was incorporated pursuant to the *Business Corporations Act* (Alberta) on 15 June 2001.

4. The Administrator is not a reporting issuer and will not become a reporting issuer in any jurisdiction.

5. The authorized capital of the Administrator consists of an unlimited number of common shares and its sole shareholder is Bennett Jones.

6. The Administrator is the general partner of Bennett Jones Services Company (the **Services Partnership**), an Alberta limited partnership.

7. The Filer was formed as an open-ended unincorporated investment trust pursuant to a trust indenture dated 31 July 2001 between the Administrator and the trustee of the Filer (the **Trust Indenture**).

8. The Filer is the limited partner of the Services Partnership.

9. The Filer is not a reporting issuer and will not become a reporting issuer in any jurisdiction.

10. The Filer's securities are not listed on any exchange and do not trade over-the-counter.

11. The Trust Indenture provides that the Filer may distribute for cash a minimum of 155,000 Filer Units and a maximum of 500,000,000 Filer Units.

12. Prior to 23 October 2010, the Trust Indenture provided that the Filer may distribute Filer Units to subscribers who are one or more of: (i) an individual partner of Bennett Jones, (ii) an individual who is the sole shareholder of a corporate partner of Bennett Jones, (iii) if so

designated by the Administrator, the Chief Financial and Administrative Officer of the Administrator (the **Officer**), (iv) the spouse of an individual partner of Bennett Jones or of an individual who is the sole shareholder of a corporate partner of Bennett Jones, or, if so designated by the Administrator, the spouse of the Officer; or (v) a registered retirement savings plan, registered retirement income fund or deferred profit sharing plan, all within the meaning of the *Income Tax Act* (Canada) (a **Retirement Plan**) or trust of which any of the individuals specified in (i), (ii), (iii) or (iv) or an adult child of any of the individuals specified in (i), (ii) or (iii) are the sole beneficial owners (**Qualified Persons**).

13. The Trust Indenture provides that Filer Units will not be distributed at any time to any person who is not a Qualified Person.

14. Under the Trust Indenture, if a Qualified Person ceases to be so qualified, that person must transfer, or will be deemed to have transferred, the Filer Units held by that person as directed by an Officer, and such Filer Units will be allocated, on a pro rata basis, to the other holders of Filer Units (**Unitholders**), or the Filer may redeem and cancel such Filer Units.

15. Pursuant to a 27 July 2001 decision of the Decision Makers, the registration requirement and the prospectus requirement under the Legislation do not apply to distributions of Filer Units to Qualified Persons (the **Previous Decision**).

16. At the time of the Previous Decision, the position of Officer was held by one individual.

17. The individual who previously held the position of Officer left the employment of the Administrator on 26 January 2009. Following his departure, the position of Chief Financial and Administrative Officer was split into two separate positions, Chief Financial Officer and Chief Administrative Officer, which positions are now held by two separate individuals who were appointed to their positions on 30 January 2009.

18. The Trust Indenture was amended on 23 October 2010, such that the definition of "Officer" in the Trust Indenture now includes any individual who has been duly appointed an officer of the Administrator (the **Amendment**).

19. As a result of the Amendment, Qualified Officers, a Qualified Officer's spouse, the Retirement Plan or trust of a Qualified Officer, the Retirement Plan or trust of a Qualified Officer's spouse and the Retirement Plan or trust of which an adult child of a Qualified Officer or a Qualified Officer's spouse are the sole beneficial owners are now included in the definition of Qualified Persons (**Amended Qualified Persons**).

20. The Chief Financial Officer and the Chief Administrative Officer are Qualified Officers.

21. In January of each year, additional Filer Units may be distributed for cash to Amended Qualified Persons.

22. In January of each year Filer Units may be transferred and reallocated among Amended Qualified Persons or be redeemed by the Filer.

23. Participation in a distribution of Filer Units by an Amended Qualified Person will be voluntary.

24. Each year, Bennett Jones prepares an Offering Memorandum, which contains disclosure describing the Filer, the terms and conditions of the Filer Units and the investment by the Filer in the Services Partnership and stating that the subscriber will have a contractual right of action as defined in 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 Exemption Sought is granted provided that:

(a) any subsequent trade in Filer Units distributed in accordance with this Decision satisfies subsection 2.5(2) of National Instrument 45-102 *Resale of Securities* unless such trade is made to the Filer or an Amended Qualified Person;

(b) the Filer provides a copy of this Decision to each Qualified Officer;

(c) the Filer provides a copy of the relevant Offering Memorandum to each Qualified Officer;

(d) the Filer delivers to each of the Decision Makers a copy of each Offering Memorandum provided to Qualified Officers;

(e) the Filer obtains an acknowledgement from each Qualified Officer that such person has received an Offering Memorandum;

(f) the Filer provides to each of the Unitholders, within 140 days of the end of each financial year: (i) unaudited financial statements consisting of a balance sheet, statement of earnings and a statement of cash flows for each fiscal year of the Services Partnership; and (ii) audited

financial statements consisting of a statement of net assets, statement of operations and statement of changes in net assets for each fiscal year of the Filer; and

(g) within ten days of each distribution of Filer Units, the Filer files with the securities regulatory authority in the Jurisdiction of the distribution, together with the applicable filing fees, a report in Form 45-106F1.

Furthermore, the decision of the principal regulator and the securities regulatory authority or regulator in Ontario is that any Offering Memorandum delivered to the securities regulatory authority in Alberta or Ontario in accordance with this Decision be kept confidential.

"Glenda A. Campbell, QC"
Vice-Chair
Alberta Securities Commission

"Stephen R. Murison"
Vice-Chair
Alberta Securities Commission

2.1.12 Enbridge Inc. et al.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 52-107, s. 9.1 Acceptable Accounting Principles, Auditing Standards and Reporting Currency – Affiliates request relief from the requirement of NI 52-107, s. 3.2 that financial statements be prepared in accordance with Canadian GAAP – Part I to permit the Affiliates, who are not SEC Issuers, to prepare their financial statements in accordance with United States GAAP for financial years commencing January 1, 2012 until December 31, 2014 (fiscal 2012, 2013 and 2014). The Affiliates are rate regulated entities and may rely on section 5.4 of NI 52-107 to prepare and file Canadian GAAP – Part V financial statements for the financial year commencing January 1, 2011 and ending December 31, 2011. Due to significantly divergent views on rate regulated accounting at the IASB, a rate regulated accounting standard has not been finalized. There continues to be significant uncertainty as to when, and if, rate regulated accounting under IFRS will be clarified.

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles, Auditing Standards and Reporting Currency, s. 9.1.

Citation: Enbridge Inc., Re, 2011 ABASC 106

February 25, 2011

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
ENBRIDGE INC.,
ENBRIDGE GAS DISTRIBUTION INC.
AND ENBRIDGE PIPELINES INC.
(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**)

exempting Enbridge Gas Distribution Inc. (**EGD**) and Enbridge Pipelines Inc. (**EPI**), (collectively, the **Affiliates**) from the requirements in subsection 3.2 of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (**NI 52-107**) that financial statements be prepared in accordance with Canadian GAAP – Part I (the **Exemption Sought**) to permit the Affiliates to prepare their financial statements in accordance with United States generally accepted accounting principles (**US GAAP**).

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 subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the **Passport Jurisdictions**); 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*, MI 11-102 and NI 52-107 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:

Enbridge Inc.

1. Enbridge Inc. (**EI**) was incorporated under the *Companies Act* (NWT) on April 13, 1970 and continued under the *Business Corporations Act* (Canada) on December 15, 1987. The head office of EI is in Calgary, Alberta.

2. EI is a reporting issuer or equivalent in the Jurisdictions and each of the Passport Jurisdictions and, to its knowledge, is not in default of securities legislation in any jurisdiction in Canada.

3. The securities of EI are listed on the Toronto Stock Exchange (**TSX**) and the New York Stock Exchange (**NYSE**).

4. EI is an "SEC issuer" as that term is defined in NI 52-107 and can rely on subsection 3.7 of NI 52-107 to prepare and file with, or deliver to, a securities regulatory authority or regulator US GAAP financial statements.

Enbridge Pipelines Inc.

5. EPI was incorporated by Special Act of Canada on April 30, 1949 and continued under the *Business Corporations Act* (Canada) on June 2, 1980. The head office of EPI is in Calgary, Alberta.

6. EPI is a reporting issuer or equivalent in the Jurisdictions and each of the Passport Jurisdictions and, to its knowledge, is not in default of securities legislation in any jurisdiction in Canada.

7. EPI does not have any "exchange-traded securities" as that term is defined in National Instrument 21-101 *Marketplace Operation* (**NI 21-101**).

8. EPI is a wholly-owned indirect subsidiary of EI and has issued and outstanding the following publicly-held debt (as at January 31, 2011) that is not convertible into equity securities of any issuer:

   $200,000,000 Series K Debentures at 8.20%
   $2,424,600,000 Medium Term Notes at rates ranging from 2.93% to 6.62%
   $25,500,000 in Commercial Paper

9. EPI is a rate-regulated entity whose business includes, through a wholly-owned subsidiary, 100% voting control of Enbridge Energy Management, L.L.C. (**EEM**), which holds an indirect 25.5% ownership interest in Enbridge Energy Partners, L.L.P. (**EEP**).

10. EEM and EEP are not reporting issuers or equivalent in any jurisdiction of Canada, but are registrants with the SEC and their securities are listed on the NYSE.

11. EEM and EEP prepare and file US GAAP financial statements with the SEC pursuant to the 1934 Act and, pursuant to US GAAP and International Financial Reporting Standards (**IFRS**), such financial statements must be consolidated into the financial statements of EPI, which will in turn be consolidated into the financial statements of EI.

12. EPI is not an "SEC issuer" as that term is defined in NI 52-107.

Enbridge Gas Distribution Inc.

13. EGD was incorporated by Special Act of Canada in 1848. EGD was continued under the *Corporations Act, 1953* (Ontario) and is now subject to the *Business Corporations Act* (Ontario). The head office of EGD is in Toronto, Ontario.

14. EGD is a reporting issuer or equivalent in the Jurisdictions and each of the Passport Juris-

dictions, and to its knowledge, is not in default of securities legislation in any jurisdiction of Canada.

15. EGD does not have any "exchange-traded securities" as that term is defined in NI 21-101.

16. EGD is a wholly-owned indirect subsidiary of EI and has outstanding the following publicly-held debt (as at January 31, 2011) that is not convertible into equity securities of any issuer:

    $235,000,000 Debentures at rates of 9.85% and 10.80%; and
    $2,195,000,000 Medium Term Notes at rates ranging from 4.045% to 8.85%

17. EGD is a rate-regulated natural gas distribution utility.

18. EGD is not an "SEC Issuer" as that term is defined in NI 52-107.

General

19. Each of the Filers are rate-regulated entities and, accordingly, may rely on subsection 5.4 of NI 52-107 to prepare and file Canadian GAAP – Part V financial statements for the financial year commencing January 1, 2011 and ending December 31, 2011.

20. It was anticipated that the International Accounting Standards Board's (**IASB**) exposure draft would have provided direction regarding rate-regulated accounting under IFRS effective prior to the January 1, 2011 transition date to IFRS to assist rate-regulated issuers with their IFRS transition. However, due to divergent views on rate-regulated accounting at the IASB, a rate-regulated accounting standard has not been finalized. There continues to be significant uncertainty as to when, and if, rate-regulated accounting under IFRS will be clarified.

21. Rate-regulated accounting is well established in the United States and EI already complies with ASC 980 *Regulated Operations*, the US GAAP standard on rate regulated accounting. EI has reconciled its financial statements to US GAAP for many years.

22. NI 52-107 permits SEC issuers to file US GAAP financial statements in satisfaction of requirements under the securities legislation of the Jurisdictions and the Passport Jurisdictions and does not require any reconciliation of US GAAP financial statements to Canadian GAAP.

23. As an SEC Issuer, EI may rely on subsection 3.7 of NI 52-107 to prepare and file US GAAP financial statements and intends to do so for the financial years commencing on or after January 1, 2012.

24. The financial statements of the Affiliates are consolidated into the financial statements of EI. As the Affiliates are not SEC issuers, they cannot rely on subsection 3.7 of NI 52-107 to file US GAAP financial statements.

25. The Affiliates will certify their interim and annual US GAAP financial statements by filing the appropriate certificates in accordance with National Instrument 52-109 *Certification of Disclosure*.

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 for the financial years commencing January 1, 2012 until the financial year ending December 31, 2014 in respect of each Affiliate provided that:

(a) EI, directly or indirectly, remains the holder of all of the equity securities in respect of the Affiliate;

(b) the Affiliate does not issue any "exchange traded securities" as that term is defined in NI 21-101, and any securities convertible into equity securities of the Affiliate are held directly or indirectly by EI; and

(c) the financial statements of the Affiliate continue to be consolidated into the financial statements of EI.

"Cheryl McGillivray, CA"
Manager, Corporate Finance

2.1.13 Endeavour Mining Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – An issuer wants relief from provisions in National Instrument 43-101 so that it can file a technical report prepared by a qualified person who is not independent of the issuer – The issuer has acquired 100% ownership of a company that qualified as a producing issuer before the acquisition – The acquired company would continue to qualify as a producing issuer except that it no longer prepares separate audited annual financial statements – The issuer is continuing to carry on the operations of the acquired company without change or interruption – Qualified persons with knowledge of the acquired operations will be available to prepare the issuer's technical reports – The issuer will qualify as a producing issuer as soon as the issuer starts reporting its revenues on a consolidated basis under the issuer's GAAP.

Applicable Legislative Provisions

National Instrument 43-101 Standards of Disclosure for Mineral Projects, ss. 1.1, 5.3, 9.1.

March 8, 2011

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

AND

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

AND

IN THE MATTER OF
ENDEAVOUR MINING CORPORATION
(THE FILER)

DECISION

Background

1 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), pursuant to section 9.1 of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (NI 43-101), exempting the Filer from the requirement that a technical report filed by the Filer under paragraph 5.3(1)(c) of NI 43-101 be prepared by or under the supervision of an independent qualified person (the Exemption Sought).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in each of the provinces of Alberta, Saskatchewan, Manitoba, Ontario, 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

2 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

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

1. the Filer was incorporated on July 25, 2002, under the laws of the Cayman Islands, and has its head office in the Cayman Islands;

2. the Filer is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (the Reporting Jurisdictions), and is not in default of securities legislation in any jurisdiction;

3. the Filer has selected the British Columbia Securities Commission as the principal regulator for this application because the Filer has its principal Canadian business office in British Columbia;

4. the common shares and warrants of the Filer are listed on the Toronto Stock Exchange (the TSX);

5. the Filer is a gold-focused mining company with operations in West Africa; through the Filer's wholly owned subsidiary Etruscan Resources Inc. (Etruscan), the Filer's principal projects

include the Youga Gold Mine in Burkina Faso and the Agbaou Gold Project in Côte d'Ivoire;

6. the Filer acquired a 55% percent interest in Etruscan in October 2009, and acquired the remaining 45% of Etruscan (the Minority Interest) in September 2010;

7. prior to the Filer's acquisition of the Minority Interest, Etruscan was a reporting issuer in each of the Reporting Jurisdictions, and had its common shares listed on the TSX;

8. prior to the acquisition by the Filer of the Minority Interest, Etruscan was a producing issuer as such term is defined in NI 43-101, as its gross revenue derived from mining operations for its financial year ended November 30, 2009, was Cdn$69.8 million and its aggregate gross revenue derived from mining operations for its financial years ended November 30, 2007, 2008 and 2009, was Cdn$94.6 million;

9. had Etruscan remained a reporting issuer and completed its audited annual financial statements for its year ended November 30, 2010, it would have continued to meet the definition of a producing issuer, as its interim statements for the six months ended May 31, 2010, disclose a year-to-date gross revenue in excess of $30 million;

10. Etruscan's mining operations have continued since May 31, 2010; those mining operations are being conducted in the same manner as its mining operations for financial years ended November 30, 2007, 2008 and 2009, and Etruscan would not have stopped being a producing issuer but for the fact that it no longer prepares separate annual audited financial statements;

11. as a producing issuer, Etruscan was exempt under subsection 5.3(2) of NI 43-101 from the requirement in paragraph 5.3(1)(c) that technical reports required in the circumstances described in paragraph 5.3(1)(c) be prepared by or produced under the supervision of an independent qualified person;

12. employees of Etruscan who, at the date of the Filer's acquisition of the Minority Interest, were eligible to be a qualified person, as such term is defined in NI 43-101, continue to be employed by Etruscan;

13. the Filer does not currently meet the definition of a producing issuer, since in accordance with generally accepted accounting principles, Etruscan gross revenues are only consolidated with the Filer's gross revenues commencing September 10, 2010; however, if Etruscan's pre-September 10, 2010 financial statements were consolidated with those of the Filer, the Filer would be a producing issuer;

14. the Filer carries on the same production activities which Etruscan carried on prior to the Filer's acquisition of the Minority Interest;

15. if Etruscan had acquired additional properties prior to its acquisition by the Filer, it would be entitled under subsection 5.3(2) of NI 43-101 to the exemption from the independence requirements of paragraph 5.3(1)(c) of NI 43-101;

16. on December 6, 2010, the Filer announced that it was changing its financial year end from June 30 to December 31, and the first audited annual financial statements of the Filer which will reflect the acquisition of a 100% interest in Etruscan for a 12 month period will be the financial statements for the year ended December 31, 2011, which will be filed with the Canadian securities regulators prior to March 31, 2012;

17. revenues at the Youga mine held by Endeavour through its ownership of Etruscan for the year ended December 31, 2010, exceeded US $100 million; and

18. the Filer's interim and annual management discussion and analysis will disclose gross revenue from mining operations.

Decision

4 Each of the Decision Makers is satisfied that the decision satisfies 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, until the earlier of:

(a) any financial year of the Filer subsequent to December 31, 2010, in which the Filer

has annual gross revenues from mining operations of less than $30 million as disclosed in the Filer's audited annual financial statements;

(b) any financial year of the Filer subsequent to June 30, 2010, in which the Filer has annual gross revenues from mining operations totalling at least $90 million for that year and the preceding two years as disclosed in the Filer's audited annual financial statements;

(c) the Filer's financial year ended December 31, 2013;

(d) the date, if any, during the period from January 1, 2011, to December 31, 2011, on which the Filer sells its interest in Etruscan; and

(e) the date, if any, during the period from January 1, 2011, to December 31, 2011, on which mining operations at the Youga Gold Mine cease or materially decline.

"Martin Eady, CA"
Director, Corporate Finance
British Columbia Securities Commission

2.1.14 Teledyne Dalsa, Inc. – s. 1(10)

Headnote

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

Ontario Statutes

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

March 15, 2011

Fraser Milner Casgrain LLP
77 King Street West
Suite 400
Toronto, Ontario M5K 0A1

Attention: Karen Slater

Re: Teledyne Dalsa, Inc. (the "Applicant") – application for a decision under the securities legislation of Ontario, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia 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.

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

2.1.15 China Kingstone Mining Holdings Limited

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 43-101 – Applicant granted relief from the requirements of NI 43-101 in respect of disclosure made in and in connection with an offering memorandum for a private placement – Relief subject to conditions that offering memorandum contains specified opinions of experts, Canadian resident holdings are *de minimis*, and all Canadian investors are "accredited investors".

Applicable Legislative Provisions

National Instrument 43-101 Standards of Disclosure for Mineral Projects, s. 9.1.

March 9, 2011

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
CHINA KINGSTONE MINING HOLDINGS 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**) pursuant to subsection 9.1(1) of National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (**NI 43-101**) that the Filer be exempt from the requirements of NI 43-101 with respect to the disclosure made (i) in connection with the Canadian Offering (as defined below); and (ii) in the Preliminary Offering Memorandum (as defined below) and the Offering Memorandum (as defined below) prepared by the Filer for the Canadian Offering (the **Exemption Sought**);

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

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

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

Interpretation

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

Representations

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

1. The Filer is a limited liability company incorporated pursuant to the laws of the Cayman Islands with its head office in the People's Republic of China.

2. The Filer is engaged in marble mining and is at the initial production stage. The Filer currently owns and operates one marble mine, the Jiangyou Limestone Dimension Stone Project located in Jiangyou City, Sichuan Province of the People's Republic of China (the **Zhangjiaba Mine**). In addition to marble block mining, the Filer plans to construct large-scale marble slab processing facilities. The Filer's principal products are marble blocks mined and slabs processed from their marble reserves.

3. The Filer is not a reporting issuer in Ontario or any other Canadian jurisdiction, nor are any of its securities listed or posted for trading on any stock exchange in Canada. The Filer has no present intention of becoming a reporting issuer in Ontario or any other Canadian jurisdiction or of becoming listed on an exchange in Canada.

4. The authorized share capital of the Filer consists of 5,000,000,000 ordinary shares (the **Ordinary Shares**).

5. Pursuant to an initial public offering, the Filer intends to offer (subject to adjustment) 58,000,000 new Ordinary Shares of the Filer in an underwritten public offering of Ordinary Shares in Hong Kong (the **HK Public Offering**) pursuant to a prospectus (the **HK Prospectus**) and (subject to adjustment and an over-allotment option) the Filer intends to offer 442,000,000 Ordinary Shares and a selling shareholder intends to offer 80,000,000 Ordinary Shares, on a private placement basis to purchasers in certain jurisdictions including the United States and Canada (the **International Placement** and together with the HK Public Offering, the **Global Offering**).

6. The HK Prospectus will be prepared in accordance with Hong Kong law and the rules and regulations of the Hong Kong Stock Exchange (**HKSE**) and is required to be approved by the HKSE and the Securities and Futures Commission of Hong Kong.

7. The HK Prospectus and relevant supporting materials and information will be submitted to a listing hearing committee of the HKSE which will review the listing application as well as the HK Prospectus and other accompanying documents, provide comments and, if applicable, grant committee approval for the listing of the Ordinary Shares on the HKSE.

8. As part of the Global Offering, the Company will be offering its Ordinary Shares to accredited investors in Canada on a private placement basis (the **Canadian Offering**). The Canadian Offering will be made only to accredited investors in reliance on the exemption in section 2.3 of National Instrument 45-106 *Prospectus and Registration Exemptions* (**NI 45-106**).

9. The Filer has applied to list its shares on the main board of the HKSE and listing is expected to commence on or about March 18, 2011.

10. The Filer intends to use the proceeds of the Global Offering to finance the construction of production and processing facilities at the Zhangjiaba Mine, procure mining and processing equipment, acquire mining rights and land use rights, develop additional marble reserves and establish distribution channels and networks to sell their marble products.

11. Citigroup Global Markets Asia Limited is acting as underwriter for the HK Public Offering and Citigroup Global Markets Ltd. is acting as underwriter for the International Placement.

12. Purchasers in the Global Offering will receive an offering circular (the **Offering Circular)**.

13. An independent technical report (the **ITR**) on the limestone resources and reserves at the Zhangjiaba Mine has been prepared for the Filer by Behre Dolbear Asia Inc., a wholly owned subsidiary of Behre Dolbear & Company Inc. of Denver, Colorado (**Behre Dolbear**) and will be included in its entirety in the Offering Circular.

14. The ITR was prepared by a team of Behre Dolbear professionals led by Qingping Deng, a Qualified Professional Member of the Mining and Metallurgical Society of America and a Registered Member of The Society of Mining, Metallurgy and Exploration, Inc., who is a "qualified person" and is independent of the Filer for the purposes NI 43-101.

15. Behre Dolbear has prepared the ITR (including the estimates of limestone resources and reserves set out therein) in accordance with, among other things, the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the **JORC Code**) published by the Joint Ore Reserves Committee (JORC) of the Australasian Institute of Mining & Metallurgy, Australian Institute of Geoscientists, and the Minerals Council of Australia.

16. In connection with the Canadian Offering, the Filer intends to distribute to accredited investors in Canada a preliminary offering memorandum (the **Preliminary Offering Memorandum**) and a final offering memorandum (the **Offering Memorandum**) containing the Offering Circular and any additional disclosure required pursuant to the laws of the provinces of Canada, including disclosure relating to resale restrictions and statutory rights of action.

17. The Preliminary Offering Memorandum contains the following cautionary statement:

> The scientific and technical information on the Zhangjiaba Mine, Sichuan Province, the People's Republic of China, which is contained in this offering memorandum, was prepared in compliance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "**JORC Code**") published by the Joint Ore Reserves Committee of the Australasian Institute of Mining & Metallurgy, Australian Institute of Geoscientists, and Minerals Council of Australia. In the opinion of Behre Dolbear Asia, Inc., a wholly owned subsidiary of Behre Dolbear & Company Inc. in the context of the Zhangjiaba Mine (i) the definitions and standards of the JORC Code are substantively similar to the definitions and standards of the Canadian Institute of Mining, Metallurgy and Petroleum (the "**CIM Standards**") which are recognised by the Canadian regulatory authorities and contained in National Instrument 43-101 – *Standards for Disclosure of Mineral Projects* ("**NI 43-101**"); and (ii) a reconciliation of mineral resources and mineral reserves prepared in compliance with the JORC Code would not result in a materially different mineral resources and mineral reserves as prepared in compliance with the CIM Standards.
>
> The issuer has applied to the Canadian regulatory authorities for a decision exempting the offering from the requirements of NI 43-101. The offer being made in Canada is conditional upon receipt of a decision from the Canadian regulatory authorities exempting the offering from the provisions of NI 43-101. While the issuer does not anticipate any difficulty in obtaining such a decision, if this decision is not received from the applicable regulator in an investor's province of residence prior to the closing of the private placement, investors in that province will be advised and subscriptions will not be accepted from such investors.

18. Immediately after the Global Offering, less than 10% of the Ordinary Shares will be held by residents of Canada.

19. The Filer expects that the majority of its Canadian security holders will be resident in Ontario on the completion of the Canadian Offering.

20. The Filer will file the Offering Memorandum in each jurisdiction and within the time limit specified in NI 45-106.

21. The Filer is not in default of securities legislation in any of the jurisdictions of Canada.

Decision

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

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

(a) Behre Dolbear will provide an opinion, to be set out in the Offering Memorandum, that, in the context of the Zhangjiaba Mine, Sichuan Province, the People's Republic of China (i) the definitions and standards of the JORC Code are substantively similar to the definitions and standards of the Canadian Institute of Mining, Metallurgy and Petroleum which are recognised by the Canadian regulatory authorities and contained in NI 43-101; and (ii) a reconciliation of mineral resources and mineral reserves prepared in compliance with the JORC Code would not result in a materially different mineral resources and mineral reserves as prepared in compliance with the CIM Standards.

(b) less than 10% of the Ordinary Shares will be held by residents of Canada after the Global Offering;

(c) all purchasers under the Canadian Offering will be "accredited investors" as defined in NI 45-106;

(d) the Offering Memorandum includes the following statement:

> The Canadian regulatory authorities have exempted the issuer from the requirements of NI 43-101 with respect to the disclosure made in connection with this offering and in this Offering Memorandum.
>
> The scientific and technical information on the Zhangjiaba Mine, Sichuan Province, the People's Republic of China, which is contained in this offering memorandum, was prepared in compliance with the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the "**JORC Code**") published by the Joint Ore Reserves Committee of the Australasian Institute of Mining & Metallurgy, Australian

Institute of Geoscientists, and Minerals Council of Australia. In the opinion of Behre Dolbear Asia, Inc., a wholly owned subsidiary of Behre Dolbear & Company, Inc. in the context of the Zhangjiaba Mine (i) the definitions and standards of the JORC Code are substantively similar to the definitions and standards of the Canadian Institute of Mining, Metallurgy and Petroleum (the "**CIM Standards**") which are recognised by the Canadian regulatory authorities and contained in National Instrument 43-101 – *Standards for Disclosure of Mineral Projects* ("**NI 43-101**"); and (ii) a reconciliation of mineral resources and mineral reserves prepared in compliance with the JORC Code would not result in a materially different mineral resources and mineral reserves as prepared in compliance with the CIM Standards.

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

2.1.16 Bauer Performance Sports Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer granted relief from requirements under National Instrument 51-102 Continuous Disclosure Obligations to refer to restricted securities using prescribed restricted security term – relief granted subject to conditions.

OSC Rule 56-501 Restricted Shares – Exemption granted from requirements to refer to restricted securities using prescribed restricted security term – relief subject to condition that specified alternate term is used – exemption granted from requirements of section 3.2 of OSC Rule 56-501 in respect of future exempt distributions of certain restricted shares – relief granted subject to conditions.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, s. 10.1.
OSC Rule 56-501 Restricted Shares, ss. 2.3,3.2.

March 9, 2011

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
BAUER PERFORMANCE SPORTS LTD.
(THE FILER)

DECISION

Background

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

a) the requirements under Part 10 of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) shall not apply to the common shares in the share capital of the Filer (the **Common Shares**) (the **51-102 Disclosure Exemption**); and

b) the requirements under Parts 2 and 3 of OSC Rule 56-501 *Restricted Shares* (**OSC Rule 56-501**) shall not apply to the Filer's Common Shares (the 56-501 Exemption) (the **51-102 Disclosure Exemption** and, together with 56-501 Exemption, 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 Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, the Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Quebec, Saskatchewan and the Yukon Territory.

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:

2. The Filer is a corporation incorporated under the British Columbia *Business Corporations Act* (**BCBCA**).

3. The registered office of the Filer is located at Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8, and its headquarters are located at 150 Ocean Road, Greenland, New Hampshire, 03840, USA.

4. The Filer was incorporated to acquire and hold all of the shares of Kohlberg Sports Group Inc. (**KSGI**) in contemplation of the initial public offering of Common Shares (the **IPO**).

5. Immediately following the IPO, KSGI's existing securityholders will exchange all of their ordinary shares of KSGI for shares of the Filer pursuant to an acquisition agreement. Following completion of the acquisition, the Filer will own 100% of the ordinary shares of KSGI.

6. The Filer's authorized share capital consists of Common Shares and proportionate voting shares (**PV Shares**), (together, the **Equity Shares**). Immediately prior to the IPO, the Filer's share capital will consist of one issued and outstanding Common Share and at no other time have other shares of the Filer been issued and outstanding.

7. The Filer filed a preliminary prospectus, dated January 27, 2011 (the **Preliminary Prospectus**) with the securities regulatory authorities in each of

the provinces and territories of Canada in connection with the IPO.

8. As described in the Preliminary Prospectus, upon closing of the IPO, the Filer's share capital will consist of:

   (i) Common Shares; and

   (ii) PV Shares.

9. The Filer is seeking the 51-102 Disclosure Exemption and the 56-501 Disclosure Exemption in respect of future references to the Common Shares of the Filer in prescribed continuous disclosure documents and offering documents.

10. The Common Shares may at any time, at the option of the holder, be converted into PV Shares on the following basis: 1,000 Common Shares for one PV Share.

11. The PV Shares may at any time, at the option of the holder, be converted into Common Shares on the following basis: one PV Share for 1,000 Common Shares.

12. In the event of the liquidation, dissolution or winding-up of the Filer, the holders of Equity Shares will be entitled to participate in the distribution of the remaining property and assets of the Filer on the following basis: each PV Share will be entitled to 1,000 times the amount distributed per Common Share.

13. Each Equity Share will be entitled to dividends if, as and when declared by the board of directors of the Filer, on the following basis, and otherwise without preference or distinction among or between such shares: each PV Share will be entitled to 1,000 times the amount paid or distributed per Common Share.

14. The Common Shares will carry one vote per share for all matters coming before the shareholders and the PV Shares will carry 1,000 votes per share for all matters coming before the shareholders.

15. The holders of Common Shares and PV Shares are entitled to receive notice of any meeting of shareholders of the Filer and to attend and vote at those meetings, except those meetings at which holders of a specific class of shares are entitled to vote separately as a class under the BCBCA.

16. The rights, privileges, conditions and restrictions attaching to any Equity Shares may be modified if the amendment is authorized by not less than 66 2/3% of the votes cast at a meeting of holders of Equity Shares duly held for that purpose. However, if the holders of PV Shares, as a class, or the holders of Common Shares, as a class, are to be affected in a manner materially different from such other class of Equity Shares, the amendment must, in addition, be authorized by not less than 66 2/3% of the votes cast at a meeting of the holders of the class of shares which is affected differently.

17. No subdivision or consolidation of the Common Shares or PV Shares may be carried out unless, at the same time, the Common Shares or PV Shares, as the case may be, are subdivided or consolidated in the same manner and on the same basis, so as to preserve the relative rights of the holders of each class of Equity Shares.

18. In addition to the conversion rights described above, if an offer (the Offer) is being made for PV Shares where: (a) by reason of applicable securities legislation or stock exchange requirements, the offer must be made to all holders of the class of PV Shares; and (b) no equivalent offer is made for the Common Shares, the holders of Common Shares have the right, at their option, to convert their Common Shares into PV Shares for the purpose of allowing the holders of the Common Shares to tender to that offer.

19. In the event that holders of Common Shares are entitled to convert their Common Shares into PV Shares in connection with an Offer, holders of an aggregate of Common Shares of less than 1,000 (an **Odd Lot**) will be entitled to convert all but not less than all of such Odd Lot of Common Shares into a fraction of one PV Share, at a conversion ratio equivalent to 1,000 to 1, provided that such conversion into a fractional PV Share will be solely for the purpose of tendering the fractional PV Share to the offer in question and that any fraction of a PV Share that is tendered to the Offer but that is not, for any reason, taken up and paid for by the offeror will automatically be reconverted into the Common Shares that existed prior to such conversion.

20. Pursuant to NI 51-102, a "restricted security" means an equity security of a reporting issuer if any of the following apply: (a) there is another class of securities of the reporting issuer that, to a reasonable person, appears to carry a greater number of votes per security relative to the equity security; (b) the conditions of the class of equity securities, the conditions attached to another class of securities of the reporting issuer, or the reporting issuer's constating documents have provisions that nullify or, to a reasonable person appear to significantly restrict the voting rights of the equity securities; or (c) the reporting issuer has issued another class of equity securities that, to a reasonable person, appears to entitle the owners of securities of that other class to participate in the earnings or assets of the reporting issuer to a greater extent, on a per security basis, than the owners of the first class of equity securities.

21. Part 10 of NI 51-102 requires a reporting issuer that has outstanding restricted securities, or securities that are directly or indirectly convertible into or exercisable or exchangeable for restricted securities or securities that will, when issued, result in an existing class of outstanding securities being considered restricted securities, to provide specific disclosure with respect to such securities in its information circular, a document required by NI 51-102 to be delivered upon request by a reporting issuer to any of its securityholders, an annual information form prepared by the issuer, as well as in any other document that it sends to its securityholders.

22. Subsection 2.2 of OSC Rule 56-501 requires dealer and adviser documentation to include the appropriate restricted share term if restricted shares and the appropriate restricted share term or a code reference to restricted shares or the appropriate restricted share term are included in a trading record published by The Toronto Stock Exchange (TSX) or other exchange listed in Rule 56-501 or a trade reporting and quotation system operated by The Canadian Dealing Network Inc.

23. Subsection 2.3 of OSC Rule 56-501 requires that a rights offering or offering memorandum for a stock distribution prepared for a reporting issuer comply with certain requirements including, among others, the restricted shares may not be referred to by a term or a defined term that includes "common", "preference" or "preferred" and that such shares shall be referred to using a term or a defined term that includes the appropriate restricted share term.

24. Pursuant to subsection 4.2 of OSC Rule 56-501, the Director may determine that the Common Shares are exempt from the requirements of subsection 2.2 of OSC Rule 56-501 with respect to dealer and adviser documentation and that references to Common Shares in all applicable disclosure documentation are exempt from the requirements of subsection 2.3 of OSC Rule 56-501.

25. Subsection 3.2 of OSC Rule 56-501 provides that the prospectus exemptions under Ontario securities law are not available for a stock distribution of securities of a reporting issuer or an issuer if the issuer will become a reporting issuer as a result of the stock distribution unless either the stock distribution received minority approval of shareholders or all of the conditions set out in subsection 3.2(2) are satisfied and the information circular relating to the shareholders' meeting held to obtain such minority approval for the stock distribution included prescribed disclosure. Pursuant to subsection 4.2 of OSC Rule 56-501, the Director may determine that the Filer is exempt from Part 3 of OSC Rule 56-501.

26. Absent the Exemption Sought, the Filer will be required to provide specific disclosure with respect to its securities in an information circular, a document required by NI 51-102 to be delivered upon request by the Filer to any of its securityholders, an annual information form and any other document that it sends to its securityholders, including an offering document as referred to in OSC Rule 56-501, which disclosure may be confusing and misleading to market participants in light of the terms and conditions of the Equity Shares.

27. The Filer made an application to the TSX for a decision that Common Shares are exempt from Section 624 – *Restricted Securities* of the TSX Company Manual and confirmation that it may refer to the Common Shares as common shares.

28. The TSX advised on January 19, 2011 that they will permit the Filer to designate the Common Shares of the Filer as common shares.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted for the Filer's Common Shares for so long as:

(a) the Filer has no restricted securities (as defined in subsection 1.1(1) of NI 51-102) issued and outstanding, other than the Equity Shares; and

(b) holders' rights under the Equity Shares continue to be as described in representations 10 through 19, above.

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

2.1.17 Capital Power Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions – issuer is a corporation with an underlying limited partnership operating entity – related party holds units in limited partnership which are exchangeable into and are in all material respects the economic equivalent to the issuer's publicly traded common shares – issuer may include related party's indirect interest in issuer when calculating market capitalization for the purposes of using the 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, 5.7, 6.3.

March 7, 2011

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
CAPITAL POWER CORPORATION
(the "Filer")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the "**Legislation**") that the Filer be granted an exemption pursuant to section 9.1 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") from the minority approval and formal valuation requirements under Part 5 of MI 61-101 in connection with:

(a) any equity investment in, or loan to, Capital Power L.P. (the "**Partnership**") or a subsidiary entity (as such term is defined in MI 61-101) of the Partnership by the Filer in connection with a financing by the Filer where such investment or loan would constitute a related party transaction for the Filer, or

(b) any related party transaction of the Filer entered into indirectly through the Partnership or a subsidiary entity (as such term is defined in MI 61-101) of the Partnership,

if such related party transactions specified in (a) and (b) above 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 EPCOR Utilities Inc. ("**EPCOR**") in the Filer, held in the form of exchangeable limited partnership units of the Partnership, were included in the calculation of the Filer's market capitalization (collectively, 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 meanings if used in this decision, unless otherwise defined.

Representations

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

1. The Filer was incorporated under the *Canada Business Corporations Act* on May 1, 2009. The principal business office and registered office of the Filer is located at TD Tower, 5th Floor, 10088-102 Avenue, Edmonton, Alberta, Canada, T5J 2Z1.

2. The Filer's authorized capital consists of an unlimited number of common shares (the "**Common Shares**"), an unlimited number of preference shares issuable in series, an unlimited number of special voting shares (the "**Special Voting Shares**") and one special limited voting share. As of December 31, 2010, 30,980,500 Common Shares and 5,000,000 cumulative rate reset preference shares, series 1 (the "**Series 1 Shares**") are issued and outstanding and held by the public. As of December 31, 2010, 47,416,000 Special Voting Shares and one special limited voting share are issued and outstanding and held by EPCOR. The number of Special Voting Shares at any point in time is equal to, and accompanies, the number of Exchangeable LP Units (as defined below) issued and outstanding of the Partnership.

3. The Filer is a reporting issuer or the equivalent thereof in each province and territory of Canada and is not in default of any requirements of the Legislation. The Common Shares and the Series 1 Shares are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") under the symbols "CPX" and "CPX.PR.A", respectively.

4. The Partnership is a limited partnership established under the laws of the Province of Ontario on May 29, 2009. The general partner of the Partnership, Capital Power GP Holdings Inc. ("**GP Holdings**"), is controlled by the Filer and is wholly-owned by the Filer, except for one special limited voting share held indirectly by EPCOR. The principal business office and registered office of the Partnership and GP Holdings is located at TD Tower, 5th Floor, 10088-102 Avenue, Edmonton, Alberta, Canada, T5J 2Z1.

5. The Partnership is a reporting issuer or the equivalent thereof in each province and territory of Canada and is not in default of any requirements of the Legislation as modified by a decision document under NP 11-203 dated March 23, 2010 issued by the Alberta Securities Commission, as principal regulator. None of the securities of the Partnership are listed or posted for trading on any stock exchange or other market.

6. The authorized capital of the Partnership consists of an unlimited amount of common limited partnership units ("**Common LP Units**"), general partnership units ("**GP Units**") and exchangeable limited partnership units ("**Exchangeable LP Units**"), of which, as of December 31, 2010:

   (a) 47,416,000 Exchangeable LP Units, representing approximately 60.5% of the equity of the Partnership, were issued and held indirectly by EPCOR; and

   (b) 21,750,001 GP Units and 9,209,001 Common LP Units, representing approximately 39.5% of the equity of the Partnership, were issued and held indirectly by the Filer.

7. The principal business activity of the Partnership is the ownership and operation of power generation assets. The Filer conducts substantially all of its business through the Partnership.

8. EPCOR acquired its interests in the Filer, the Partnership and GP Holdings in connection with the sale of its power generation business to the Filer in 2009. EPCOR through its holding of Special Voting Shares of the Filer, is entitled to elect four board members (the remaining eight are elected by the public holders of Common Shares). As described above, EPCOR also holds one special limited voting share of the Filer and one special limited voting share of GP Holdings (together, the "**Special Limited Voting Shares**") which entitle it to receive notice of, and to attend any meeting of, shareholders but not to vote at any shareholder meeting, including the election of directors, except in certain limited circumstances. Neither the Special Voting Shares nor the Special Limited Voting Shares provide the holder with a right to receive dividends. The Filer regularly discloses its relationship with EPCOR in its public filings.

9. EPCOR holds 100% of the Exchangeable LP Units. The 47,416,000 Exchangeable LP Units represent, as of December 31, 2010, approximately 60.5% of the equity of the Partnership and approximately 60.5% of the total number of Common Shares of the Filer after giving effect to the exchange of the Exchangeable LP Units and 47,416,000 Special Voting Shares held by EPCOR (subject to the restrictions described in paragraph 10(a)).

10. The Exchangeable LP Units are, in all material respects, economically equivalent to the Common Shares of the Filer:

    (a) The Exchangeable LP Units are not transferable (except for certain permitted transfers among affiliates) but are exchangeable on a one-for-one basis for Common Shares at any time at the option of the holder thereof, subject to customary anti-dilution protections and adjustment provisions and to a limitation that the maximum number of Common Shares for which Exchangeable LP Units may be exchanged at any time is the largest whole number of Common Shares that, when added to the aggregate number of Common Shares outstanding at that time owned or whose voting rights are controlled by the holder or persons who, for purposes of the *Income Tax Act* (Canada), do not deal at arm's length with the holder, does not exceed 49% of the aggregate number of Common Shares that would be outstanding immediately following such exchange.

    (b) The distributions to be made on the Exchangeable LP Units are equal to the dividends that the holder of the Exchangeable LP Units would have received if it was holding Common Shares that may be obtained upon the exchange of such Exchangeable LP Units plus any tax that would be required to be paid or withheld by the Filer in connection with such dividends.

    (c) Each Exchangeable LP Unit is accompanied by a Special Voting Share of the Filer so that the holder of the Exchangeable LP Units are provided with voting rights on matters respecting the Filer equal to the number of Common Shares that may be obtained upon the exchange of the Exchangeable LP Unit to which such Special Voting Share is attached, subject to the restriction that such Special Voting Shares must at all times represent not more than 49% of the votes attached to all Common Shares and Special Voting Shares, taken together.

11. Any equity investment in, or loan to, the Partnership or a subsidiary entity of the Partnership by the Filer in connection with a financing by the Filer would constitute a "related party transaction" under MI 61-101. Section 5.1(g) of MI 61-101 provides that Part 5 of MI 61-101 does not apply to an issuer carrying out a related party transaction if the transaction is a "downstream transaction" for the issuer. Such equity investment or loan would constitute a "down stream transaction" within the meaning of MI 61-101, but for the fact that EPCOR is a related party of the Filer (as a result of its holdings of Special Voting Shares) and holds more than 5% of the limited partnership units of the Partnership. The Partnership would be a "wholly-owned subsidiary entity" of the Filer within the meaning of MI 61-101, but for the fact that EPCOR holds Exchangeable LP Units of the Partnership.

12. Although EPCOR maintains an interest in the Partnership through its Exchangeable LP Units, it does so as a passive investor. Any potential equity investment, or loan to, the Partnership would be negotiated solely between the Filer and the general partner of the Partnership, and EPCOR would have no involvement in respect of the negotiation of, or ability to otherwise influence, the terms and conditions of any such transactions.

13. If MI 61-101 applies to a related party transaction by an issuer and the transaction is not otherwise exempt:

    (a) the issuer must obtain a formal valuation of the transaction in a form satisfying the requirements of MI 61-101 by an independent valuator; and

    (b) the issuer must obtain approval of the transaction by disinterested holders of the affected securities of the issuer (together, requirements (a) and (b) are referred to as the "**Minority Protections**").

14. 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.

15. The Filer cannot rely on the automatic transaction size exemptions available under the Legislation from the requirements relating to related party transactions in the Legislation because the definition of market capitalization in the Legislation does not contemplate securities of another entity that are exchangeable into equity securities of the issuer.

16. 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 practicable, equivalent to the Common Shares. The effect of EPCOR's exchange right is that EPCOR will receive Common Shares upon the exchange of the Exchangeable LP Units. Moreover, the economic interests that underlie the Exchangeable LP Units are identical in all material respects to those underlying the Common Shares; namely, the assets and operations held directly or indirectly by the Partnership. The business of the Filer is substantially the same as the business of the Partnership, in that the Filer has no operations, assets or liabilities other than its investment in the Partnership and the general partner of the Partnership that are material relative to the consolidated operations, assets and liabilities of the Filer.

17. 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 EPCOR's limited partnership interest in the Partnership (currently, approximately 60.5%). As a result, related party transactions by the Filer that are entered into with the Partnership or a subsidiary entity of the Partnership for the purposes of financing the business of the Filer or indirectly through the Partnership or a subsidiary entity of the Partnership 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.

18. Section 1.4 of MI 61-101 treats an operating entity of an "income trust", as such term is defined in National Policy 41-201 *Income Trusts and Other Indirect Offerings* (**NP 41-201**), on a consolidated basis with its parent trust entity for the purpose of determining which entities are related parties of the issuer and what transactions MI 61-101 should apply to. Section 1.2 of NP 41-201 provides that references to an "income trust" refer to a trust or other entity (including corporate and non-corporate entities) that issues securities which provide for participation by the holder in net cash flows generated by an underlying business owned by the trust or other entity. Accordingly, it is consistent that securities of the operating entity, such as the Exchangeable LP Units, be treated on a consolidated basis for the purposes of determining the market value of the Filer under MI 61-101.

19. The inclusion of the Exchangeable LP Units when determining the Filer's market capitalization is consistent with the logic of including unlisted equity securities of the issuer which are convertible into listed securities of the issuer in determining an issuer's market capitalization in that both are securities that are considered part of the equity value of the issuer whose value is measured on the basis of the listed securities into which they are convertible or exchangeable.

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.

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

(a) the transaction would qualify for the market capitalization exemption contained in the Legislation if the Exchangeable LP Units were considered an outstanding class of equity securities of the Filer that were convertible into Common Shares;

(b) there be no material change to the terms of the Exchangeable LP Units and the Special Voting Shares, including the exchange rights associated therewith, as described above and in the prospectus dated June 25, 2009, filed in connection with the Filer's initial public offering;

(c) EPCOR will not directly or indirectly participate in, nor benefit from, any investment in, or loan to, the Partnership or a subsidiary entity of the Partnership by the Filer in connection with a financing by the Filer other than through its holdings of Exchangeable LP Units, Special Voting Shares and Common Shares, if any; and

(d) the Filer's annual information form filings for so long as the Filer intends to rely on the Requested Relief, contain the following disclosure, with any immaterial modifications as the context may require:

> "Multilateral Instrument 61-101 *Protection of Minority Security Holders 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. Capital Power Corporation ("**CPC**") has been granted exemptive relief from the requirements of MI 61-101 that, subject to certain conditions, permits it to be exempt from the minority approval and valuation requirements for transactions that would have a value of less than 25% of CPC's market capitalization, if EPCOR Utilities Inc.'s ("**EPCOR**") indirect equity interest in CPC, through its ownership of Exchangeable LP Units of Capital Power L.P. (the "**Partnershi**p"), is included in the calculation of CPC's market capitalization. As a result, the 25% threshold, above which the minority approval and valuation requirements apply, is increased to include the approximately 60.5% indirect interest in CPC held by EPCOR through its ownership of Exchangeable LP Units of the Partnership."

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

2.1.18 Goodman & Company, Investment Counsel Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from section 12.1 of National Instrument 31-103 Registration Requirements and Exemptions – Registrant exempted from including full amount of guarantee on Line 11 of Form 31-103F1 Calculation of Excess Working Capital – Registrant guaranteed debt of parent company prior to the implementation of NI 31-103 – Among the conditions and restrictions on the exemption are requirements that an alternate amount be included on Line 11 of Form 31-103F1, the registrant continues to be the wholly-owned subsidiary of the debtor, and client assets are custodied with a third party custodian.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7.
National Instrument 31-103 Registration Requirements and Exemptions, ss. 12.1, 15.1, 16.11.

March 14, 2011

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

AND

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

AND

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

DECISION

Background

The Principal Regulator (as defined below) in the Principal Jurisdiction has received an application from the Filer for a decision under Subsection 15.1 of National Instrument 31-103 *Registration Requirements and Exemptions* ("**NI 31-103**") for relief from the requirement in section 12.1 of NI 31-103 that the Filer calculate its excess working capital using Form 31-103F1 (the "**Form**") only to the extent that the Filer not be required to comply fully with Line 11 of the Form when calculating its excess working capital (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 (the "**OSC**" or "**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 all other provinces and territories of Canada (collectively, the "**Jurisdictions**").

Interpretation

Defined terms contained in National Instrument 31-103 – *Registration Requirements and Exemptions* and MI 11-102 have the same meanings in this decision ("Decision") unless they are otherwise defined in this Decision.

Representations

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

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

2. The Filer is registered with the OSC as an adviser in the category of portfolio manager, and is further registered in that category in each of British Columbia, Alberta, Manitoba, Quebec, New Brunswick and Nova Scotia.

3. The Filer also acts as an investment fund manager within the meaning of NI 31-103 and has applied to the OSC for registration in that capacity as required by subsection 25(4) of the *Securities Act* (Ontario) (the "**Act**").

4. The Filer is not a reporting issuer in any jurisdiction of Canada and is not, to its knowledge, in default of securities regulation in any jurisdiction of Canada.

5. The Filer is a leading Canadian asset management company, and offers a wide range of wealth management solutions. The Filer's assets under management at January 31, 2011 were approximately $39.4 billion.

6. The Filer is an indirect wholly-owned subsidiary of DundeeWealth Inc. ("**DundeeWealth**"). DundeeWealth's total revenue earning fiduciary assets at January 31, 2011 were approximately $79.5 billion.

7. On February 1, 2011, the Bank of Nova Scotia ("**Scotiabank**") acquired all of the outstanding common shares and First Preference, Series X shares not already owned by it of DundeeWealth, resulting in it owning approximately 97% of the outstanding common shares and all of the First Preference Series X shares of DundeeWealth, and consequently resulting in each of Dundee-

Wealth and the Filer becoming an affiliate of Scotiabank.

8. DundeeWealth and the Filer have common management and the Board of Directors of the Filer is comprised of members of the DundeeWealth senior executive team. There is a commonality of purpose between the two organizations and management has a fiduciary responsibility to ensure that both entities are operated in the best interests of all stakeholders.

9. DundeeWealth does not have any corporate debt other than (i) a $100 million revolving credit facility with Scotiabank, of which $3 million was drawn and outstanding on February 17, 2011; and (ii) a $200 million principal amount of Series 1 Notes which were issued on September 25, 2009 and mature on September 25, 2014 (the "**Notes**"). The Notes bear interest at 5.10% per annum, payable semi-annually on March 25th and September 25th of each year.

10. The Notes are unsecured obligations of DundeeWealth and rank equally with all other unsecured and unsubordinated indebtedness and obligations of DundeeWealth.

11. Certain subsidiaries of DundeeWealth, including the Filer, have fully and unconditionally guaranteed (the "**Guarantee**") on a joint and several basis the payment of principal and interest on the Notes. The Filer guaranteed the Notes at the request of DundeeWealth in order to obtain the most advantageous financial terms. The Guarantee was not provided in response to a suggestion that DundeeWealth's primary obligation required any support.

12. The Notes are subject to certain covenants including a negative pledge on security interests of DundeeWealth's assets, and restrictions on additional indebtedness or the sale of assets, subject to certain conditions.

13. DundeeWealth may, at its option, redeem the Notes at a redemption price which is at the greater of par and the Government of Canada Yield plus 0.62%.

14. In the event that a change of control of DundeeWealth occurs (as that term is defined in the trust indenture creating the debentures) and the rating of the debentures is lowered to below investment grade, defined as below BBB- by Standard and Poors and BBB (low) by DBRS Limited, DundeeWealth will be required to make an offer to repurchase all or, at the option of each holder, any part of each holder's Notes at a purchase price payable in cash equivalent to 101% of the outstanding principal amount of the Notes together with accrued and unpaid interest to the date of purchase.

15. Under section 12.1 of NI 31-103, as of September 28, 2010, the Filer is required to maintain minimum capital of $100,000 plus a financial institution bond of $500,000. The Filer is also required to calculate its excess working capital in accordance with the Form.

16. The Filer currently calculates its excess working capital in accordance with the Decision. Without the Decision, the Filer is required as one of the guarantors to deduct the entire amount of the Notes (Line 11) from its adjusted working capital (Line 7). As a result, the Filer is required to maintain additional capital of approximately $200 million, which is not commercially practical. It is also not commercially practical for the Filer to cease to be a guarantor of the Notes.

17. DundeeWealth, a subsidiary of Scotiabank, is a well-capitalized public company, with the Notes being favourably rated by rating agencies. DundeeWealth is not, and has never been, in breach of any of its financial covenants.

18. DundeeWealth is confident that even in the event that financial markets were to suffer a significant downturn, the Filer, when combined with DundeeWealth's other operations, will generate sufficient cash to service the Notes and repay them as they come due. In any event, DundeeWealth expects that, if it were necessary to restructure the Notes, it could complete any necessary restructuring within a 3 month period.

19. Approximately 98% of the assets of the Filer's clients are held by unrelated third-party custodians, approximately 2% of the assets of the Filer's clients are held by related third-party custodians which are governed by Investment Industry Regulatory Organization of Canada ("**IIROC**"), and no client assets are co-mingled with those of the Filer.

20. If the Filer were called upon to pay under the Guarantee, none of the Filer's clients would be affected adversely in that they would not be in any danger of losing any of their assets or investments.

21. The Filer will continue to provide the OSC with information about the Filer as a going concern and also about any potential problems, and the Filer will be adequately capitalized to carry on its business.

Decision

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

The Decision of the Principal Regulator under the Legislation is that the Exemption Sought is granted so long as:

(a) when calculating its excess working capital in accordance with Form 31-103F1, the Filer will deduct on Line 11 the greater of:

(i) the contingent liabilities that it would be required to record in its financial statements in respect of the Guarantee in accordance with Canadian GAAP and/or International Financial Reporting Standards, and

(ii) the interest amount payable on the Notes during the next calendar quarter immediately following any calculation of excess working capital;

(b) as a supplement to the Filer satisfying its financial reporting obligations in Part 12, Division 4, of NI 31-103, the Filer will also provide to the Principal Regulator, on a confidential and quarterly basis for so long as the Notes remain outstanding: (i) a copy of the Filer's unaudited financial statements; (ii) a copy of Dundee-Wealth's unaudited financial statements by no later than the 45th day after the end of the interim period; (iii) the Filer's unaudited excess working capital calculation in Form 31-103F1 showing excess working capital greater than zero following a deduction of the amount specified by paragraph (a) above; and (iv) a written certification that the Filer is not aware of any circumstance which may result in the accelerated payments of Notes by DundeeWealth as a result of a default under the terms of the Notes, or any payment by the Filer under the Guarantee.

(c) the Filer will promptly notify the Principal Regulator if it becomes aware that the accelerated payment of the Notes by DundeeWealth as a result of a default under the terms of the Notes may or will occur;

(d) the Filer continues to be a wholly-owned indirect subsidiary of DundeeWealth; and

(e) the Filer does not hold any client assets;

provided that this decision will have no further force and effect after March 25, 2015.

"Susan Silma"
Director. Registrant Regulation

2.2 Orders

2.2.1 Prince William Partnership – s. 1(10)(b)

Headnote

Application for an order that the issuer is not a reporting issuer under applicable securities laws – requested relief granted.

Applicable Legislative Provisions

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

March 10, 2011

Prince William Partnership
c/o Realstar Management Partnership
77 Bloor Street West, Suite 2000
Toronto, Ontario
M5S 1M2

Dear Sirs/Mesdames:

Re: Prince William Partnership (the Applicant) – Application for an order under clause 1(10)(b) of the *Securities Act* (Ontario) 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:

(a) 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;

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

(c) The Applicant is not in default of any of its obligations under the Act as a reporting issuer; and

(d) 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

2.2.2 TSX Inc. – s. 15.1 of NI 21-101 Marketplace Operation and s. 6.1 of Rule 13-502 Fees

Headnote

Section 15.1 of National Instrument 21-101 Marketplace Operation (21-101) and section 6.1 of OSC Rule 13-502 Fees (13-502) -- exemption granted to TSX Inc. from the requirement in paragraph 3.2(1)(b) of 21-101 to file an amendment to Form 21-101F1 45 days prior to implementation of a fee change and from the requirements in Appendix C (item E(1)) and item E(2)(a)) of 13-502 to pay fees related to TSX Inc.'s exemption application.

Applicable Legislative Provision

Securities Act, R.S.O. 1990, c. S.5, as am.
National Instrument 21-101 Marketplace Operation, s. 15.1.
Rule 13-502 Fees, s. 6.1.

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

AND

IN THE MATTER OF
TSX INC.

ORDER
(Section 15.1 of National Instrument 21-101 ("NI 21-101")
and section 6.1 of Rule 13-502)

UPON the application (the "Application") of TSX Inc. (the "Applicant") to the Director for an order pursuant to section 15.1 of NI 21-101 exempting the Applicant from the requirement in paragraph 3.2(1)(b) of NI 21-101 to file an amendment to the information previously provided in Form 21-101F1 (the "Form") regarding Exhibit N (fees) 45 days before implementation of the fee change (the "45 day filing requirement");

AND UPON the Applicant filing an updated Form on February 16, 2011, describing a fee change;

AND UPON the application by the Applicant (the "Fee Exemption Application") to the Director for an order pursuant to section 6.1 of Rule 13-502 exempting the Applicant from the requirement to pay an activity fee of (a) $3,000 in connection with the Application in accordance with section 4.1 and item E(1) of Appendix C of Rule 13-502, and (b) $1,500 in connection with the Fee Exemption Application (Appendix C, item E(2)(a));

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

AND UPON the Applicant having represented to the Director as follows.

1. The Applicant operates the Toronto Stock Exchange and is a recognized stock exchange in Ontario with its head office in Toronto.

2. The Applicant would like to implement the Fee Change on March 14, 2011.

3. The Applicant has provided advance notice to the industry regarding the Fee Change.

4. The current multi-market trading environment requires frequent changes to the fees and fee model to remain competitive, and it has become unduly burdensome to delay 45 days before implementing fee change initiatives;

5. In the current competitive multi-market trading environment it has become unduly burdensome to delay 45 days before implementing fee change initiatives with respect to an approved new order type.

6. The policy rationale behind the 45 day filing requirement, which the Applicant understands is to provide Commission staff with an opportunity to analyze the changes and determine if any objections should be raised prior to implementation, can be met in a shorter period; and

7. Given that the notice period was created prior to multi-marketplaces becoming a reality, and in light of the current competitive environment and the limited and highly technical nature of the exemption being sought, it would be unduly onerous to pay fees in these circumstances.

AND UPON the Director being satisfied to do so would not be prejudicial to the public interest.

IT IS ORDERED by the Director:

(a) pursuant to section 15.1 of NI 21-101 that the Applicant is exempted from the 45 day filing period for the Fee Change; and

(b) pursuant to section 6.1 of Rule 13-502 that the Applicant is exempted from:

(i) paying an activity fee of $3,000 in connection with the Application, and

(ii) paying an activity fee of $1,500 in connection with the Fee Exemption Application.

DATED this 11th day of March 2011.

"Susan Greenglass"
Director, Market Regulation
Ontario Securities Commission

2.2.3 NCP Northland Capital Partners Inc. and NCP Northland Capital Partners (USA) – s. 74(1)

Headnote

Trades by U.S. registered broker dealer, an affiliate of Ontario registered investment dealer whose shared premises are located in Ontario, exempted from requirements of paragraph 25(1) of the Act, for trades made to clients that are resident in the U.S.A., where the trade is made by the U.S. dealer (in its own right, or on behalf of clients that are resident in the U.S.) through individuals that are dealing representatives of both the U.S. dealer and the Ontario registrant – Individuals must be appropriately registered to make the trade on behalf of the Ontario registrant if instead the Ontario registrant were making the trade to an Ontario resident.

Statutes Cited

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

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

AND

IN THE MATTER OF
NCP NORTHLAND CAPITAL PARTNERS INC.
AND
NCP NORTHLAND CAPITAL PARTNERS (USA) INC.

ORDER
(Subsection 74(1) of the Act)

UPON the application of NCP Northland Capital Partners Inc. (**NCP Canada**) and NCP Northland Capital Partners (USA) Inc. (**NCP USA**) to the Ontario Securities Commission (the **Commission**) for an order, pursuant to subsection 74(1) of the Act, that NCP USA and the individuals who are dealing representatives or the equivalent of NCP USA and who are also registered under the Act to trade on behalf of NCP Canada as dealing representatives of NCP Canada (**Dual Representatives**) shall not be subject to section 25(1) of the Act where NCP USA and the Dual Representatives act on behalf of NCP USA in respect of certain trades in Ontario with, or on behalf of, clients that are resident in the United States (**US Clients**);

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

AND UPON representation to the Commission that:

1. NCP Canada is incorporated under the laws of the Province of Ontario.
2. NCP Canada's head office is located in Toronto, Ontario.
3. NCP Canada is registered under the Act as a dealer in the category of investment dealer and is a dealer member of the Investment Industry Regulatory Organization of Canada.
4. NCP Canada is not registered under applicable US securities laws to carry on the business of a registered broker dealer in the United States.
5. NCP Canada does not trade in securities with or on behalf of US Clients.
6. NCP USA is an affiliate of NCP Canada.
7. NCP USA is incorporated under the laws of the Province of Ontario and is not registered under the Act.
8. NCP USA and NCP Canada operate out of the same premises in Toronto, Ontario.
9. NCP USA is registered as a broker-dealer under the US *Securities Exchange Act of 1934*, as amended, and is a member of the Financial Industry Regulatory Authority.
10. The Dual Representatives are, or will be, registered with the Commission as dealing representatives of NCP Canada in order to provide trading services to institutional clients of NCP Canada that are resident or located in the Province of Ontario.
11. The Dual Representatives will act primarily for NCP Canada, but may also act in Ontario on behalf of NCP USA in respect to providing trading services to institutional investors who are resident or located in the United States.
12. NCP USA will not trade in securities with or on behalf of persons or entities who are resident in Canada.
13. NCP Canada currently expects that the amount of revenue derived from US Clients will represent approximately 10% of the revenue generated by Canadian clients.
14. When acting on behalf of NCP USA, the Dual Representatives will not be serving Ontario clients.
15. Where NCP USA trades with or on behalf of US Clients, NCP USA and any Dual Representatives who act on behalf of NCP USA in respect of such trades are subject to and will comply with applicable United States securities laws.
16. NCP USA will file with the Commission such reports as to its trading activities as the Commission may from time to time require.

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

IT IS RULED, pursuant to subsection 74(1) of the Act, that trades in securities to US Clients, that are made by NCP USA, for itself or on behalf of US Clients, and on behalf of NCP USA by Dual Representatives, shall not be subject to subsection 25(1) of the Act, provided that, at the time of the trade:

(A) NCP Canada is registered under the Act as a dealer in a category that would permit NCP Canada to make the trade, in compliance with subsection 25(1) of the Act, if the trade were instead being made by NCP Canada;

(B) the registration under the Act of the Dual Representative as a dealing representative of NCP Canada would permit the Dual Representative to act on behalf of NCP Canada in respect of the trade, in compliance with subsection 25(1) of the Act, if the trade were instead being made by the Dual Representative on behalf of NCP Canada; and

(C) NCP USA and each of the Dual Representatives is in compliance with any applicable dealer licensing or registration requirements under applicable securities legislation of the United States.

March 11, 2011

"Margot C. Howard"
Commissioner
Ontario Securities Commission

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

2.2.4 QuantFX Asset Management Inc. et al. – ss. 127(7), 127(8)

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

AND

IN THE MATTER OF
QUANTFX ASSET MANAGEMENT INC.,
ADIM TSATSKIN, LUCIEN SHTROMVASER AND
ROSTISLAV ZEMLINSKY

ORDER
(Subsections 127(7) and 127(8))

WHEREAS on April 9, 2010, the Ontario Securities Commission (the "Commission") issued a 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 (the "Temporary Order"):

(i) that QuantFX Asset Management Inc. ("QuantFX"), Vadim Tsatskin ("Tsatskin"), Lucien Shtromvaser ("Shtromvaser") and Rostislav Zemlinsky ("Zemlinsky"), collectively the "Respondents", cease trading in all securities; and

(ii) that any exemptions contained in Ontario securities law do not apply to the Respondents;

AND WHEREAS on April 9, 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 April 13, 2010, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on April 23, 2010;

AND WHEREAS on April 23, 2010 and October 13, 2010, the Commission extended the Temporary Order;

AND WHEREAS the Temporary Order expires on November 19, 2010;

AND WHEREAS on November 10, 2010, the Commission issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the Act accompanied by a Statement of Allegations dated November 10, 2010, issued by Staff of the Commission ("Staff") with respect to QuantFX, Tsatskin, Shtromvaser and Zemlinsky;

AND WHEREAS on November 17, 2010, the Commission issued an Amended Notice of Hearing to correct a typographical error;

AND WHEREAS on November 18, 2010, a hearing was held at 4:00 p.m. and Staff and counsel for

QuantFX, Shtromvaser and Zemlinsky appeared before the Commission, Tsatskin did not attend the Hearing, but had advised Staff that he consents to Staff's request for an extension of the Temporary Order and the Commission was satisfied that Staff properly served the Respondents;

AND WHEREAS on November 18, 2010, counsel for QuantFX, Shtromvaser and Zemlinsky advised the Commission that QuantFX, Shtromvaser and Zemlinsky consent to Staff's request for an extension of the Temporary Order;

AND WHEREAS on November 18, 2010, the Commission considered the evidence and submissions before it and the Commission was of the opinion that it was in the public interest to extend the Temporary Order;

AND WHEREAS the Commission ordered that:

(i) pursuant to subsections 127(7) and (8) of the Act, the Temporary Order be extended to January 27, 2011;

(ii) the hearing in this matter be adjourned to January 26, 2011 at 12:00 p.m. or on such other date as provided by the Secretary's Office and agreed to by the parties; and

(iii) the purpose of the hearing to be held on January 26, 2011 be to set dates for the hearing on the merits;

AND WHEREAS on January 26, 2011, a hearing was held at 12:00 p.m. and Staff appeared before the Commission and no one appeared on behalf of any of the Respondents;

AND WHEREAS Staff requested an extension of the Temporary Order for six weeks to March 8, 2011;

AND WHEREAS Staff advised the Commission that Tsatskin and counsel for QuantFX, Shtromvaser and Zemlinsky consented to the extension of the Temporary Order and the adjournment of the hearing and the Commission was satisfied that Staff properly served the Respondents;

AND WHEREAS the Commission ordered that the Temporary Order be extended to March 9, 2011 and that the hearing in this matter be adjourned to March 8, 2011 at 12:00 p.m.;

AND WHEREAS on March 8, 2011, a hearing was held at 12:00 p.m. and Staff appeared before the Commission and no one appeared on behalf of any of the Respondents;

AND WHEREAS the Commission was satisfied that the Respondents were properly served with notice of the hearing;

AND WHEREAS Staff advised the Commission that counsel for QuantFX, Shtromvaser and Zemlinsky consented to an adjournment of the hearing and an extension of the Temporary Order for one month;

AND WHEREAS Staff requested that the hearing be adjourned and the Temporary Order extended for approximately six weeks;

AND WHEREAS the Commission is of the opinion that it is in the public interest to extend the Temporary Order;

IT IS ORDERED that the Temporary Order is extended to April 28, 2011 and that the hearing in this matter is adjourned to April 27, 2011 at 10:00 a.m. or on such other date as provided by the Secretary's Office and agreed to by the parties, subject to the right of the parties to make further submissions on the appropriate date and time to which this Temporary Order is extended.

DATED at Toronto this 11th day of March, 2011.

"Mary G. Condon"

2.2.5 Helen Kuszper and Paul Kuszper – Pre-Hearing Conference – Rule 6.7

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

AND

IN THE MATTER OF
HELEN KUSZPER AND PAUL KUSZPER

ORDER
(Pre-Hearing Conference – Rule 6.7)

WHEREAS the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and Staff of the Commission ("Staff") filed a Statement of Allegations in this matter on December 13, 2010 against Helen Kuszper and Paul Kuszper (collectively, the "Respondents");

AND WHEREAS on January 27, 2011, the Commission ordered that this matter be set down for a hearing on the merits beginning on October 12, 2011 and continuing until October 27, 2011, except for October 25, 2011;

AND WHEREAS on March 10, 2011, counsel for Staff and the Respondents appeared before the Commission for a pre-hearing conference;

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

IT IS ORDERED that any pre-hearing motions in this matter to be made by the parties shall be filed with the Commission by no later than August 1, 2011.

DATED at Toronto this 10th day of March, 2011.

"Mary G. Condon"

2.2.6 TBS New Media Ltd. et al. – ss. 127(7), 127(8)

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

AND

TBS NEW MEDIA LTD., TBS NEW MEDIA PLC,
CNF FOOD CORP., CNF CANDY CORP.,
ARI JONATHAN FIRESTONE and MARK GREEN

TEMPORARY ORDER
Subsections 127(7) & 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 5, 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;

AND WHEREAS on July 12, 2010, the Commission 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;

AND WHEREAS pursuant to subsections 127 (7) and (8) of the Act the Commission ordered that the Temporary Order, as amended by the July 12 order, be extended to September 9, 2010;

AND WHEREAS on September 3, 2010, the Office of the Secretary issued a notice of hearing accompanied by a Statement of Allegations setting the matter down to be heard on September 8, 2010 at 10:00 a.m.;

AND WHEREAS on September 8, 2010, a hearing was held before the Commission which counsel for 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 at the hearing on September 8, 2010, a pre-hearing in this matter was set down for October 21, 2010;

AND WHEREAS on September 8, 2010, counsel for TBS, TBS PLC, CNF Food, CNF Candy and Firestone consented to an extension of the Temporary Order to October 22, 2010;

AND WHEREAS on September 8, 2010, the Commission extended the Temporary Order, as amended by the July 12, 2010 Order, to October 22, 2010 and an order was issued by the Commission on September 10, 2010;

AND WHEREAS on October 21, 2010, a hearing was held before the Commission which counsel for Staff attended, but no one attended on behalf of any of the Respondents;

AND WHEREAS on October 21, 2010, Staff informed the Commission that counsel for TBS, TBS PLC, CNF Food, CNF Candy and Firestone consented to a further extension of the Temporary Order, via email dated October 19, 2010;

AND WHEREAS by order dated October 22, 2010, the Commission extended the Temporary Order, as amended by the July 12, 2010 Order, to December 7, 2010;

AND WHEREAS on December 6, 2010, a hearing was held before the Commission which counsel for Staff attended, but no one attended on behalf of any of the Respondents;

AND WHEREAS on December 6, 2010, Staff informed the Commission that counsel for TBS, TBS PLC, CNF Food, CNF Candy and Firestone consented to a further extension of the Temporary Order;

AND WHEREAS by order dated December 6, 2010, the Commission extended the Temporary Order, as amended by the July 12, 2010 Order, to February 9, 2011;

AND WHEREAS on February 8, 2011, a hearing was held before the Commission which counsel for Staff attended, but no one attended on behalf of any of the Respondents.

AND WHEREAS on February 8, 2011, Staff informed the Commission that counsel for TBS, TBS PLC, CNF Food, CNF Candy and Firestone consented to a further extension of the Temporary Order, as amended by the July 12, 2010 order;

AND WHEREAS by order dated February 8, 2011, the Commission extended the Temporary Order, as amended by the July 12, 2010 Order to March 14, 2011;

AND WHEREAS on March 11, 2011, a hearing was held before the Commission which counsel for Staff attended, but no one attended on behalf of any of the Respondents.

AND WHEREAS on March 11, 2011, Staff informed the Commission that counsel for TBS, TBS PLC, CNF Food, CNF Candy and Firestone did not oppose a further extension of the Temporary Order, as amended by the July 12, 2010 order;

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

IT IS ORDERED that the Temporary Order, as amended by the July 12, 2010 Order, is extended to May 18, 2011.

IT IS FURTHER ORDERED that the Hearing is adjourned to May 17, 2011 at 10:00 a.m., or such other date and time as set by the Office of the Secretary and agreed upon by the parties.

Dated at Toronto this 11th day of March, 2011

"Christopher Portner"

2.2.7 The Options Clearing Corporation – s. 147

Headnote

Application under section 147 of the Securities Act (Ontario) (OSA) to exempt on a interim basis The Options Clearing Corporation from recognition as a clearing agency under subsection 21.2(0.1) of the OSA.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 21.2(0.1), 147.

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

AND

IN THE MATTER OF
THE OPTIONS CLEARING CORPORATION

ORDER
(Section 147 of the Act)

WHEREAS The Options Clearing Corporation (**OCC**) has filed an application dated January 10, 2011 (**Application**) with the Ontario Securities Commission (**Commission**) pursuant to section 147 of the Act requesting an interim order exempting OCC from the requirement to be recognized as a clearing agency under section 21.2(0.1) of the Act (**Order**).

AND WHEREAS OCC has represented to the Commission that:

1.1 OCC is a corporation organized under the laws of the state of Delaware;

1.2 Founded in 1973, OCC is the world's largest equity derivatives clearing organization;

1.3 OCC is the only derivatives clearing agency registered under Section 17A of the U.S. Securities Exchange Act of 1934 (**Exchange Act**) and registered as a derivatives clearing organization (**DCO**) under Section 5b of the Commodity Exchange Act;

1.4 In the United States, OCC operates under the jurisdiction of both the Securities and Exchange Commission (**SEC**) and the Commodity Futures Trading Commission (**CFTC**). Under the SEC's jurisdiction, OCC clears or is qualified to clear transactions in "standardized options," as defined in SEC regulations. These include options on common stocks and other equity issues, stock indices (including volatility, variance, and strategy-based indices), foreign currencies, interest rate composites, and credit default options. Under SEC jurisdiction, OCC also clears futures on single equity issues and narrow-based stock indices (**security futures**), which were authorized to be traded pursuant to the Commodity Futures Modernization Act of 2000. As a DCO under CFTC jurisdiction, OCC offers clearing and settlement services for transactions in commodity futures (i.e., futures other than security futures) and options on commodity futures and is qualified to clear options on commodities;

1.5 The derivatives contracts traded on U.S. exchanges of which OCC is also the nominal "issuer" are sold by regulated foreign market participants worldwide. The Applicant is primarily regulated by the SEC and CFTC in the United States. The Applicant is not subject to regulatory oversight by any other foreign securities or futures regulatory authority in any jurisdiction outside the United States, including in the United Kingdom, Continental Europe, Australia, or by any other Canadian provincial or territorial securities regulatory authority except the Autorité des marchés financiers in Quebec. In Quebec, the Applicant has received an exemption from certain requirements of the *Derivatives Act* (Quebec) subject to conditions;

1.6 OCC is currently equally owned by the following five participant securities exchanges that trade options, all of which are currently registered with the SEC:

(i) NYSE Amex;

(ii) Chicago Board Options Exchange;

(iii) International Securities Exchange;

(iv) NYSE Arca; and

(v) NASDAQ OMX PHLX (formerly the Philadelphia Stock Exchange);

1.7 OCC also serves other exchange constituents. OCC currently clears options traded on a total of nine U.S. securities exchanges (including those named in paragraph 1.6), security futures traded on OneChicago, and commodity futures and in some cases futures options traded on four U.S. futures exchanges. OCC also clears stock loan transactions executed on a broker-to-broker basis and on AQS, an electronic trading platform regulated by the SEC as an alternative trading system;

1.8 OCC operates as an industry utility and receives most of its revenue from clearing fees charged to its members;

1.9 OCC currently clears the following products:

(i) Options on equity securities (including exchange-traded funds);

(ii) Options on stock indices (including volatility indices);

(iii) Foreign currency options;

(iv) Interest rate options (cash settled options on the yields of U.S. Treasury securities);

(v) Security futures, including single stock futures and narrow-based stock index futures; and

(vi) Broad-based stock index, volatility and variance futures (collectively, **Products**);

1.10 OCC has approximately 130 clearing members representing the largest U.S. broker-dealers and futures commission merchants and a small number of regulated Canadian securities firms;

1.11 OCC initiates no direct contact with Canadian clients of Canadian securities firms for which it provides clearing services;

1.12 OCC does not have any office or maintain other physical installations in Ontario or any other Canadian province or territory;

1.13 OCC currently has seven Ontario-resident investment dealers that are direct OCC clearing members and one Ontario-resident approved clearing bank (collectively, **Ontario Participants**);

1.14 The new section 21.2 of the Act, to become effective March 1, 2011, will prohibit clearing agencies from carrying on business in Ontario unless they are recognized by the Commission as a clearing agency;

1.15 OCC intends to file a full application to the Commission for a subsequent order recognizing OCC as a clearing agency under subsection 21.2 (0.1) of the Act or exempting it from the requirement to be recognized as a clearing agency under section 147 of the Act (**Subsequent Order**);

AND WHEREAS based on the Application and the representations OCC has made to the Commission, the Commission has determined that the granting of the Order would not be prejudicial to the public interest;

IT IS HEREBY ORDERED by the Commission that, pursuant to section 147 of the Act, OCC is exempt on an interim basis from recognition as a clearing agency under section 21.2(0.1);

PROVIDED THAT:

1. This Order shall terminate the earlier of (i) September 1, 2011 and (ii) the effective date of the Subsequent Order;

2. OCC shall:

(a) continue to be registered as a clearing agency under Section 17A of the Exchange Act and registered as a DCO under Section 5b of the Commodity Exchange Act; and

(b) promptly notify staff of the Commission of:

(i) any material change or proposed material change in the regulatory oversight by the SEC or the CFTC;

(ii) any material problems with the clearance and settlement of transactions in Products cleared by OCC that could materially affect the financial viability of OCC; and

(iii) any new Ontario Participants.

DATED March 1, 2011.

"Vern Krishna"

"Margot C. Howard"

2.2.8 LCH.Clearnet Limited – s. 147

Headnote

Application under section 147 of the Securities Act (Ontario) (OSA) to exempt on an interim basis LCH.Clearnet Limited from recognition as a clearing agency under subsection 21.2(0.1) of the OSA.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 21.2(0.1), 147.

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

AND

IN THE MATTER OF
LCH.CLEARNET LIMITED

ORDER
(Section 147 of the Act)

WHEREAS LCH.Clearnet Limited (**LCH**) has filed an application dated January 13, 2011 (Application) with the Ontario Securities Commission (**Commission**) pursuant to section 147 of the Act requesting an interim order exempting LCH from the requirement to be recognized as a clearing agency under section 21.2(0.1) of the Act (**Order**).

AND WHEREAS LCH has represented to the Commission that:

1.1 LCH is a clearing house incorporated under the laws of England and Wales;

1.2 LCH is a Recognised Clearing House (**RCH**) in the United Kingdom (**UK**) under the UK's Financial Services and Markets Act 2000 (**FSMA**) and, as such, is approved by the UK Financial Services Authority (**FSA**) to clear a broad range of asset classes including: securities, exchange traded derivatives, energy, freight, interest rate swaps and euro and sterling denominated bonds and repurchase transactions;

1.3 As of May 25, 2010, LCH.Clearnet Group Ltd., the parent company of LCH, is owned 83 percent by users (clearing members) and 17 percent by exchanges;

1.4 LCH operates as an industry utility and receives most of its revenue from clearing fees charged to its members;

1.5 LCH works closely with market participants and exchanges to identify and develop clearing services for new asset classes;

1.6 LCH clears a broad range of asset classes including: securities, exchange traded derivatives, commodities, energy, freight, interest rate swaps, credit default swaps and euro and sterling denominated bonds and repos, More specifically, exchange-traded futures and options on futures, exchange-traded options on equity indices and individual equities, and exchange-traded cash equities. The exchange-traded futures and options on futures relate to underlyings in short-term interest rates (Euro, Sterling, Swiss Franc); government bonds (UK Gilts and Japanese Government Bonds); medium and long-term swap rates (Euro), equity indices (UK-related FTSE indices and FTSE and MSCI pan-European indices); and individual stocks (British, Dutch, French, German, Italian, Spanish and US companies); and to a broad range of commodities (non-ferrous metals – aluminium (primary and secondary), copper, lead, nickel, tin and zinc; plastics; and 'softs' and agriculturals – cocoa, coffee, white (refined) sugar, wheat, barley and potatoes). In addition, LCH clears cash-settled OTC freight forwards and options, OTC emissions contracts, iron and fertilizer swaps and clears cash-settled electricity futures for participants of the Nodal Exchange;

1.7 Currently, LCH provides clearing services for the following UK Recognised Investment Exchanges: NYSE Liffe Futures & Options, the London Metal Exchange and EDX London, as well as for the London Stock Exchange and in Switzerland, SIX Swiss Exchange AG;

1.8 LCH has approximately 130 members consisting of banks, securities houses/investment banks, commodity brokers and traders and, to a very limited extent, industrial companies;

1.9 LCH does not have any office or maintain other physical installations in Ontario or any other Canadian province or territory;

1.10 LCH currently intends to only offer Canadian-resident clients to access its RepoClear and SwapClear services;

1.11 RepoClear is a service clearing cash bond and repo trades across a number of European markets and is the second largest clearer of fixed income and repo products in the world;

1.12 RepoClear clears cash bond and repo trades in the following markets: Austrian, Belgian, Dutch, German, Irish, Finnish, Portuguese and UK government bonds. Additional markets served include: German Jumbo Pfandbriefe and Supranationals, Agency and Sovereign. RepoClear accepts the following types of specific bond repo trades: classic fixed rate repos with 1st leg settlement on a same day and forward start basis with a term not greater than one year;

1.13 A RepoClear participant has to either be a clearing member or have a clearing arrangement with a firm that is a clearing member. A RepoClear participant who clears repos is a RepoClear Clearing Member (**RCM**). A participant who has a clearing arrangement with an RCM is a RepoClear Dealer;

1.14 SwapClear was launched in 1999 and has grown to become the largest central counterparty for OTC interest rate derivatives globally. LCH anticipates clearing an expanded list of swap products and OTC derivatives on exempt commodities. Transactions cleared through SwapClear are traded by LCH members on a bilateral basis, either inter-office, or through brokers, or on automated trading systems recognized by LCH;

1.15 There are broadly two recognised participants in SwapClear: (i) members; and (ii) clients of these members. A SwapClear Clearing Member is eligible to clear trades on their own behalf, and on behalf of their branches, affiliated companies and clients. A SwapClear Dealer is an affiliate company of a SwapClear Clearing Member which is identified separately within SwapClear and whose trades clear through the affiliated SwapClear Clearing Member based on a clearing agreement between the SwapClear Clearing Member and the SwapClear Dealer;

1.16 An applicant for either RepoClear or SwapClear must enter into a Clearing Membership Agreement with LCH before it can become a member of LCH. Applicants that wish to clear trades through RepoClear or SwapClear on their own behalf or on behalf of others must enter into a Clearing Membership Agreement. RepoClear Dealers and SwapClear Dealers must clear trades through a RepoClear Clearing Member or SwapClear Clearing Member and are not considered clearing members of LCH;

1.17 To date, LCH has admitted one Ontario-resident client as a SwapClear Clearing Member;

1.18 LCH currently has two Ontario-resident clients that are RepoClear Dealers but are not RepoClear Clearing Members. These clients clear through a non-Canadian, third party RepoClear Clearing Member;

1.19 The new section 21.2 of the Act, to become effective March 1, 2011, will prohibit clearing agencies from carrying on business in Ontario unless they are recognized by the Commission as a clearing agency;

1.20 LCH is in the process of filing a full application to the Commission for a subsequent order recognizing LCH as a clearing agency under subsection 21.2(0.1) of the Act or exempting it from the requirement to be recognized as clearing agency under section 147 of the Act (**Subsequent Order**);

AND WHEREAS based on the Application and the representations LCH has made to the Commission, the Commission has determined that the granting of the Order would not be prejudicial to the public interest;

IT IS HEREBY ORDERED by the Commission that, pursuant to section 147 of the Act, LCH is exempt on an interim basis from recognition as a clearing agency under section 21.2(0.1);

PROVIDED THAT:

1. This Order shall terminate on the earlier of (i) September 1, 2011 and (ii) the effective date of the Subsequent Order;

2. LCH shall:

   (a) continue to be a RCH under the FSMA; and

   (b) promptly notify staff of the Commission of:

      (i) any material change or proposed material change in the regulatory oversight by the FSA;

(ii) any material problems with the clearance and settlement of transactions in its RepoClear or SwapClear services that could materially affect the financial viability of LCH; and

(iii) any new Ontario-resident clients of the RepoClear or SwapClear services.

DATED March 1, 2011.

"Margot C. Howard"

"Vern Krishna"

2.2.9 FundSERV Inc. – s. 147

Headnote

Application under section 147 of the Securities Act (Ontario) (OSA) to exempt on an interim basis FundSERV Inc. from recognition as a clearing agency under subsection 21.2(0.1) of the OSA.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 21.2(0.1), 147.

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

AND

IN THE MATTER OF
FUNDSERV INC.

ORDER
(Section 147 of the Act)

WHEREAS FundSERV Inc. (FundSERV) has filed an application dated February 18, 2011 (Application) with the Ontario Securities Commission (Commission) pursuant to section 147 of the Act requesting an interim order (Order) exempting FundSERV from the requirement to be recognized as a clearing agency under section 21.2 of the Act.

AND WHEREAS FundSERV has represented to the Commission that:

1. FundSERV is a Canadian corporation with its head office located in Toronto, Ontario;

2. FundSERV is a leading provider of electronic business services to the Canadian investment fund industry;

3. FundSERV's core service is to provide the network infrastructure for its customers to place and reconcile orders through efficient, secure data exchange, and, for those who so elect, to enable them to settle orders through a payment exchange handled by the Royal Bank of Canada through the Large-Value Transfer System operated by the Canadian Payments Association;

4. FundSERV operates on a cost-recovery basis, serving more than 700 organizations and their business units and providing online access to over 10,000 investment fund instruments;

5. FundSERV's business model does not involve credit enhancement, the assumption of counter-party risk, novation or custody;

6. While FundSERV has developed robust and reliable business continuity systems, market participants can and do transact without FundSERV's assistance;

7. FundSERV also supports the customer staffed committees and working groups that address issues and develop electronic data and security standards for the industry; and

8. FundSERV is transparent to the industry and responsive to any information request from the Commission.

AND WHEREAS subsection 21.2(0.1) of the Act will, effective March 1, 2011, prohibit a clearing agency (as defined in the Act) from carrying on business in Ontario unless they are recognized by the Commission as a clearing agency;

AND WHEREAS FundSERV is in the process of filing a full application to the Commission for a subsequent order (Subsequent Order) exempting FundSERV from the requirement to be recognized as clearing agency under section 147 of the Act;

AND WHEREAS based on the Application and the representations FundSERV has made to the Commission, the Commission has determined that the granting of the Order would not be prejudicial to the public interest;

IT IS HEREBY ORDERED by the Commission that, pursuant to section 147 of the Act, FundSERV is exempt on an interim basis from recognition as a clearing agency under section 21.2 of the Act;

PROVIDED THAT this Order shall terminate on the earlier of (i) September 1, 2011 or (ii) the effective date of the Subsequent Order.

DATED March 1, 2011

"Margot C. Howard"

"Vern Krishna"

2.2.10 Kensington II Partnership

Headnote

Application for an order that the issuer is not a reporting issuer under applicable securities laws – requested relief granted.

Applicable Legislative Provisions

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

March 15, 2011

Kensington II Partnership
c/o Realstar Management Partnership
77 Bloor Street West, Suite 2000
Toronto, Ontario
M5S 1M2

Dear Sirs/Mesdames:

Re: Kensington II Partnership (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:

(a) 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;

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

(c) The Applicant is not in default of any of its obligations under the Act as a reporting issuer; and

(d) 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

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Fraser Papers Inc.	10 Mar 11	22 Mar 11		
Tajac Capital Inc.	15 Mar 11	28 Mar 11		

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

THERE ARE NO ITEMS FOR THIS WEEK.

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Chapter 6

Request for Comments

6.1.1 Proposed NI 25-101 Designated Rating Organizations, Related Policies and Consequential Amendments

NOTICE AND REQUEST FOR COMMENT

PROPOSED NATIONAL INSTRUMENT 25-101
***DESIGNATED RATING ORGANIZATIONS*, RELATED**
POLICIES AND CONSEQUENTIAL AMENDMENTS

1. Purpose of notice

We, the members of the Canadian Securities Administrators (the **CSA**), are publishing for comment revised versions of proposed National Instrument 25-101 *Designated Rating Organizations* (the **Proposed Instrument**), proposed policies and related consequential amendments. The Proposed Instrument would impose requirements on those credit rating agencies or organizations (**CROs**) that wish to have their credit ratings eligible for use in securities legislation.

Specifically, we are publishing revised versions of:

- the Proposed Instrument,
- Consequential amendments to National Instrument 41-101 *General Prospectus Requirements*,
- Consequential amendments to National Instrument 44-101 *Short Form Prospectus Distributions*,
- Consequential amendments to National Instrument 51-102 *Continuous Disclosure Obligations*, and
- National Policy 11-205 *Process for Designation of Credit Rating Organizations in Multiple Jurisdictions* (the **Proposed NP 11-205**).

The Proposed Instrument, the proposed consequential amendments and Proposed NP 11-205 are collectively referred to as the **Proposed Materials**.[1]

We initially published for comment the Proposed Instrument and related policies and consequential amendments on July 16, 2010 (the **2010 Proposal**). We received nine comment letters. A summary of the comments we received and our responses to those comments are included in Annex A.

We are publishing the Proposed Materials with this Notice. Certain jurisdictions may also include additional local information in Annex G. In particular, those jurisdictions that are a party to Multilateral Instrument 11-102 *Passport System* (currently all jurisdictions except Ontario) are publishing for comment amendments to that instrument and its companion policy that permit the use of the passport system for designation applications by CROs and exemptive relief applications by designated rating organizations. As Ontario is not a party to Multilateral Instrument 11-102, these amendments will not be published for comment in Ontario.

2. Substance and purpose of the Proposed Instrument

CROs are not currently subject to formal securities regulatory oversight in Canada. However, the conduct of their business may have a significant impact upon credit markets. Further, ratings continue to be referred to within securities legislation. For both of these reasons, we think it is appropriate to develop a securities regulatory regime for CROs that is consistent with international standards and developments.

The Proposed Materials, together with the proposed legislative amendments (see below), are intended to implement an appropriate Canadian regulatory regime for CROs.

[1] In jurisdictions other than Ontario, the Proposed Materials also include the proposed amendments to Multilateral Instrument 11-102 *The Passport System,* as well as Companion Policy 11-102CP to Multilateral Instrument 11-102 *The Passport System*, blacklined to show proposed changes to the current Companion Policy 11-102CP.

3. Summary of Key Changes Made to the Proposed Instrument

Mandatory Compliance with the IOSCO Code

The 2010 Proposal would have required that a designated rating organization establish, maintain and ensure compliance with a code of conduct that complies with each provision of the IOSCO *Code of Conduct Fundamentals for Credit Rating Agencies* (the **IOSCO Code**). Notwithstanding the foregoing, the 2010 Proposal would have permitted a designated rating organization to deviate from a provision or provisions of the IOSCO Code in certain circumstances. This is generally referred to as the "comply or explain" approach to the IOSCO Code. Indeed, the central concept of the IOSCO Code is the "comply or explain" feature.

The European Union has implemented a regulatory framework for CROs in the form of *Regulation (EC) No 1060/2009 on credit rating agencies* (the **EU Regulation**). In connection with the endorsement and certification provisions in articles 4 and 5 of the EU Regulation, staff of the Committee of European Securities Regulators (**CESR**)[2] have been assessing whether the proposed Canadian regulatory framework applicable to CROs is "equivalent" to the EU Regulation.

The failure to obtain an equivalency determination from the European Commission, and the consequent inability of a CRO that issues ratings out of Canada to rely on the endorsement or certification models in the EU Regulation, would have a negative impact on such CROs. The issuers that such CROs rate might also be negatively impacted to the extent those ratings are used for regulatory purposes in the European Union.

Based on our discussions with CESR staff, we understand that CESR staff will not provide an equivalency recommendation to the European Commission if a jurisdiction's regulatory framework relies on the IOSCO Code's "comply or explain" model.

In order to be consistent with developing international standards and following discussions with CESR staff, we are proposing to require designated rating organizations to establish, maintain and comply with a code of conduct that incorporates a list of provisions set out in Appendix A to the Proposed Instrument, which is included as Annex B to this notice and request for comment. These provisions are based substantially on the IOSCO Code and have been supplemented and modified, as described below, to meet developing international standards and to clarify the conduct we expect of designated rating organizations.

As a result, we are proposing that, unless a designated rating organization obtains exemptive relief, its code of conduct would not be permitted to deviate from the provisions enumerated in Appendix A to the Proposed Instrument.

Additional Provisions to be Included in a Code of Conduct

In addition to the international trend towards mandating compliance with the IOSCO Code, many regulatory authorities are imposing additional requirements on CROs. In order to be consistent with international standards, we are proposing that a designated rating organization be required to include in its code of conduct additional provisions relating to the following matters:

- **Governance.** A designated rating organization would be required to include in its code of conduct the following provisions:
    - the designated rating organization must have a board of directors with at least half, but not fewer than two, independent members;
    - the compensation of the independent members of the board of directors must not be linked to the business performance of the designated rating organization, and must be arranged so as to preserve the independence of their judgment;
    - the designated rating organization must design sound administrative and accounting procedures, internal control mechanisms, procedures for risk assessment, and control and safeguard arrangements for information processing systems. The designated organization must also monitor and evaluate such procedures, mechanisms and systems;
    - the designated rating organization must not outsource functions if doing so materially impairs the quality of the designated rating organization's internal controls or the ability of the securities regulatory authority to perform compliance reviews of the designated rating organization.

[2] The function of assessing the equivalency of other jurisdictions' regulatory framework has since been transferred to the European Security Markets Authority.

- **Ratings Reports.** In addition to the disclosure in ratings reports provided for in the IOSCO Code, a designated rating organization's code of conduct would have to include provisions requiring the following additional disclosure in each ratings report:

    - the meaning of each rating category and the definition of default or recovery, and the time horizon the designated rating organization used when making a rating decision;

    - any attributes and limitations of the credit rating;

    - all significant sources that were used to prepare the credit rating and whether the credit rating was disclosed to the rated entity before being issued and amended following such disclosure.

  In each ratings report in respect of a securitized product, a designated rating organization's code of conduct would require the following additional disclosure:

    - all information about loss and cash-flow analysis it has performed or is relying upon and an indication of any expected change in the credit rating;

    - the degree to which the designated rating organization analyzes how sensitive a rating of a securitized product is to changes in the designated rating organization's underlying rating assumptions;

    - the level of assessment the designated rating organization has performed concerning the due diligence processes carried out at the level of underlying financial instruments or other assets of securitized products and whether the designated rating organization has undertaken any assessment of such due diligence processes or whether it has relied on a third-party assessment and how the outcome of such assessment impacts the credit rating.

Compliance Officer

We also revised the proposed requirements applicable to compliance officers. Specifically, compliance officers would be prohibited from participating in the development of credit ratings, or methodologies or models used in developing credit ratings. Compliance officers also would be prohibited from participating in the establishment of compensation for most employees of the designated rating organization. Finally, the compensation of the compliance officer would have to be independent of the financial performance of the designated rating organization and structured so as to preserve the independence of the compliance officer's judgment.

Personal Information Forms

We have removed the originally proposed requirement that directors and officers of a designated rating organization or a CRO applying to be designated submit personal information forms.

4. Proposed Legislative Amendments

To make the Proposed Instrument as a rule and to fully implement the regulatory regime it contemplates, certain amendments to local securities legislation are required. In addition to rule-making authority, changes to the local securities legislation may include:

- the power to designate a CRO under the legislation,

- the power to conduct compliance reviews[3] of a CRO, and to require a CRO to provide the securities regulatory authority with access to relevant books, information and documents,

- the power to make an order that a CRO submit to a review of its practices and procedures, where such an order is considered to be in the public interest, and

- confirmation that the securities regulatory authorities may not direct or regulate the content of credit ratings or the methodologies used to determine credit ratings.

[3] A specific compliance program will be developed after the Proposed Instrument is implemented and the first group of credit rating organizations have applied for designation.

In Québec, Ontario, Alberta and British Columbia, the enabling legislation is either already in force or awaiting proclamation.

5. Proposed Companion Policy and Consequential amendments

We are no longer proposing to publish a companion policy. As a result of changes we made to the 2010 Materials, much of the guidance in the proposed companion policy would be no longer applicable. As a result, a companion policy to the Proposed Instrument is not necessary.

The adoption of a Canadian regulatory regime for CROs also entails amendments to each of National Instrument 41-101 *General Prospectus Requirements*, National Instrument 44-101 *Short Form Prospectus Distributions*, and National Instrument 51-102 *Continuous Disclosure Obligations*. Under the Proposed Instrument, designated rating organizations will be obligated to disclose certain information regarding their credit rating activities. The purpose of the consequential amendments is to require issuers to disclose complementary information regarding their dealings with the ratings industry.

Instead of requiring that issuers disclose the amounts paid to a CRO for ratings and other services provided by the CRO, we are now proposing that issuers be required to disclose only whether they paid for the rating.

The text of the consequential amendments may be found in Annexes C through E.

6. Passport and Co-ordination of Review

Those jurisdictions that are a party to Multilateral Instrument 11-102 *Passport System* (all jurisdictions except Ontario, referred to as **Passport Jurisdictions**) are publishing for comment proposed amendments to that instrument and its companion policy to allow the passport system to be used for applications for designation by CROs and exemptive relief applications by designated rating organizations. In addition, all jurisdictions are publishing for comment Proposed NP 11-205, which provides CROs with guidance on the process for filing an application to become a designated rating organization in more than one jurisdiction of Canada.

We are proposing to add the Proposed Instrument to Appendix D of Multilateral Instrument 11-102, to permit the use of the passport system for applications for exemptive relief from the provisions of the Proposed Instrument. We have also proposed amendments to Companion Policy 11-102 CP *Passport System* to include guidance on the process for applications for designation.

The text of Proposed NP 11-205 may be found in Annex F. In the Passport Jurisdictions, the text of the proposed amendments to Multilateral Instrument 11-102 and Companion Policy 11-102 CP are in Annex G.

Except as described above, we are not proposing material changes to the versions of Multilateral Instrument 11-102 or Proposed NP 11-205 that were published with the 2010 Proposal.

7. Future Consequential Amendments

Following the adoption of the Proposed Instrument and the application for designation by interested CROs, we propose to make further consequential amendments to our rules to reflect the new regime. Among other things, these amendments will replace existing references to “approved rating organization” and “approved credit rating organization” with “designated rating organization”. Similar changes will also be made to the term “approved rating”.

These changes will be subject to a separate publication and comment process.

8. Civil Liability

Certain international jurisdictions have either adopted or are considering adopting changes to their securities legislation to impose greater civil liability upon CROs.

In the U.S., the *Dodd-Frank Wall Street Reform and Consumer Protection Act* repealed an exemption which exempted a “Nationally Recognized Statistical Rating Organization” (**NRSRO**) from having to provide a consent if its ratings were included in a registration statement.

Since the repeal of the U.S. exemption, we understand that NRSROs have refused to provide their consent to their ratings being included in a registration statement. In the case of Regulation AB, which requires ratings disclosure in a registration statement relating to an offering of asset-backed securities, the SEC has issued a “no-action” letter exempting asset-backed issuers from the disclosure requirement. As a result, the repeal of the exemption in the U.S. has not resulted in CROs being exposed to additional liability.

Similarly, the Australian Securities and Investments Commission (ASIC) withdrew relief that allowed issuers of investment products to cite credit ratings without the consent of CROs. CROs have responded to ASIC's decision by refusing to consent, with the result that retail investors cannot access credit ratings in Australia.

In Canada, similar changes would involve revoking those provisions of securities legislation that provide a "carve-out" from the consent requirements for expertized portions of a prospectus or secondary market disclosure document. We are not at this time proposing such changes because we do not think that the benefits of subjecting designated rating organizations to "expert" liability in Canada would outweigh the potential costs. Unlike the U.S. and Australia, we require specified disclosure in prospectuses and annual information forms if a credit rating has been sought or if the issuer is aware that one has or will be issued. Accordingly, if securities legislation were to require that designated rating organizations provide their consent to disclosure of their ratings and designated rating organizations refused to provide such consents, uncertainty could be infused into offerings of rated securities in Canada.

We support consideration of all measures that could increase the accountability of CROs for their ratings decisions. We will continue to monitor developments in the U.S. and other jurisdictions and will assess methods of increasing CRO accountability.

9. Use of Ratings in European Union

As noted above, the proposed Canadian regulatory framework applicable to CROs is being assessed for equivalence with the EU Regulation. The EU Regulation is scheduled to be effective as of June 7, 2011. In the absence of an equivalency determination from the European Commission by such date or other accommodation, CROs that issue ratings out of Canada will not be able to rely on the endorsement or certification models in the EU Regulation until such time as an equivalency determination is achieved. We are currently anticipating that our proposed regulatory framework will be implemented no earlier than the fall of 2011. Accordingly, there may be a period during which CROs that issue ratings out of Canada will not be able to rely on the endorsement or certification models.

10. Request for Comments

We welcome your comments on the Proposed Materials. Please submit your comments in writing on or before May 17, 2011. If you are not sending your comments by email, please include a CD ROM containing the submissions.

Address your submission to the following CSA members:

British Columbia Securities Commission
Alberta Securities Commission
Saskatchewan Financial Services Commission
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Nova Scotia Securities Commission
New Brunswick Securities Commission
Office of the Attorney General, Prince Edward Island
Securities Commission of Newfoundland and Labrador
Superintendent of Securities, Government of Yukon
Superintendent of Securities, Department of Justice, Government of the Northwest Territories
Superintendent of Securities, Legal Registries Division, Department of Justice, Government of Nunavut

Please deliver your comments only to the addresses that follow. Your comments will be forwarded to the remaining CSA members.

John Stevenson
Secretary
Ontario Securities Commission
20 Queen Street West
19th Floor, Box 55
Toronto, Ontario
M5H 3S8
Fax: (416) 593-2318
Email: jstevenson@osc.gov.on.ca

M[e] Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, square Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal (Québec) H4Z 1G3
Fax : 514-864-6381
E-mail: consultation-en-cours@lautorite.qc.ca

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of a summary of the written comments received during the comment period. Comments will be posted to the OSC web-site at www.osc.gov.on.ca.

11. Questions

Please refer your questions to any of:

Michael Brown
Assistant Manager, Corporate Finance
Ontario Securities Commission
(416) 593-8266
mbrown@osc.gov.on.ca

Jeffrey Klam
Legal Counsel, Corporate Finance
Ontario Securities Commission
(416) 595-8932
jklam@osc.gov.on.ca

Maye Mouftah
Legal Counsel, Compliance & Registrant Regulation
Ontario Securities Commission
(416) 593-2358
mmouftah@osc.gov.on.ca

Lucie J. Roy
Senior Policy Adviser
Service de la réglementation
Surintendance aux marchés des valeurs
Autorité des marchés financiers
(514) 395-0337, ext 4464
lucie.roy@lautorite.qc.ca

Ashlyn D'Aoust
Legal Counsel, Corporate Finance
Alberta Securities Commission
(403) 355-4347
ashlyn.daoust@asc.ca

Denise Weeres
Senior Legal Counsel, Corporate Finance
Alberta Securities Commission
(403) 297-2930
denise.weeres@asc.ca

Christina Wolf
Chief Economist
British Columbia Securities Commission
(604) 899-6860
cwolf@bcsc.bc.ca

Nazma Lee
Senior Legal Counsel
Legal Services, Corporate Finance
British Columbia Securities Commission
(604) 899-6867
nlee@bcsc.bc.ca

March 18, 2011

ANNEX A

**SUMMARY OF COMMENTS AND RESPONSES ON
NOTICE AND REQUEST FOR COMMENT– PROPOSED NATIONAL INSTRUMENT 25-101
DESIGNATED RATING ORGANIZATIONS, RELATED POLICIES AND
CONSEQUENTIAL AMENDMENTS PUBLISHED JULY 16, 2010**

This annex summarizes the written public comments we received on the 2010 Proposal. It also sets out our responses to those comments.

List of Parties Commenting on the 2010 Proposal

The Business Development Bank of Canada (Paula L. Cruickshank)
The Canadian Advocacy Council for Canadian CFA Institute Societies (Ada Litvinov and Claude Reny)
Canadian Bankers Association (Nathalie Clark)
The Canadian Coalition for Good Governance (David F. Denison)
Dominion Bond Rating Service (Mary Keogh and Huston Loke)
Fitch Ratings (Francis Phillip)
Moody's Investors Service (Donald S. Carter and Janet Holmes)
OSC Investor Advisory Panel (Anita Anand)
Standard & Poor's (Tom Connell)

General Comments

Six commenters generally agreed with the original proposal to use the IOSCO Code as the basis for proposed regulation of CROs. The commenters generally agreed with the flexibility offered by the "comply or explain" model. One commenter noted that this approach would make it easier for CROs that operate in multiple countries to implement globally consistent structures, which in turn would assist CROs in producing ratings that were more comparable across jurisdictions. One commenter opined that a regulatory regime that requires a "comply or explain" approach to the IOSCO Code, while a step in the right direction, does not go far enough to protect the needs of investors.

Response: We thank the commenters for their support. The Proposed Materials maintain the IOSCO Code as the central component of the code of conduct required by the proposed regulatory regime. However, in order to be consistent with international standards, a mandatory approach to the provisions of the IOSCO Code has replaced the "comply or explain" model.

One commenter suggested that it was inappropriate to explain a code of conduct's deviation from the IOSCO Code within the code of conduct itself.

Response: Since we are now proposing that designated rating organizations be prohibited from deviating from the provisions to be included in its code of conduct, this comment is no longer relevant.

One commenter noted that the Proposed Instrument was unclear regarding the scope of the regulatory framework. Specifically, the commenter noted that it was unclear (i) which entity or entities within the CRO would be subject to the supervisory framework, and (ii) which ratings produced by the CRO should be treated as "designated ratings" under Canadian securities legislation.

Response: The only entities that will be subject to the supervisory framework will be those that apply to be, and are designated as, designated rating organizations. Only the ratings issued by a designated rating organization will be designated ratings under securities legislation. CROs applying to be designated will need to consider their corporate structure and inter-corporate relationships and ensure the application for designation is made by the entity or entities that want to have their ratings designated under the Proposed Instrument.

One of the commenters that supported the IOSCO approach was comfortable with it provided that it was accompanied by required compliance powers.

Response: Though we are no longer proposing to include the "comply or explain" feature of the IOSCO Code, we agree that compliance powers are an important part of the regulatory framework applicable to designated rating organizations. We believe the legislative amendments discussed in the notice, if enacted as contemplated, provide sufficient compliance powers.

One commenter noted that the 2010 Proposal did not demand full, complete disclosure about who is paying for the ratings, nor contain any penalties for those who failed to comply with the proposed regulatory framework. The commenter noted that even with a compliance officer in place and an annual report filed with securities regulators, investors could continue to lack full and accurate information regarding the securities that they are purchasing. The commenter noted that while the IOSCO Code does provide a framework for objective analysis to support a credit rating, it stopped short of promoting publication of the methodology used.

Response: We think users of ratings generally expect that the rated entity or its related entities have paid for credit ratings that are publicly disseminated. However, as part of our proposed consequential amendments, we are proposing that issuers disclose whether or not they have paid for credit ratings issued in respect of the rated entity or its securities.

While the 2010 Proposal did not set out specific consequences, a failure to comply with the Proposed Instrument, when implemented, would constitute a breach of securities law. Such breach could give rise to various enforcement provisions and remedies under applicable securities legislation.

We think that the obligation for ensuring that investors have full information regarding the securities they are purchasing should rest primarily with the issuer issuing the securities. Other CSA projects address appropriate disclosure to be provided by issuers. For example, proposals are expected to be published in the near future that focus on the disclosure required with respect to securitized products.

We are now proposing that a designated rating organization's code of conduct include provisions requiring disclosure in each ratings report of the methodology used. See subsection 3.4(b) of Appendix A to the Proposed Instrument. Similarly, section 3.7 of Appendix A to the Proposed Instrument when included in a designated rating organization's code of conduct would require a designated rating organization to provide a full disclosure of its methodologies, models and key rating assumptions.

Regulation of Credit Ratings and Methodologies

Two commenters were concerned that the enabling legislation would not prohibit interference by securities regulators with rating content and methodology. On the other hand, one commenter suggested that securities regulators should oversee the content or methodology of ratings since the commenter viewed unjustifiably high ratings as being at the heart of the asset-backed commercial paper crisis. This commenter noted that ratings must be objective, and CROs must understand that their ratings may be subject to regulatory review, and not simply to oversight as a designated rating organization with associated compliance reviews.

Response: We are not proposing to regulate the content of ratings or methodologies used to determine credit ratings.

Section 2 of the Proposed Instrument provides that nothing in the Proposed Instrument shall be construed as authorizing the regulator to direct or regulate the content of credit ratings or methodologies used to determine credit ratings. Certain provincial legislatures have, and others may, include similar provisions in the legislative amendments to securities legislation enabling the regulatory framework applicable to CROs.

We note that regulatory authorities in other jurisdictions have not proposed to extend their regulation of CROs into such area and doing so would prevent our proposed regulatory framework from being considered "equivalent" to the EU Regulation.

Code of Conduct and Amendments

One commenter noted that sections 6(1) and (2) of the Proposed Instrument may require a designated rating organization to individually identify or otherwise highlight amendments to their code, as they are made from time to time. The commenter thought this was problematic, and urged the CSA to allow NRSROs to post on their website the code of conduct that is currently filed with the SEC as an exhibit to Form NRSRO. The commenter also requested clarification that presenting an amended and restated code of conduct without specifically identifying the amendments would satisfy its obligations.

Response: We do not interpret section 8 of the Proposed Instrument (corresponding to section 6 in the 2010 Proposal) to require a designated rating organization to individually highlight amendments to its code of conduct. We have revised section 8 to clarify further.

Two commenters thought that the three-day window to update an amended code of conduct was too short. One commenter suggested a more reasonable time frame would be five business days. The other commenter suggested that it be changed to

ten business days, to ensure consistency with the SEC's requirement for public disclosure of material changes to Form NRSRO and exhibits which include the NRSRO's code of ethics.

> ***Response: We are of the view that five business days is an appropriate amount of time and revised our proposal accordingly.***

One commenter noted that a CRO cannot "ensure" compliance with its code, as it could not guarantee 100% adherence.

> ***Response: We have revised the requirement. As proposed in section 7(1) of the Proposed Instrument, a designated rating organization would now have to establish maintain and comply with their code of conduct. We remain of the view that ultimate responsibility for a designated rating organization's compliance with securities legislation rests with the designated rating organization.***

Waivers From Provisions of the Code of Conduct

Three commenters believed that the prohibition against granting waivers from a designated rating organization's code of conduct was too onerous or otherwise inappropriate.

One commenter noted that the prohibition on waivers was problematic because it would reduce its flexibility to deal with unusual circumstances, and potentially prevent the commenter from issuing a rating. This commenter suggested that waivers be permitted if the designated rating organization explains where and why the waiver was granted and how the waiver nonetheless achieves the objectives of the IOSCO Code.

Another commenter noted that the restriction against waivers did not reflect the reality that a CRO might conclude that it would be reasonable to waive compliance with a provision in its code of conduct in order to achieve the objective of another provision of the IOSCO Code, opining that certain provisions of the IOSCO Code have competing objectives. This commenter suggested that waivers be permitted if the waiver is reasonable.

The third commenter believed it would be more prudent to require CROs to document any waivers of their code of conduct, than to prohibit waivers outright.

Three commenters, including one CRO, agreed that a designated rating organization's published code of conduct should reflect its actual practices and, therefore, did not think prohibiting waivers of the designated rating organization's Code was unreasonable. One commenter noted that CROs already have the ability to deviate from the Code through the "comply or explain" provision, therefore making additional waivers unnecessary.

> ***Response: We think that a designated rating organization's activities should reflect its code of conduct and, as such, do not think waivers are appropriate. However, the Proposed Instrument allows the securities regulatory authorities to grant an exemption, if necessary, from the provisions of the Proposed Instrument. Staff of the securities regulatory authorities may be willing to recommend that relief be granted from the requirement to include a specific provision in a designated rating organization's code of conduct if it satisfies the applicable legislative test for granting the relief. Applications for exemptive relief may be made using the passport system.***

Two commenters recommended that designated rating organizations not be required to include a statement about waivers in their codes of conduct due to concerns that it may result in Canada-only codes of conduct being adopted, which might hamper the ability of global CROs in providing truly global ratings.

> ***Response: We expect a designated rating organization's code of conduct to be an accurate reflection of its practices and procedures. Accordingly, we have maintained the requirement to include a statement about waivers in the designated rating organization's code of conduct.***

Compliance and Compliance Officers

One commenter was concerned that the provisions of the Proposed Instrument relating to the compliance officer would require reporting to the board in the event of a technical, minor or inadvertent breach. The commenter suggested that this could result in an undue focus of board resources on day-to-day management concerns that are ordinarily outside their province, and could result in diverting the attention of the directors and the most senior managers of the designated rating organization from more strategic policy and business management issues. Instead, the commenter suggested that reliance be placed on the governance arrangements established within the designated rating organization, including the requirement for a compliance officer to monitor and assess compliance with the organization's code and securities legislation.

Response: The compliance officer plays an integral role in a designated rating organization's compliance with its obligations under the Proposed Instrument and securities legislation. However, we think significant instances of non-compliance must be brought to the attention of the board of directors. We do not expect technical or minor breaches to inappropriately occupy the board's attention since the reporting requirement in the event of non-compliance only applies if one of the conditions set out in paragraphs (a) to (c) of Section 10(2) of the Proposed Instrument (corresponding to section 11(2) in the 2010 Proposal) is satisfied. In addition, we are now proposing a significance threshold for paragraphs (a) and (b) of Section 10(2).

One commenter did not object in principle to the requirement to have a compliance officer. Nonetheless, they believed that the proposed responsibilities of the compliance officer were over-broad. In particular, the commenter noted that, as drafted, section 11 of the Proposed Instrument would require a designated rating organization's compliance officer to monitor and assess compliance with aspects of Canadian securities legislation that do not apply specifically to a designated rating organization's activities.

Response: We expect a designated rating organization to comply with securities legislation to the extent applicable and do not think that it is unreasonable to expect the compliance officer to be the individual chiefly responsible for such compliance.

One commenter suggested that the compliance officer's monitoring, assessment and reporting function should extend only to the designated rating organization itself and its employees, and not cover non-employees who are not affiliated with the designated rating organization but may nevertheless act on the designated rating organization's behalf in certain matters, such as lawyers, accountants, consultants, technology service providers, real estate brokers and financial advisors.

Response: We have revised our proposal so that the compliance officer's monitoring, assessment and reporting function will extend to the designated rating organization, the designated rating organization's employees and non-employees that provide services to the designated rating organization and who are involved in determining, approving or monitoring credit ratings. This would exclude the designated rating organization's lawyers, accountants, consultants, technology service providers, real estate brokers and financial advisors (so long as such service providers are not involved in the rating activities referred to above). However, we are of the view that to the extent a service provider is involved in rating activities, such service provider should be subject to the compliance officer's oversight.

One commenter noted that the compliance officer's duty to report non-compliance should be refined, as an obligation to report possible instances of non-compliance "as soon as possible" might be counterproductive, and could make it difficult for board members to attend given their busy schedules. The commenter suggested that compliance officer be required to report to the board on a timely basis after having a reasonable opportunity to assess the information and reach a conclusion about the significance of the non-compliance.

Response: We think that including a significance threshold with respect to the compliance officer's reporting obligations should reduce the burden on the designated rating organization's board of directors. We have also revised the section to state that the reporting must be done "as soon as reasonably possible" We expect that these two changes will limit the matters that are brought to the board's attention to those of significance. However, we do expect that such matters will be brought to the board's attention on a timely basis.

One commenter noted that CROs do not have "clients", and that the test in paragraph (b) of subsection 11(2) of the Proposed Instrument was too vague to implement, and that a "risk of harm to the capital markets" should be modified to include only "material" risks of harm. Another commenter thought the breach reporting requirement should be deleted altogether since a provision of the IOSCO Code imposed the same obligation. Alternatively, this commenter suggested that the test should be modified to include a materiality threshold.

Response: We replaced the references to "client" with references to "rated entity". We note that the reporting provision of the IOSCO Code (which we adopted with minor modifications as section 1.20 of Appendix A to the Proposed Instrument) requires employees to report specified incidents of non-compliance to the compliance officer, who is charged with taking appropriate action. However, as the provision does not specifically require reporting to the board of directors of the designated rating organization, we propose to maintain section 10(2) (corresponding to section 11(2) in the 2010 Proposal). We have proposed a significance threshold in section 10(2).

One commenter believed that the proposed reporting of non-compliance to a board of directors by the compliance officer with respect to the risk of harm to investors and/or where there is a pattern of non-compliance is appropriate. However, the commenter suggested that having the compliance officer consider the risk of harm of non-compliance on the capital markets is overly broad, and beyond the typical scope of a compliance officer.

Response: We are proposing to maintain the requirement but we added a significance qualifier (as discussed above). We think it is important for compliance officers to be aware of risks resulting from the designated rating organization's business as a rating agency.

Prohibited Conflicts of Interest

Two commenters noted that section 8 of the 2010 Proposal, which prohibited a CRO from issuing or maintaining a credit rating in the event of one of the enumerated conflict situations, was problematic, in that it did not provide an opportunity for the conflict to be rectified, which could be disruptive to the ratings process. Instead, one commenter suggested that such relationships should simply be prohibited, which would still allow for a supervisory action to be taken or for sanctions to be imposed if such a result was warranted in the circumstances.

Response: The prohibitions are no longer contained in the Proposed Instrument. Some of the enumerated conflicts highlighted by the commenters are included as provisions in the IOSCO Code and have been carried over into Appendix A. We have taken those conflicts that were not included in the IOSCO Code and added them as provisions in Appendix A. As a result, the presence of one of those conflicts will not require the designated rating organization to refrain from issuing ratings or to withdraw a rating. However, the presence of one of those conflicts would constitute a breach of the designated rating organization's code of conduct and could result in regulatory action, including, if appropriate, enforcement proceedings.

One commenter was concerned about practices surrounding "rating agency conditions", a term of agreement in many structured finance transactions which permit amendments or waivers to a structured finance program if the rating agency consents to the action, or otherwise concludes that it will not cause a reduction or suspension in the rating agency's rating. In particular, the commenter wrote that this might constitute an invitation to the CRO to make recommendations to the issuer of the securitized product that would be no less concerning than the CRO making recommendations in connection with the initial rating.

Response: The provision in section 1.19 of Appendix A to the Proposed Instrument (which prevents a designated rating organization or its ratings employees from making recommendations to a rated entity regarding structure) applies during the entire time a rating is outstanding in respect of a rated entity. It is not limited to when the initial rating is assigned.

The same commenter was concerned that changes can be made to the structure of a structured finance instrument by satisfying a rating agency condition without investors having any knowledge that such actions have been taken. The commenter recommended an obligation for a designated rating organization to disclose when the designated rating organization provides notification that a rating agency condition has been satisfied and to describe what the proposed action was.

Response: Other CSA initiatives are in progress that will consider whether to require disclosure if an issuer of securitized products makes material changes to its structure. Consequently, we have not revised the Proposed Instrument to address this comment.

Books and Records

One commenter noted that the retention period for documents and records relating to credit rating activities should be limited to five years, to allow for harmonization with European law.

Response: We have not adopted this recommendation. Our proposed record retention requirements are consistent with other similar requirements in Canadian securities legislation.

Personal Information Forms

One commenter wrote that it was not necessary to collect additional personal information about the directors and officers of a designated rating organization. Another commenter queried what the CSA would do with PIFs for directors and officers of the designated rating organization. A third commenter suggested that the PIF only be requested if the CSA intended to do something with them.

Response: We removed the personal information form requirement.

Determination of Principal Regulator

Two commenters wrote that the factors listed in section 8 of proposed NP 11-205 for determining "significant connection" for purposes of establishing a designated rating organization's principal regulator were appropriate. One of those commenters also suggested that the jurisdiction in which the CRO is registered as a business in Canada could also be relevant to the determination.

Response: We thank the commenters for their support and feedback. The criteria to be applied when determining a principal regulator in proposed Part 4B of MI 11-102 and section 7(4) of proposed NP 11-205 are intended to be reasonably complete. However, if a designated rating organization cannot determine its principal regulator based on those criteria, it could consider as relevant the jurisdiction(s) in which it is registered to do business.

Expert Liability

Two commenters thought that CROs should be subject to the same civil liability as other experts whose reports are included, with their consent, in offering documents.

On the other hand, six commenters wrote that the CSA should maintain the exemption for designated rating organizations from the requirement to provide an expert's consent when the ratings of the designated rating organization are disclosed in a prospectus.

Several commenters that were in favour of maintaining the exemption were concerned about the possible unintended consequences of exposing designated rating organizations to expert's liability, such as the following:

- Consistent with the experience in the United States, designated rating organizations might refuse to provide their consent to have their ratings included in Canadian prospectuses, which can lead to less information being available in offering documents.
- Designated rating organizations that do provide their consent might adopt a more conservative, reactive or homogeneous approach to credit ratings resulting in less diversity of opinions.
- Canadian securities legislation requires an issuer to disclose its credit ratings in its offering documents. Issuers would be unable to comply with this requirement if the exemption is repealed and designated rating organizations refused to provide their consent. This could result in a "freezing" of debt offerings in Canada or could lead issuers to opt against obtaining credit ratings.
- The cost of obtaining credit ratings would increase which cost will be absorbed by investors.
- Competition in the CRO industry could be negatively impacted.
- Investors might place even greater reliance on credit ratings.
- Credit ratings are fundamentally different from other "expert" opinions for which consent is required.
- Issuers with less stable creditworthiness may be unable to obtain ratings since designated rating organizations will be less willing to assume the associated liability. This may limit such issuers' ability to access public markets.

One of the commenters that was in favour of subjecting designated rating organizations to expert liability suggested that the CSA delay final implementation of the Proposed Instrument pending resolution of the uncertainty in the U.S. regarding the application of expert's liability. The commenter referred to the refusal of NRSROs to consent to their ratings being included in a registration statement and to the original SEC "no-action" letter expiring January 24, 2011 in respect of an issuer that omits ratings disclosure from a registration statement relating to an offering of asset-backed securities. If there are unexpected delays resolving the uncertainty in the U.S., the commenter recommended that the CSA proceed with the Proposed Instrument in its current form provided that the CSA commits to introducing provisions to establish civil liability once the situation in the U.S. is resolved.

Response: We acknowledge the comments above and, accordingly, are not proposing at this time to repeal the exemption in section 10.1(4) of National Instrument 41-101 General Prospectus Requirements (NI 41-101) or to make corresponding changes to the secondary market liability regime that would subject CROs to "expert" liability. However, we generally support measures that could increase the accountability of designated rating organizations for their ratings decisions and will assess any such options. We also continue to monitor developments in other jurisdictions.

We agree with the comment regarding timing of implementation of the Proposed Instrument. We understand that NRSROs have continued to refuse to consent to their ratings being included in registration statements and that the SEC has recently extended indefinitely the "no-action" letter referred to by the commenter. We do not expect to propose changes in this area until we have had an opportunity to fully assess the impact of similar approaches in other jurisdictions.

One commenter noted that the imposition of such liability was an imperfect solution, noting that CROs may be willing to bear the cost of potential liability, and the underlying issues relating to reputation and conflict of interest may be left unresolved.

Response: We take note of this comment. To the extent that we might propose measures that increase the accountability of CROs for their ratings decisions in the future, we would view such measures to be complimentary to other regulatory initiatives, such as the Proposed Instrument, aimed at addressing concerns regarding conflicts of interest, among other things.

Treatment of NRSROs

Two commenters supported the CSA's decision to provide filing accommodations for NRSROs

Response: We thank the commenters for their support.

One commenter noted, however, that there was a potential mismatch between the requirement to file a form NRSRO with the SEC (no later than 90 days after the close of the calendar year) and the requirement in the 2010 Proposal. The commenter also noted that the reference to an NRSRO filing its "most recent Form NRSRO" could result in a requirement to file the Form NRSRO with Canadian regulators before it was required to be filed with the SEC. Finally, this commenter also noted that, to the extent that it is the intention of the CSA to require confidential portions of the Form NRSO to be filed with securities regulators, the Proposed Instrument should make it clear that such information will be provided on a confidential basis only.

Response: We adopted this commenter's suggested approach to filing requirements for designated rating organizations that file a Form NRSRO in place of Form 25-101F1. With respect to confidentiality, section (4) of the Instructions to Form 25-101F1 states that applicants may apply for a decision of the securities regulatory authority to hold portions of the form or other information in confidence. Designated rating organizations that file their Form NRSRO in place of Form 25-101F1 also will be able to apply for confidentiality.

Ratings Disclosure Requirements

One commenter objected to the requirement in Canadian securities legislation to disclose credit ratings in prospectuses and annual information forms on the ground that such requirements can contribute to over-reliance on ratings.

Response: At this time, we are not proposing to repeal the credit rating disclosure requirements in Canadian securities legislation.

One commenter noted that adding the phrase "any other kind of rating" to the prospectus rules is exceedingly broad and may contribute to a great deal of uncertainty as to what must be disclosed. The commenter noted that, given the focus on the Proposed Instrument on the issuance and maintenance of credit ratings, the requirement to disclose any other type of rating may produce superfluous disclosure.

Response: The phrase "any other kind of rating" was not added as part of the 2010 Proposal. This disclosure requirement was already in force. Since we have not had any indication that issuers are having difficulty complying with this requirement, we propose to maintain it.

Three commenters noted that the proposed provisions mandating disclosure of fees paid to CROs could undermine the IOSCO Code's conflict of interest goals, particularly section 2.12, which prohibits employees who are involved in the rating process from participating in any discussion regarding fees with the entities they rate. The commenters also noted that this could similarly undermine the objectives of the Proposed Instrument.

One of those commenters noted that the fee disclosure could undermine competition, as the information was commercially sensitive. This same commenter objected to the requirement that issuers separately disclose the amounts paid to CROs and their affiliates for other services provided during the previous two years since it would be unduly burdensome for issuers and yield little in the way of meaningful disclosure for investors. This commenter suggested that disclosure of fees paid to an affiliate of a designated rating organization be required only if the payments are in respect of credit rating related services. The commenter agreed that an investor may want to know if a CRO is potentially influenced by the revenue stream that it and its affiliates receive from an issuer and its affiliates, if the revenue stream is relatively insignificant to the CRO, then it is very difficult to understand why an investor would need (or want) to know the actual dollar amounts involved.

Response: We acknowledge the concern of the commenters and are no longer proposing to require disclosure of the particular amount paid for the rating. We are now proposing that issuers be required to disclose only whether they paid for the rating. We also note the proposed provision in section 2.9(a) of Appendix A that requires disclosure by a designated rating organization of the fees received by the designated rating organization from a rated entity, its affiliates or related entities for services unrelated to its ratings services as

a percentage of the total amount of fees received by the designated rating organization from such rated entity, its affiliates and related entities. This provision is based on section 2.8(a) of the IOSCO Code.

One commenter suggested that issuers be required to disclose the proportion that the aggregate fees received by a CRO or its affiliates from the issuer and its affiliates constitutes compared to fees for non-ratings services.

Response: We are proposing that a designated rating organization be required to include a similar provision in its code of conduct. Refer to section 2.9(a) of Appendix A to the Proposed Instrument.

One commenter also urged caution in developing a regime in Canada that may result in requiring issuers to obtain the consent of CROs for prospectuses used in the U.S. Such a development would have major unintended consequences on MJDS.

Response: We understand that "southbound" MJDS issuers can comply with both Canadian and SEC requirements without triggering a consent requirement, provided that the required Canadian disclosure is provided in the context of "issuer disclosure-related ratings information" that the SEC specifically exempted from application of the consent requirements in its July 22, 2010 compliance and disclosure interpretations. We will, however, continue to monitor developments that may affect "southbound" MJDS issuers.

Other Comments

One commenter requested that the CSA impose a requirement on all CROs that rate structured finance products to publish a notice each time an issuer, sponsor or underwriter of a structured finance offering provides a CRO with data in order to initiate a ratings process where the transaction proceeds but such CRO is not hired to provide a rating. This requirement would be intended to discourage ratings shopping.

Response: We are proposing that a designated rating organization be required to include in its code of conduct, a provision requiring this disclosure. See section 4.6 of Appendix A to the Proposed Instrument.

One commenter expressed its approval for the 2010 Proposal but noted that the Proposed Materials should be considered only an initial step in the process of removing reliance on CRO opinions from the investment process, including removing references to credit ratings provided by the CROs from all investment-related legislation.

Response: We first considered the removal of references to credit ratings with the publication of CSA Consultation Paper 11-405 Securities Regulatory Proposals Stemming from the 2007-2008 Credit Market Turmoil and its Effect on the ABCP Market in Canada. At that time, the CSA ABCP Committee did not recommend removing references to credit ratings primarily due to the difficulty with identifying appropriate alternative proxies.

Recently, the Dodd-Frank Wall Street Reform and Consumer Protection Act mandated that many U.S. statutory references to NRSRO ratings be eliminated within two years from the date of enactment and be replaced with standards of creditworthiness to be established by the relevant authority under each statute. The Dodd-Frank Act also requires every federal agency to review existing regulations that reference credit ratings, modify such regulations to remove the reference and substitute it with a standard of creditworthiness as deemed appropriate for such regulations.

At this time, we do not propose to remove all references to credit ratings from securities legislation. We will be monitoring international developments and alternative qualification criteria that are proposed as replacements for credit ratings. We will also consider other means of reducing reliance on credit ratings. Other CSA projects may also consider this issue in the context of specific regulatory instruments that refer to credit ratings.

ANNEX B

PROPOSED NATIONAL INSTRUMENT 25-101
DESIGNATED RATING ORGANIZATIONS

PART 1 – DEFINITIONS AND INTERPRETATION

1. Definitions – In this Instrument,

"board of directors" means, for a designated rating organization that does not have a board of directors, a group that acts in a capacity similar to a board of directors;

"compliance officer" means the compliance officer referred to in section 10;

"code of conduct" means the code of conduct referred to in Part 3 of this Instrument;

"designated rating organization" means a credit rating organization that has been designated under securities legislation;

"DRO employee" means an individual employed by a designated rating organization, and includes any other person or company who provides services to the designated rating organization and who is involved in determining, approving or monitoring a credit rating issued by the designated rating organization;

"Form NRSRO" means the annual certification on Form NRSRO, including exhibits, required to be filed by an NRSRO under the 1934 Act;

"NRSRO" means a nationally recognized statistical rating organization, as defined in the 1934 Act;

"rated entity" means a person or company that is, or that has issued securities that are, the subject of a credit rating issued by a designated rating organization and includes a person or company that made a submission to a designated rating organization for the designated rating organization's initial review or for a preliminary rating but did not request a final rating;

"rated securities" means the securities issued by a rated entity that are the subject of a credit rating issued by a designated rating organization;

"ratings employee" means any DRO employee who participates in determining, approving or monitoring a credit rating issued by the designated rating organization;

"securitized product" means any of the following:

(a) a security that entitles the security holder to receive payments that primarily depend on the cash flow from self-liquidating financial assets collateralizing the security, such as loans, leases, mortgages, and secured or unsecured receivables, including:

  (i) an asset-backed security;

  (ii) a collateralized mortgage obligation;

  (iii) a collateralized debt obligation;

  (iv) a collateralized bond obligation;

  (v) a collateralized debt obligation of asset-backed securities;

  (vi) a collateralized debt obligation of collateralized debt obligations;

(b) a security that entitles the security holder to receive payments that substantially reference or replicate the payments made on one or more securities of the type described in paragraph (a) but that do not primarily depend on the cash flow from self-liquidating financial assets that collateralize the security, including:

(i) a synthetic asset-backed security;

(ii) a synthetic collateralized mortgage obligation;

(iii) a synthetic collateralized debt obligation;

(iv) a synthetic collateralized bond obligation;

(v) a synthetic collateralized debt obligation of asset-backed securities;

(vi) a synthetic collateralized debt obligation of collateralized debt obligations.

2. Interpretation – Nothing in this Instrument is to be interpreted as regulating the content of a credit rating or the methodology a credit rating organization uses to determine a credit rating.

3. Affiliate – In this Instrument, a person or company is an affiliate of a designated rating organization if any of the following apply:

(1) one of them is the subsidiary of the other;

(2) each of them is controlled by the same person or company.

(3) For the purposes of subsection (2), a person or company (first person) is considered to control another person or company (second person) if any of the following apply:

(a) the first person beneficially owns, or controls or directs, directly or indirectly, securities of the second person carrying votes which, if exercised, would entitle the first person to elect a majority of the directors of the second person, unless that first person holds the voting securities only to secure an obligation;

(b) the second person if a partnership, other than a limited partnership, and the first person holds more than 50% of the interests of the partnership;

(c) the second person is a limited partnership and the general partner of the limited partnership is the first person.

4. Credit Rating – In British Columbia only, credit rating means an assessment that is publicly disclosed or distributed by subscription concerning the creditworthiness of an issuer,

(a) as an entity, or

(b) with respect to specific securities or a specific pool of securities or assets.

5. Related Entity – In this Instrument, a related entity to an issuer of a securitized product includes an originator, arranger, underwriter, servicer or sponsor of the securitized product and any entity performing similar functions.

PART 2 – DESIGNATION OF RATING ORGANIZATIONS

6. Application for Designation –

(1) A credit rating organization that applies to be a designated rating organization must file a completed Form 25-101F1.

(2) Despite subsection (1), a credit rating organization that is an NRSRO may file its most recent Form NRSRO.

(3) A credit rating organization that applies to be a designated rating organization and that is incorporated or organized under the laws of a foreign jurisdiction and does not have an office in Canada must file a completed Form 25-101F2.

PART 3 – CODE OF CONDUCT

7. Code of Conduct –

(1) A designated rating organization must establish, maintain and comply with a code of conduct.

(2) A designated rating organization's code of conduct must incorporate each of the provisions listed in Appendix A.

8. Filing and Publication –

(1) A designated rating organization must file a copy of its code of conduct and post a copy of it prominently on its website promptly upon designation.

(2) Each time an amendment is made to a code of conduct by a designated rating organization, the amended code of conduct must be filed, and prominently posted on the organization's website, within five business days of the amendment coming into effect.

9. Waivers – A designated rating organization's code of conduct must specify that a designated rating organization must not waive provisions of its code of conduct.

PART 4 – COMPLIANCE OFFICER

10. Compliance Officer –

(1) A designated rating organization must have a compliance officer that monitors and assesses compliance by the designated rating organization and its DRO employees with the organization's code of conduct and with securities legislation.

(2) The compliance officer must report to the board of directors of the designated rating organization as soon as reasonably possible if the compliance officer becomes aware of any circumstances indicating that the designated rating organization or its DRO employees may be in non-compliance with the organization's code of conduct or securities legislation and any of the following apply:

(a) the non-compliance would reasonably be expected to create a significant risk of harm to a rated entity or the rated entity's investors;

(b) the non-compliance would reasonably be expected to create a significant risk of harm to the capital markets;

(c) the non-compliance is part of a pattern of non-compliance.

(3) The compliance officer must not, while serving in such capacity, participate in any of the following:

(a) the development of credit ratings, methodologies or models;

(b) the establishment of compensation levels, other than for DRO employees reporting directly to the compliance officer.

(4) The compensation of the compliance officer and of any DRO employee that reports directly to the compliance officer must not be linked to the financial performance of the designated rating organization and must be determined in a manner that preserves the independence of the compliance officer's judgment.

PART 5 – BOOKS AND RECORDS

11. Books and Records –

(1) A designated rating organization must keep such books and records and other documents as are necessary to account for the conduct of its credit rating activities, its business transactions and financial affairs and must keep such other books, records and documents as may otherwise be required under securities legislation.

(2) A designated rating organization must retain the books and records maintained under this section:

(a) for a period of seven years from the date the record was made or received;

(b) in a safe location and a durable form; and

(c) in a manner that permits it to be provided promptly to the securities regulatory authority upon request.

PART 6 – FILING REQUIREMENTS

12. Filing Requirements –

(1) No later than 90 days after the end of its most recently completed financial year, each designated rating organization must file a completed Form 25-101F1.

(2) Upon any of the information in a Form 25-101F1 filed by a designated rating organization becoming materially inaccurate, the designated rating organization must promptly file an amendment to, or an amended and restated version of, its Form 25-101F1.

(3) A NRSRO satisfies the requirements in subsections (1), and (2) if it files its annual certification of its Form NRSRO and each amendment to its Form NRSRO within 10 business days of the date of filing thereof with the SEC.

PART 7 – EXEMPTIONS AND EFFECTIVE DATE

13. Exemptions –

(1) The regulator or the securities regulatory authority may grant an exemption from the provisions of this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.

(2) Despite subsection (1), in Ontario, only the regulator may grant an exemption.

(3) Except in Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

14. Effective Date – This Instrument comes into force on ●, 2011.

APPENDIX A – TO NATIONAL INSTRUMENT 25-101 *DESIGNATED RATING ORGANIZATIONS* – PROVISIONS REQUIRED TO BE INCLUDED IN A DESIGNATED RATING ORGANIZATION'S CODE OF CONDUCT

1. INTERPRETATION

1.1 A term used in this Code of Conduct has the same meaning as in National Instrument 25-101 *Designated Rating Organizations* if used in that Instrument.

2. QUALITY AND INTEGRITY OF THE RATING PROCESS

A. Quality of the Rating Process

2.1 A designated rating organization must adopt, implement and enforce written procedures to ensure that the credit ratings it issues are based on a thorough analysis of all information known to the designated rating organization that is relevant to its analysis according to its rating methodologies.

2.2 A designated rating organization must use rating methodologies that are rigorous, systematic, continuous and subject to validation based on historical experience, including back-testing.

2.3 Each ratings employee involved in the preparation, review or issuance of a credit rating, action or report must use methodologies established by the designated rating organization. Each ratings employee must apply a given methodology in a consistent manner, as determined by the designated rating organization.

2.4 A credit rating must be assigned by the designated rating organization and not by any individual ratings employee employed by the designated rating organization. A credit rating must reflect all information known, and believed to be relevant, to the designated rating organization, consistent with its published methodology. The designated rating organization must ensure that its ratings employees have appropriate knowledge and experience for the duties assigned.

2.5 A designated rating organization and its ratings employees must take steps to avoid issuing a credit rating, action or report that is false or misleading as to the general creditworthiness of a rated entity or rated securities.

2.6 A designated rating organization must ensure that it has and devotes sufficient resources to carry out high-quality credit assessments of all rated entities and rated securities. When deciding whether to rate or continue rating an entity or securities, it must assess whether it is able to devote sufficient personnel with sufficient skill sets to make a credible rating assessment, and whether its personnel likely will have access to sufficient information needed in order make such an assessment. A designated rating organization must adopt all necessary measures so that the information it uses in assigning a rating is of sufficient quality to support a credible rating.

2.7 A designated rating organization must establish a review function made up of one or more senior managers with appropriate experience to review the feasibility of providing a credit rating for a type of structure that is significantly different from the structures the designated rating organization currently rates.

2.8 A designated rating organization must assess whether existing methodologies and models for determining credit ratings of securitized products are appropriate when the risk characteristics of the assets underlying a securitized product change significantly. If the quality of the available information is not satisfactory or if the complexity of a new type of instrument or security raises concerns about whether the designated rating organization can provide a credible rating, the designated rating organization must not issue or maintain a credit rating.

2.9 A designated rating organization must ensure continuity and regularity, and avoid bias, in the rating process.

B. Monitoring and Updating

2.10 A designated rating organization must establish a committee responsible for implementing a rigorous and formal process for reviewing, on at least an annual basis, and making changes to the methodologies, models and key ratings assumptions it uses. This review must include consideration of the appropriateness of the designated rating organization's methodologies, models and key ratings assumptions if they are used or intended to be applied to new types of instruments or securities. This process must be conducted independently of the business lines that are responsible for credit rating activities. The responsible committee must report to the board of directors of the designated rating organization.

2.11 When methodologies, models or key ratings assumptions used in credit rating activities are changed, a designated rating organization must do each of the following:

(a) promptly, using the same means of communication as was used for the distribution of the affected credit ratings, disclose the likely scope of credit ratings expected to be affected by the change in methodologies, models or key ratings assumptions;

(b) promptly place the affected credit ratings under observation;

(c) within six months of the change, review the affected credit ratings;

(d) re-rate all credit ratings that have been based on those methodologies, models or key rating assumptions if, following the review described in (c) above, the overall combined effect of the changes affects those credit ratings.

2.12 A designated rating organization must ensure that adequate personnel and financial resources are allocated to monitoring and updating its ratings. Except for ratings that clearly indicate they do not entail ongoing surveillance, once a rating is published the designated rating organization must monitor the rated entity's creditworthiness on an ongoing basis and, at least annually, update the rating. In addition, the designated rating organization must initiate a review of the status of a rating upon becoming aware of any information that might reasonably be expected to result in a rating action (including termination of a rating), consistent with the applicable rating methodology and must promptly update the rating, as appropriate, based on the results of such review.

Subsequent monitoring must incorporate all cumulative experience obtained.

2.13 If a designated rating organization uses separate analytical teams for determining initial ratings and for subsequent monitoring, each team must have the requisite level of expertise and resources to perform their respective functions in a timely manner.

2.14 If a designated rating organization makes its ratings available to the public and discontinues any rating, the designated rating organization must disclose that fact using the same means of communication as was used for the distribution of the rating. If a designated rating organization's ratings are provided only to its subscribers, the designated rating organization must announce to its subscribers if it discontinues any rating the subscriber subscribes for. In both cases, continuing publications by the designated rating organization of the discontinued rating must indicate the date the rating was last updated and disclose the fact that the rating is no longer being updated and the reasons for the decision to discontinue the rating.

C. Integrity of the Rating Process

2.15 A designated rating organization and its ratings employees must comply with all applicable laws and regulations governing its activities.

2.16 A designated rating organization and its ratings employees must deal fairly and honestly with rated entities, investors, other market participants, and the public.

2.17 A designated rating organization's ratings employees must be held to high standards of integrity, and a designated rating organization must not employ individuals with demonstrably compromised integrity.

2.18 A designated rating organization and its ratings employees must not, either implicitly or explicitly, give any assurance or guarantee of a particular rating prior to a rating assessment. Notwithstanding the foregoing, a designated rating organization is not precluded from developing prospective assessments used in securitized product transactions and similar transactions.

2.19 The following persons and companies must not make recommendations to a rated entity about the corporate or legal structure, assets, liabilities, or activities of the rated entity:

(a) a designated rating organization;

(b) an affiliate or associate of the designated rating organization;

(c) the ratings employees of any of the above.

2.20 Upon becoming aware that the designated rating organization, its DRO employees or an affiliate of the designated rating organization is or has engaged in conduct that is illegal, unethical or contrary to the designated rating organization's code of conduct, a DRO employee of a designated rating organization must report such information immediately to the compliance officer. If the compliance officer receives such a report from a DRO employee, the compliance officer is obligated to take appropriate action, as determined by the laws and regulations of the jurisdiction and the rules and guidelines set forth by the

designated rating organization. A designated rating organization must prohibit retaliation by other DRO employees or by the designated rating organization itself or its affiliates against any DRO employees who, in good faith, make such reports.

D. Governance Requirements

2.21 A designated rating organization must have a board of directors. At least one-half, but not fewer than two, of the members of the board of directors must be independent.

A member of the board of directors of the designated rating organization will not be considered independent if the director, other than in his or her capacity as a member of the board of directors or a committee thereof,

(a) accepts any consulting, advisory or other compensatory fee from the designated rating organization;

(b) is a DRO employee or associate of the designated rating organization or any of its affiliates;

(c) has a relationship with the designated rating organization that could, in the view of the designated rating organization's board of directors, be reasonably expected to interfere with the exercise of a director's independent judgment.

2.22 A member of the board of directors of the designated rating organization must be disqualified from any deliberation involving a specific rating in which such member has a financial interest in the outcome of the rating.

2.23 The compensation of the independent members of the designated rating organization's board of directors must not be linked to the business performance of the designated rating organization, and must be arranged so as to preserve the independence of their judgment. The term of office of the independent directors must be for a pre-established fixed period, not to exceed five years and must not be renewable.

2.24 In addition to its other duties, the board of directors of a designated rating organization must specifically monitor the following:

(a) the development of the credit rating policy and of the methodologies used by the designated rating organization in its credit rating activities;

(b) the effectiveness of the internal quality control system of the designated rating organization in relation to credit rating activities;

(c) the effectiveness of measures and procedures instituted to ensure that any conflicts of interest are identified and either eliminated or managed and disclosed, as appropriate;

(d) the compliance and governance processes, including the performance of the committee identified in section 2.10.

2.25 A designated rating organization must design sound administrative and accounting procedures, internal control mechanisms, procedures for risk assessment, and control and safeguard arrangements for information processing systems. A designated rating organization must also implement and maintain decision-making procedures and organizational structures that clearly, and in a documented manner, specify reporting lines and allocate functions and responsibilities.

2.26 A designated rating organization must monitor and evaluate the adequacy and effectiveness of its systems, internal control mechanisms and arrangements established in accordance with securities legislation and the designated rating organization's code of conduct, and take any measures necessary to address any deficiencies.

2.27 A designated rating organization must not outsource functions if doing so impairs materially the quality of the designated rating organization's internal controls or the ability of the securities regulatory authority to conduct compliance reviews of the designated rating organization's compliance with securities legislation or its code of conduct. Notwithstanding the foregoing, a designated rating organization must not outsource the functions of the designated rating organization's compliance officer as required by securities legislation.

3. INDEPENDENCE AND CONFLICTS OF INTEREST

A. General

3.1 A designated rating organization must not forbear or refrain from taking a rating action based on the potential effect (economic, political, or otherwise) of the action on the designated rating organization, a rated entity, an investor, or other market participant.

3.2 A designated rating organization and its ratings employees must use care and professional judgment to maintain both the substance and appearance of independence and objectivity.

3.3 The determination of a credit rating must be influenced only by factors relevant to the credit assessment.

3.4 The credit rating that a designated rating organization assigns to a rated entity or rated securities must not be affected by the existence of, or potential for, a business relationship between (i) the designated rating organization and its affiliates, and (ii) the rated entity, its affiliates or related entities or any other party, or the non-existence of such a relationship.

3.5 A designated rating organization must keep separate, operationally and legally, its credit rating business and its rating employees from any ancillary businesses (including the provision of consultancy or advisory services) of the designated rating organization and must ensure that the provision of such services does not present conflicts of interest with its credit rating activities. A designated rating organization must also define and publicly disclose what it considers, and does not consider, to be an ancillary business. A designated rating organization must disclose in each ratings report any ancillary services provided to a rated entity, its affiliates or related entities.

3.6 A designated rating organization must not rate a person or company that is an affiliate or associate of the DRO or a ratings employee. A designated rating organization must not rate an entity if a ratings employee is an officer or director of the rated entity, its affiliates or related entities.

B. Procedures and Policies

3.7 A designated rating organization shall identify and either eliminate or manage and disclose, clearly and prominently, any actual or potential conflicts of interest that may influence the opinions and analyses of ratings employees.

3.8 A designated rating organization must disclose the actual or potential conflicts of interest it identifies pursuant to section 3.7 in a complete, timely, clear, concise, specific and prominent manner.

3.9 A designated rating organization must disclose the general nature of its compensation arrangements with rated entities.

(a) If a designated rating organization receives from a rated entity, its affiliates or related entities compensation unrelated to its ratings service, such as compensation for ancillary services (as referred to in section 3.5), a designated rating organization must disclose the percentage such non-rating fees represent out of the total amount of fees received by the designated rating organization from such rated entity, its affiliates and related entities.

(b) If a designated rating organization receives directly or indirectly 10 percent or more of its annual revenue from a particular rated entity or subscriber, whether or not received from any affiliate or related entity of the rated entity or subscriber, disclose that and identify the particular rated entity or subscriber.

(c) If a designated rating organization provides a credit rating of a securitized product, the designated rating organization must encourage the rated entity to publicly disclose all information regarding the securitized product that would reasonably be expected to be material to an investor or other credit rating organization in conducting their own independent analyses. A designated rating organization must disclose in its ratings reports in respect of a securitized product whether the rated entity has informed it that it is publicly disclosing all relevant information about the product being rated or if the information remains non-public.

3.10 A designated rating organization and its DRO employees and their associates must not engage in any securities or derivatives trading that presents conflicts of interest with the designated rating organization's rating activities.

3.11 If a designated rating organization is subject to oversight functions performed by a rated entity, its affiliates or related entities, the designated rating organization must use different DRO employees to conduct rating actions in respect of that entity than those involved in the oversight issues.

C. Employee Independence

3.12 Reporting lines for a designated rating organization's ratings DRO employees and their compensation arrangements must be structured to eliminate or effectively manage actual and potential conflicts of interest.

(a) A ratings employee must not be compensated or evaluated on the basis of the amount of revenue that the designated rating organization derives from rated entities that the ratings employee rates or with which the ratings employee regularly interacts.

(b) A designated rating organization must conduct formal and periodic reviews of compensation policies and practices for a designated rating organization's DRO employees to ensure that these policies and practices do not compromise the objectivity of the designated rating organization's rating process.

3.13 A designated rating organization's ratings employees, and any person within the designated rating organization who has responsibility for developing or approving procedures or methodologies used for determining credit ratings, must not initiate, or participate in, discussions or negotiations regarding fees or payments with any rated entity or its affiliates or related entities.

3.14 A ratings employee must not participate in or otherwise influence the determination of a credit rating if any of the following apply:

(a) the employee owns directly or indirectly securities or derivatives of the rated entity, other than holdings through an investment fund where exposure to the rated entity does not exceed 10% of the investment fund's portfolio;

(b) the employee owns directly or indirectly securities or derivatives of a related entity to a rated entity, the ownership of which may cause or may be perceived as causing a conflict of interest;

(c) the employee has had a recent employment, business or other relationship with the rated entity, its affiliates or related entities that may cause or may be perceived as causing a conflict of interest;

(d) the employee has an associate who currently works for the rated entity, its affiliates or related entities.

3.15 A designated rating organization's ratings employees and their associates must not buy or sell or engage in any transaction in any security or derivative based on a security issued, guaranteed, or otherwise supported by any entity within such ratings employee's area of primary analytical responsibility, other than holdings through an investment fund where exposure to the rated entity does not exceed 10% of the investment fund's portfolio.

3.16 A designated rating organization's ratings employees and their associates, affiliates and related entities must not accept gifts, including entertainment, from anyone with whom the designated rating organization does business other than items provided in the context of normal business activities such as meetings that have an aggregate value of no more than nominal value.

3.17 If a DRO employee of a designated rating organization becomes involved in any personal relationship that creates any actual or potential conflict of interest, such DRO employee must disclose such relationship to the designated rating organization's compliance officer.

3.18 A designated rating organization must review the past work of ratings employees that leave the employ of the designated rating organization and join a rated entity, or an affiliate or related entity of the rated entity the ratings employee has been involved in rating, or a financial firm with which the ratings employee had significant dealings as part of his or her duties at the designated rating organization.

4. RESPONSIBILITIES TO THE INVESTING PUBLIC AND ISSUERS

A. Transparency and Timeliness of Ratings Disclosure

4.1 A designated rating organization must distribute in a timely manner its ratings decisions regarding the entities and securities it rates.

4.2 A designated rating organization must publicly disclose its policies for distributing ratings, ratings reports and updates.

4.3 Except for "private ratings" provided only to the rated entity, a designated rating organization must disclose to the public, on a non-selective basis and free of charge, any ratings decision regarding rated entities that are reporting issuers or the

securities of such issuers, as well as any subsequent decisions to discontinue such a rating, if the rating decision is based in whole or in part on material non-public information.

4.4 In each of its ratings reports, a designated rating organization must disclose the following:

(a) When the rating was first released and when it was last updated.

(b) The principal methodology or methodology version that was used in determining the rating and where a description of that methodology can be found. Where the rating is based on more than one methodology, or where a review of only the principal methodology might cause investors to overlook other important aspects of the rating, the designated rating organization must explain this fact in the ratings report, and include a discussion of how the different methodologies and other important aspects factored into the rating decision. If such information would be disproportionate to the length of the ratings report, the designated rating organization must include a prominent reference to where such information can be directly and easily accessed.

(c) The meaning of each rating category and the definition of default or recovery, and the time horizon the designated rating organization used when making a rating decision. If such information would be disproportionate to the length of the ratings report, the designated rating organization must include a prominent reference to where such information can be directly and easily accessed.

(d) Any attributes and limitations of the credit rating. If the rating involves a type of financial product presenting limited historical data (such as an innovative financial vehicle), the designated rating organization must make clear, in a prominent place, the limitations of the rating.

(e) All significant sources, including the rated entity, its affiliates and related entities, that were used to prepare the credit rating and whether the credit rating has been disclosed to the rated entity or its related entities and amended following that disclosure before being issued.

4.5 In each of its ratings reports in respect of a securitized product, a designated rating organization must disclose the following:

(a) All information about loss and cash-flow analysis it has performed or is relying upon and an indication of any expected change in the credit rating. A designated rating organization must also disclose the degree to which it analyzes how sensitive a rating of a securitized product is to changes in the designated rating organization's underlying rating assumptions.

(b) The level of assessment the designated rating organization has performed concerning the due diligence processes carried out at the level of underlying financial instruments or other assets of securitized products. The designated rating organization must also disclose whether it has undertaken any assessment of such due diligence processes or whether it has relied on a third-party assessment and how the outcome of such assessment impacts the credit rating.

4.6 A designated rating organization must disclose on an ongoing basis information about all securitized products submitted to it for its initial review or for a preliminary rating, including whether the issuer requested the designated rating organization to provide a final rating.

4.7 A designated rating organization must publicly disclose the methodologies, models and key rating assumptions (such as mathematical or correlation assumptions) it uses in its credit rating activities and any material modifications to such methodologies, models and key rating assumptions. This disclosure must include sufficient information about the designated rating organization's procedures, methodologies and assumptions (including financial statement adjustments that deviate materially from those contained in the issuer's published financial statements and a description of the rating committee process, if applicable) so that outside parties can understand how a rating was arrived at by the designated rating organization.

4.8 A designated rating organization must differentiate ratings of securitized products from traditional corporate bond ratings through a different rating symbology. A designated rating organization must also disclose how this differentiation functions. A designated rating organization must clearly define a given rating symbol and apply it in a consistent manner for all types of securities to which that symbol is assigned.

4.9 A designated rating organization must assist investors in developing a greater understanding of what a credit rating is, and the limits to which credit ratings can be put to use vis-à-vis a particular type of financial product that the designated rating organization rates. A designated rating organization must clearly indicate the attributes and limitations of each credit rating.

4.10 When issuing or revising a rating, the designated rating organization must explain in its press releases and reports the key elements underlying the rating opinion.

4.11 Prior to issuing or revising a rating, a designated rating organization must inform the issuer of the critical information and principal considerations upon which a rating will be based and afford the issuer an opportunity to clarify any likely factual misperceptions or other matters that the designated rating organization would wish to be made aware of in order to produce an accurate rating. A designated rating organization must duly evaluate the response.

4.12 Every six months, a designated rating organization must disclose data about the historical default rates of its rating categories and whether the default rates of these categories have changed over time. If the nature of the rating or other circumstances make a historical default rate inappropriate, statistically invalid, or otherwise likely to mislead the users of the rating, the designated rating organization must explain this. This information must include verifiable, quantifiable historical information about the performance of its rating opinions, organized and structured, and, where possible, standardized in such a way to assist investors in drawing performance comparisons between different designated rating organizations.

4.13 For each rating, the designated rating organization must disclose whether the rated entity and its related entities participated in the rating process and whether the designated rating organization had access to the accounts and other relevant internal documents of the rated entity or its related entities. Each rating not initiated at the request of the rated entity must be identified as such. A designated rating organization must also disclose its policies and procedures regarding unsolicited ratings.

4.14 A designated rating organization must fully and publicly disclose any material modification to its methodologies, models, key ratings assumptions and significant systems, resources or procedures. Disclosure of such material modifications must be made prior to their going into effect. A designated rating organization must carefully consider the various uses of credit ratings before modifying its methodologies, models, key ratings assumptions and significant systems, resources or procedures.

B. The Treatment of Confidential Information

4.15 A designated rating organization and its DRO employees must take all reasonable measures to protect the confidential nature of information shared with them by rated entities under the terms of a confidentiality agreement or otherwise under a mutual understanding that the information is shared confidentially. Unless otherwise permitted by the confidentiality agreement or required by applicable laws, regulations or court orders, the designated rating organization and its DRO employees must not disclose confidential information in press releases, through research conferences, to future employers, or in conversations with investors, other rated entities, other persons or otherwise.

4.16 A designated rating organization and its DRO employees must use confidential information only for purposes related to its rating activities or otherwise in accordance with any confidentiality agreements with the rated entities.

4.17 A designated rating organization and its DRO employees must take all reasonable measures to protect all property and records relating to credit rating activities and belonging to or in possession of the designated rating organization from fraud, theft or misuse.

4.18 DRO employees of a designated rating organization must not engage in transactions in securities or derivatives when they possess confidential information concerning the issuer of such security or to which the derivative relates.

4.19 DRO employees of a designated rating organization must familiarize themselves with the internal securities trading policies maintained by the designated rating organization and periodically certify their compliance with such policies.

4.20 A designated rating organization and its DRO employees must not selectively disclose any non-public information about ratings or possible future rating actions of the designated rating organization, except to the issuer or its designated agents.

4.21 A designated rating organization and its DRO employees must not share confidential information entrusted to the designated rating organization with employees of any affiliate that is not a designated rating organization. A designated rating organization and its DRO employees must not share confidential information within the designated rating organization, except as necessary in connection with the designated rating organization's credit rating functions.

4.22 DRO employees of a designated rating organization must not use or share confidential information for the purpose of buying or selling or engaging in any transaction in any security or derivative based on a security issued, guaranteed, or otherwise supported by any entity, or for any other purpose except the conduct of the designated rating organization's business.

FORM 25-101F1
DESIGNATED RATING ORGANIZATION
APPLICATION AND ANNUAL FILING

Instructions

(1) Terms used in this form but not defined in this form have the meaning given to them in the Instrument.

(2) Unless otherwise specified, the information in this form must be presented as at the last day of the applicant's most recently completed financial year. If necessary, the applicant must update the information provided so it is not misleading when it is filed. For information presented as at any date other than the last day of the applicant's most recently completed financial year, specify the relevant date in the form.

(3) Applicants are reminded that it is an offence under securities legislation to give false or misleading information on this form.

(4) Applicants may apply for a decision of the securities regulatory authority to hold portions of this form which discloses intimate financial, personal or other information in confidence. Securities regulatory authorities will consider such an application and accord confidential treatment to those sections to the extent permitted by law.

(5) Where this form is used for an annual filing, the term "applicant" means the designated rating organization.

Item 1. Name of Applicant

State the name of the applicant.

Item 2. Organization and Structure of Applicant

Describe the organizational structure of the applicant, including, as applicable, an organizational chart that identifies the ultimate and intermediate parent companies, subsidiaries, and material affiliates of the applicant (if any); an organizational chart showing the divisions, departments, and business units of the applicant; and an organizational chart showing the managerial structure of the applicant, including the compliance officer referred to in section 10 of the Instrument. Provide detailed information regarding the applicant's legal structure and ownership.

Item 3. Rating Distribution Model

Briefly describe how the applicant makes its credit ratings readily accessible for free or for a fee. If a person must pay a fee to obtain a credit rating made readily accessible by the applicant, provide a fee schedule or describe the price(s) charged.

Item 4. Procedures and Methodologies

Briefly describe the procedures and methodologies used by the applicant to determine credit ratings, including unsolicited credit ratings. The description must be sufficiently detailed to provide an understanding of the processes employed by the applicant in determining credit ratings, including, as applicable:

- policies for determining whether to initiate a credit rating;
- the public and non-public sources of information used in determining credit ratings, including information and analysis provided by third-party vendors;
- whether and, if so, how information about verification performed on assets underlying or referenced by a security issued by an asset pool or as part of any asset-backed or mortgage-backed securities transaction is relied on in determining credit ratings;
- the quantitative and qualitative models and metrics used to determine credit ratings, including whether and, if so, how assessments of the quality of originators of assets underlying or referenced by a security issued by an asset pool or as part of any asset-backed or mortgage-backed securities transaction factor into the determination of credit ratings;
- the methodologies by which credit ratings of other credit rating agencies are treated to determine credit ratings for securities issued by an asset pool or as part of any asset-backed or mortgaged-backed securities transaction;

- the procedures for interacting with the management of a rated obligor or issuer of rated securities;
- the structure and voting process of committees that review or approve credit ratings;
- procedures for informing rated obligors or issuers of rated securities about credit rating decisions and for appeals of final or pending credit rating decisions; and
- procedures for monitoring, reviewing, and updating credit ratings, including how frequently credit ratings are reviewed, whether different models or criteria are used for ratings surveillance than for determining initial ratings, whether changes made to models and criteria for determining initial ratings are applied retroactively to existing ratings, and whether changes made to models and criteria for performing ratings surveillance are incorporated into the models and criteria for determining initial ratings; and procedures to withdraw, or suspend the maintenance of, a credit rating.

An applicant may provide the location on its website where additional information about the procedures and methodologies is located.

Item 5. Code of Conduct

Unless previously provided, attach a copy of the applicant's code of conduct.

Item 6. Policies and Procedures re Non-public Information

Unless previously provided, attach a copy of the most recent written policies and procedures established, maintained, and enforced by the applicant to prevent the misuse of material non-public information.

Item 7. Policies and Procedures re Conflicts of Interest

Unless previously provided, attach a copy of the most recent written policies and procedures established with respect to conflicts of interest.

Item 8. Policies and Procedures re Internal Controls

Describe the applicant's internal control mechanisms designed to ensure quality of its credit rating activities.

Item 9. Policies and Procedures re Books and Records

Describe the applicant's policies and procedures regarding record-keeping.

Item 10. Credit analysts

Disclose the following information about the applicant's credit analysts and the persons who supervise the credit analysts:

- The total number of credit analysts,
- The total number of credit analyst supervisors,
- A general description of the minimum qualifications required of the credit analysts, including education level and work experience (if applicable, distinguish between junior, mid, and senior level credit analysts), and
- A general description of the minimum qualifications required of the credit analyst supervisors, including education level and work experience.

Item 11. Compliance Officer

Disclose the following information about the compliance officer of the applicant:

- Name,
- Employment history,
- Post secondary education, and
- Whether employed by the applicant full-time or part-time.

Item 12. Specified Revenues

Disclose information, as applicable, regarding the applicant's aggregate revenues for the most recently completed financial year:

- Revenue from determining and maintaining credit ratings,
- Revenue from subscribers,
- Revenue from granting licenses or rights to publish credit ratings, and
- Revenue from all other services and products offered by the credit rating organization (include descriptions of any major sources of revenue).

Include financial information on the revenue of the applicant divided into fees from credit rating and non-credit rating activities, including a comprehensive description of each.

This information is not required to be audited.

Item 13. Credit Rating Users

(a) Disclose a list of the largest users of credit rating services of the applicant by the amount of net revenue earned by the applicant attributable to the user during the most recently completed financial year. First, determine and list the 20 largest issuers and subscribers in terms of net revenue. Next, add to the list any obligor or underwriter that, in terms of net revenue during the financial year, equalled or exceeded the 20th largest issuer or subscriber. In making the list, rank the users in terms of net revenue from largest to smallest and include the net revenue amount for each person. For purposes of this Item:

- **Net revenue** means revenue earned by the applicant for any type of service or product provided to the person or company, regardless of whether related to credit rating services, and net of any rebates and allowances the applicant paid or owes to the person or company; and
- **Credit rating services** means any of the following: rating an issuer's securities (regardless of whether the issuer, underwriter, or any other person or company paid for the credit rating) and providing credit ratings, credit ratings data, or credit ratings analysis to a subscriber.

(b) Disclose a list of users of credit rating services whose contribution to the growth rate in the generation of revenue of the applicant in the previous fiscal year exceeded the growth rate in the applicant's total revenues in that year by a factor of more than 1.5 times. Any such user must only be disclosed if, in that year, such user accounted for more than 0.25% of the applicant's worldwide total revenues.

Item 14. Financial Statements

Attach a copy of the audited financial statements of the applicant, which must include a statement of financial position, a statement of comprehensive income, and a statement of changes in equity, for each of the three most recently completed financial years. If the applicant is a division, unit, or subsidiary of a parent company, the applicant may provide audited consolidated financial statements of its parent company.

Item 15. Verification Certificate

Include a certificate of the applicant in the following form:

The undersigned has executed this Form 25-101F1 on behalf of, and on the authority of, [the Applicant]. The undersigned, on behalf of the [Applicant], represents that the information and statements contained in this Form, including appendices and attachments, all of which are part of this Form, are true and correct.

_____ _____

(Date) (Name of the Applicant/NRSRO)

By: _____

(Print Name and Title)

_____

(Signature)

FORM 25-101F2
SUBMISSION TO JURISDICTION AND
APPOINTMENT OF AGENT FOR SERVICE OF PROCESS

1. Name of credit rating organization (the **CRO**):

2. Jurisdiction of incorporation, or equivalent, of CRO:

3. Address of principal place of business of CRO:

4. Name of agent for service of process (the **Agent**):

5. Address for service of process of Agent in Canada (the address may be anywhere in Canada):

6. The CRO designates and appoints the Agent at the address of the Agent stated above as its agent upon whom may be served any notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding (the **Proceeding**) arising out of, relating to or concerning the issuance and maintenance of credit ratings or the obligations of the CRO as a designated rating organization , and irrevocably waives any right to raise as a defence in any such Proceeding any alleged lack of jurisdiction to bring such Proceeding.

7. The CRO irrevocably and unconditionally submits to the non-exclusive jurisdiction of

   (a) the judicial, quasi-judicial and administrative tribunals of each of the provinces [and territories] of Canada in which it is a designated rating organization; and

   (b) any administrative proceeding in any such province [or territory],

   in any Proceeding arising out of or related to or concerning the issuance or maintenance of credit ratings or the obligations of the CRO as a designated rating organization.

8. Until six years after it has ceased to be a designated rating organization in any Canadian province or territory, the CRO shall file a new submission to jurisdiction and appointment of agent for service of process in this form at least 30 days before termination of this submission to jurisdiction and appointment of agent for service of process.

9. Until six years after it has ceased to be a designated rating organization in any Canadian province or territory, the CRO shall file an amended submission to jurisdiction and appointment of agent for service of process at least 30 days before any change in the name or above address of the Agent.

10. This submission to jurisdiction and appointment of agent for service of process shall be governed by and construed in accordance with the laws of [insert province or territory of above address of Agent].

_____ _____
Signature of Credit Rating Organization Date

_____
Print name and title of signing officer
of Credit Rating Organization

AGENT

The undersigned accepts the appointment as agent for service of process of [insert name of CRO] under the terms and conditions of the appointment of agent for service of process stated above.

_____ _____
Signature of Agent Date

_____
Print name of person signing and, if Agent
is not an individual, the title of the person

ANNEX C

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 41-101
GENERAL PROSPECTUS REQUIREMENTS

1. National Instrument 41-101 *General Prospectus Requirements* is amended by this Instrument.

2. Form 41-101F1 *Information Required in a Prospectus* is amended by replacing section 10.9 with the following:

"**10.9 Ratings** (1) If you have asked for and received a credit rating, or if you are aware that you have received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of your company that are outstanding and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to you by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivatives, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section."

3. Form 41-101F2 *Information Required in an Investment Fund Prospectus* is amended by replacing section 21.8 with the following:

"**21.8 Ratings** (1) If the investment fund has asked for and received a credit rating, or if the investment fund is aware that it has received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of your company that are outstanding and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the investment fund that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to you by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivatives, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section."

4. This Instrument comes into force on ●, 2011.

ANNEX D

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 44-101 *SHORT FORM PROSPECTUS DISTRIBUTIONS*

1. National Instrument 44-101 *Short Form Prospectus Distributions* is amended by this Instrument.

2. Form 44-101F1 *Short Form Prospectus* is amended by replacing Item 7.9 with the following:

"**7.9 Ratings** (1) If you have asked for and received a credit rating, or if you are aware that you have received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of your company that are outstanding and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to you by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivatives, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under this section."

3. This Instrument comes into force on ●, 2011.

ANNEX E

PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 51-102 *CONTINUOUS DISCLOSURE OBLIGATIONS*

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

2. Form 51-102F2 *Annual Information Form* is amended by replacing section 7.3 with the following:

"**7.3 Ratings** (1) If you have asked for and received a credit rating, or if you are aware that you have received any other kind of rating, including a stability rating or a provisional rating, from one or more credit rating organizations for securities of your company that are outstanding and the rating or ratings continue in effect, disclose

(a) each rating received from a credit rating organization;

(b) for each rating disclosed under paragraph (a), the name of the credit rating organization that has assigned the rating;

(c) a definition or description of the category in which each credit rating organization rated the securities and the relative rank of each rating within the organization's overall classification system;

(d) an explanation of what the rating addresses and what attributes, if any, of the securities are not addressed by the rating;

(e) any factors or considerations identified by the credit rating organization as giving rise to unusual risks associated with the securities;

(f) a statement that a credit rating or a stability rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time by the credit rating organization; and

(g) any announcement made by, or any proposed announcement known to the issuer that is to be made by, a credit rating organization to the effect that the organization is reviewing or intends to revise or withdraw a rating previously assigned and required to be disclosed under this section.

(2) If payments were, or reasonably will be, made to a credit rating organization that provided a rating described in section (1), state that fact and state whether any payments were made to the credit rating organization in respect of any other service provided to you by the credit rating organization during the last two years.

INSTRUCTIONS

There may be factors relating to a security that are not addressed by a credit rating organization when they give a rating. For example, in the case of cash settled derivatives, factors in addition to the creditworthiness of the issuer, such as the continued subsistence of the underlying interest or the volatility of the price, value or level of the underlying interest may be reflected in the rating analysis. Rather than being addressed in the rating itself, these factors may be described by a credit rating organization by way of a superscript or other notation to a rating. Any such attributes must be discussed in the disclosure under section 7.3."

3. This Instrument comes into force on ●, 2011.

ANNEX F

PROPOSED NATIONAL POLICY 11-205
PROCESS FOR DESIGNATION OF CREDIT RATING ORGANIZATIONS IN MULTIPLE JURISDICTIONS

NATIONAL POLICY 11-205
PROCESS FOR DESIGNATION OF CREDIT RATING ORGANIZATIONS IN MULTIPLE JURISDICTIONS

PART 1 APPLICATION

1. Application – This policy describes the process for the filing and review of an application to become a designated rating organization in more than one jurisdiction of Canada.

PART 2 DEFINITIONS

2. Definitions – In this policy

"AMF" means the regulator in Québec;

"application" means an application to become a designated rating organization;

"dual application" means an application described in section 6 of this policy;

"dual review" means the review under this policy of a dual application;

"filer" means

(a) a person or company filing an application, or

(b) an agent of a person or company referred to in paragraph (a);

"MI 11-102" means Multilateral Instrument 11-102 *Passport System*;

"NI 25-101" means National Instrument 25-101 *Designated Rating Organizations*;

"notified passport jurisdiction" means a passport jurisdiction for which a filer gave the notice referred to in section 4B.6 (1) (c) of MI 11-102;

"OSC" means the regulator in Ontario;

"passport application" means an application described in section 5 of this policy;

"passport jurisdiction" means the jurisdiction of a passport regulator;

"passport regulator" means a regulator that has adopted MI 11-102;

"regulator" means a securities regulatory authority or regulator.

3. Further definitions – Terms used in this policy that are defined in MI 11-102, National Instrument 14-101 *Definitions* or NI 25-101 have the same meanings as in those instruments.

PART 3 OVERVIEW, PRINCIPAL REGULATOR AND GENERAL GUIDELINES

4. Overview – This policy applies to an application to become a designated rating organization in multiple jurisdictions. These are the possible types of applications:

(a) The principal regulator is a passport regulator and the filer does not seek a designation in Ontario. This is a "passport application."

(b) The principal regulator is the OSC and the filer also seeks a designation in a passport jurisdiction. This is also a "passport application."

(c) The principal regulator is a passport regulator and the filer also seeks a designation in Ontario. This is a "dual application."

5. Passport application –

(1) If the principal regulator is a passport regulator and the filer does not seek a designation in Ontario, the filer files the application only with, and pays fees only to, the principal regulator. Only the principal regulator reviews the application. The principal regulator's decision to grant the designation automatically results in a deemed designation in the notified passport jurisdictions.

(2) If the principal regulator is the OSC and the filer also seeks designation in a passport jurisdiction, the filer files the application only with, and pays fees only to the OSC. Only the OSC reviews the application. The OSC's decision to grant the designation automatically results in a deemed designation in the notified passport jurisdictions.

6. Dual application – Designation sought in passport jurisdiction and Ontario –

If the principal regulator is a passport regulator and the filer also seeks a designation in Ontario, the filer files the application with, and pays fees to the principal regulator and the OSC. The principal regulator reviews the application and the OSC, as non-principal regulator, coordinates its review with the principal regulator. The principal regulator's decision to grant the designation automatically results in a deemed designation in the notified passport jurisdictions and, if the OSC has made the same decision as the principal regulator, evidences the decision of the OSC.

7. Principal regulator for an application –

(1) For an application under this policy, the principal regulator is identified in the same manner as in sections 4B.2 to 4B.5 of MI 11-102.

(2) If the filer cannot determine its principal regulator under 4B.2 (a) or (b) of MI 11-102, section 4B.2(c) of MI 11-102 requires that the filer determine its principal regulator by determining the specified jurisdiction with which the filer has the most significant connection. Section 4B.3 and 4B.4 also establish circumstances in which the filer may need to determine its principal regulator.

(3) For the purpose of this section, a specified jurisdiction is one of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and New Brunswick.

(4) The factors a filer should consider in identifying the principal regulator for the application based on the most significant connection test are, in order of influential weight:

(a) jurisdiction where the filer generated the majority of its credit rating related revenue in the 3-year period preceding the date of its application, or

(b) jurisdiction where the filer issued the most initial ratings in the 3-year period preceding the date of its application.

8. Discretionary change in principal regulator –

(1) If the principal regulator identified under section 7 of this policy thinks it is not the appropriate principal regulator, it will first consult with the filer and the appropriate regulator and then give the filer a written notice of the new principal regulator and the reasons for the change.

(2) A filer may request a discretionary change of principal regulator for an application if

(a) the filer concludes that the principal regulator identified under section 7 of this policy is not the appropriate principal regulator,

(b) the location of the head office changes over the course of the application,

(c) the most significant connection to a specified jurisdiction changes over the course of the application, or

(d) the filer withdraws its application in the principal jurisdiction because it does not want to be designated in that jurisdiction.

(3) Regulators do not anticipate changing a principal regulator except in exceptional circumstances.

(4) A filer should submit a written request for a change in principal regulator to its current principal regulator and include the reasons for requesting the change.

PART 4 FILING MATERIALS

9. Election to file under this policy and identification of principal regulator –

In an application, the filer should indicate whether it is filing a passport application or a dual application and identify the principal regulator for the application.

10. Materials to be filed with application –

(1) For a passport application, the filer should remit to the principal regulator the fees payable under the securities legislation of the principal regulator, and file the following materials with the principal regulator only:

(a) a written application in which the filer:

(i) states the basis for identifying the principal regulator under section 7 of this policy,

(ii) gives notice of the non-principal passport jurisdictions for which section 4B.6 of MI 11-102 is intended to be relied upon,

(iii) states that the filer and any relevant party is not in default of securities legislation applicable to credit rating organizations in any jurisdiction of Canada or in any jurisdiction in which the filer operates or, if the filer is in default, the nature of the default;

(b) the materials required by section 2 of NI 25-101.

(c) other supporting materials.

(2) For a dual application, the filer should remit the fees payable under the securities legislation of the principal regulator and the OSC, and file the following materials with the principal regulator and the OSC:

(a) a written application in which the filer:

(i) states the basis for identifying the principal regulator under section 7 of this policy,

(ii) gives notice of the non-principal passport jurisdictions for which section 4B.6 of MI 11-102 is intended to be relied upon;

(iii) states that the filer is not in default of securities legislation applicable to credit rating organizations in any jurisdiction of Canada or in any jurisdiction in which the filer operates or, if the filer is in default, the nature of the default;

(b) the materials required by section 6 of NI 25-101;

(c) other supporting materials.

11. Language – A filer seeking a designation in Québec should file a French language version of the draft decision when the AMF is acting as principal regulator.

12. Materials to be filed to make a designation available in an additional passport jurisdiction under section 4B.6 of MI 11-102 –

(1) Under section 4B.6 of MI 11-102, the principal regulator's decision to grant the designation under a passport application or dual application can become available in a non-principal passport jurisdiction for which the filer did not give the notice referred to in section 10(1) (a) (ii) or 10(2) (a) (ii) of this policy in the initial application if certain conditions are met. One of the conditions is that the filer gives the notice under section 4B.6(1)(c) of MI 11-102 for the additional non-principal passport jurisdiction.

(2) For greater certainty, a filer may not rely on section 4B.6 of MI 11-102 to obtain an automatic designation under the provision of Ontario's securities legislation.

(3) The filer should give the notice referred to in subsection (1) to the principal regulator for the initial application. The notice should

(a) list each relevant non-principal passport jurisdiction for which notice is given that section 4B.6 of MI 11-102 is intended to be relied upon,

(b) include the date of the decision of the principal regulator for the initial application, if the notice is given under section 4B.6(1)(c) of MI 11-102,

(c) include the citation for the regulator's decision, and

(d) confirm that the designation is still in effect.

(4) The regulator that receives the notice referred to in section 10 will send a copy of the notice and its decision to the regulator in the relevant non-principal passport jurisdiction.

13. Filing – A filer should send the application materials in paper together with the fees to

(a) the principal regulator, in the case of a passport application, and

(b) the principal regulator and the OSC in the case of a dual application.

The filer should also provide an electronic copy of the application materials, including the draft decision document, by e-mail or on CD ROM. Filing the application concurrently in all required jurisdictions will make it easier for the principal regulator and non-principal regulators, if applicable, to process the application expeditiously.

Filers should send application materials by e-mail using the relevant address or addresses listed below:

British Columbia www.bcsc.bc.ca (click on BCSC e-services and follow the steps)

Alberta	legalapplications@asc.ca
Saskatchewan	exemptions@sfsc.gov.sk.ca
Manitoba	exemptions.msc@gov.mb.ca
Ontario	applications@osc.gov.on.ca
Québec	Dispenses-Passeport@lautorite.qc.ca
New Brunswick	Passport-passeport@nbsc-cvmnb.ca
Nova Scotia	nsscexemptions@gov.ns.ca
Prince Edward Island	CCIS@gov.pe.ca
Newfoundland and Labrador	securitiesexemptions@gov.nl.ca
Yukon	corporateaffairs@gov.yk.ca
Northwest Territories	securitiesregistry@gov.nt.ca
Nunavut	legalregistries@gov.nu.ca

14. Incomplete or deficient material – If the filer's materials are deficient or incomplete, the principal regulator may ask the filer to file an amended application. This will likely delay the review of the application.

15. Acknowledgment of receipt of filing – After the principal regulator receives a complete and adequate application, the principal regulator will send the filer an acknowledgment of receipt of the application. The principal regulator will send a copy of the acknowledgement to any other regulator with whom the filer has filed the application. The acknowledgement will identify the name, phone number, fax number and e-mail address of the individual reviewing the application.

16. Withdrawal or abandonment of application

(1) If a filer withdraws an application at any time during the process, the filer is responsible for notifying the principal regulator and any non-principal regulator with whom the filer filed the application and for providing an explanation of the withdrawal.

(2) If at any time during the review process, the principal regulator determines that a filer has abandoned an application, the principal regulator will notify the filer that it will mark the application as "abandoned". In that case, the principal regulator will close the file without further notice to the filer unless the filer provides acceptable reasons not to close the file in writing within 10 business days. If the filer does not, the principal regulator will notify the filer and any non-principal regulator with whom the filer filed the application that the principal regulator has closed the file.

PART 5 REVIEW OF MATERIALS

17. Review of passport application

(1) The principal regulator will review any passport application in accordance with its securities legislation and securities directions and based on its review procedures, analysis and considering previous decisions.

(2) The filer will deal only with the principal regulator, who will provide comments to and receive responses from the filer.

18. Review and processing of dual application

(1) The principal regulator will review any dual application in accordance with its securities legislation and securities directions, and based on its review procedures, analysis and considering previous decisions. Please refer to section 10 (2) of this policy for guidance on filing an application with the OSC as non-principal regulator with whom a filer should file a dual application.

(2) The filer will generally deal only with the principal regulator, who will be responsible for providing comments to the filer once it has completed its own review. However, in exceptional circumstances, the principal regulator may refer the filer to the OSC as non-principal regulator.

PART 6 DECISION-MAKING PROCESS

19. Passport application

(1) After completing the review process and after considering the recommendation of its staff, the principal regulator will determine whether to grant or deny the designation sought in a passport application.

(2) If the principal regulator is not prepared to grant the designation based on the information before it, it will notify the filer accordingly.

(3) If a filer receives a notice under subsection (2) and this process is available in the principal jurisdiction, the filer may request the opportunity to appear before, and make submissions to, the principal regulator.

20. Dual application

(1) After completing the review process and after considering the recommendation of its staff, the principal regulator will determine whether to grant or deny the designation sought in a dual application and immediately circulate its decision to the OSC.

(2) The OSC will have at least 10 business days from receipt of the principal regulator's decision to confirm whether it has made the same decision and is opting in or is opting out of the dual review.

(3) If the OSC is silent, the principal regulator will consider that the OSC has opted out.

(4) If the filer shows that it is necessary and reasonable in the circumstances, the principal regulator may request, but cannot require, the OSC to abridge the opt-out period.

(5) The principal regulator will not send the filer a decision for a dual application before the earlier of

(a) the expiry of the opt-out period, or

(b) receipt from the OSC of the confirmation referred to in subsection (2).

(6) If the principal regulator is not prepared to grant the designation a filer sought in its dual application based on the information before it, it will notify the filer and the OSC.

(7) If a filer receives a notice under subsection (6) and this process is available in the principal jurisdiction, the filer may request the opportunity to appear before, and make submissions to, the principal regulator. The principal regulator may hold a hearing on its own, or jointly or concurrently with the OSC. After the hearing, the principal regulator will send a copy of the decision to the filer and the OSC.

(8) If the OSC elects to opt out it will notify the filer and the principal regulator and give its reasons for opting out. The filer may deal directly with the OSC to resolve outstanding issues and obtain a decision without having to file a new application or pay any additional related fees. If the filer and the OSC resolve all outstanding issues, the OSC may opt back into the dual review by notifying the principal regulator within the opt-out period referred to in subsection (2).

PART 7 DECISION

21. Effect of decision made under passport application

(1) The decision of the principal regulator under a passport application is the decision of the principal regulator. Under MI 11-102, a filer is automatically designated in the notified passport jurisdictions as a result of the decision of the principal regulator making the designation.

(2) Except in the circumstances described in section 12 (1) of this policy, the designation is effective in each notified passport jurisdiction on the date of the principal regulator's decision (even if the regulator in the notified passport jurisdiction is closed on that date). In the circumstances described in section 12 (1) of this policy, the designation is effective in the relevant non-principal passport jurisdiction on the date the filer gives the notice under section 4B.6(1)(c) of MI 11-102 for that jurisdiction (even if the regulator in that jurisdiction is closed on that date).

22. Effect of decision made under dual application

(1) The decision of the principal regulator under a dual application is the decision of the principal regulator. Under MI 11-102, a filer is automatically designated in the notified passport jurisdictions as a result of the decision of the principal regulator making the designation. The decision of the principal regulator under a dual application also evidences the OSC's decision, if the OSC has confirmed that it has made the same decision as the principal regulator.

(2) The principal regulator will not issue the decision until the earlier of

(a) the date that the OSC confirms that it has made the same decision as the principal regulator, or

(b) the date the opt-out period referred to in section 20(2) of this policy has expired.

23. Listing non-principal jurisdictions

(1) For convenience, the decision of the principal regulator on a passport application or a dual application will refer to the notified passport jurisdictions, but it is the filer's responsibility to ensure that it gives the required notice for each jurisdiction for which section 4B.6(1) of MI 11-102 is intended to be relied upon.

(2) The decision of the principal regulator on a dual application will contain wording that makes it clear that the decision evidences and sets out the decision of the OSC to the effect that it has made the same decision as the principal regulator.

(3) For a dual application for which Québec is not the principal jurisdiction, the AMF will issue a local decision concurrently with and in addition to the principal regulator's decision. The AMF decision will contain the same terms and conditions as the principal regulator's decision. No other local regulator will issue a local decision.

24. Issuance of decision – The principal regulator will send the decision to the filer and to all non-principal regulators.

PART 8 EFFECTIVE DATE

25. Effective date – This policy comes into effect on ●.

ANNEX G

ADDITIONAL INFORMATION REQUIRED IN ONTARIO

Authority for the Proposed Materials

The Proposed Instrument is being proposed for implementation in Ontario as a rule. The *Securities Act* (Ontario) was recently amended to add paragraph 143(1).63, which provides the requisite rule-making authority to the Commission.

The proposed consequential amendments to each of National Instrument 41-101 *General Prospectus Requirements* and National Instrument 44-101 *Short Form Prospectus Requirements* are being proposed under the authority of section 143(1) 39, which provides the Commission with the authority to make rules requiring or respecting the preparation, form and content of prospectuses and preliminary prospectuses.

The proposed consequential amendments to National Instrument 51-102 *Continuous Disclosure Obligations* are being proposed under section 143(1)22, which provides the Commission with the authority to make rules prescribing requirements in respect of the preparation of documents providing for continuous disclosure, including requirements in respect of an annual information form.

Alternatives Considered

No alternatives to this approach were considered.

Unpublished Materials

In proposing the Proposed Materials, we have not relied upon any significant unpublished study, report or decision.

Anticipated Costs and Benefits

As the conduct of a CRO's business may have a significant impact upon credit markets, and because ratings continue to be referred to within securities legislation, we believe that it is important to develop a regime in which CROs that seek designation are subject to regulation.

The purpose of the Proposed Instrument is to provide issuers, investors and other users of ratings with information regarding what ratings mean, how ratings are determined and historical information regarding how ratings have performed. In addition, the Proposed Instrument addresses the various conflicts of interest that may arise in connection with the issuance of ratings regarding a particular security. Together, these contribute toward the integrity of the ratings process.

In developing the Proposed Materials, we were cognizant that they would impose compliance costs on designated rating organizations. Among other things, a designated rating organization would be required to:

- establish, maintain and comply with a code of conduct based substantially on the IOSCO Code supplemented to meet developing international standards,
- appoint a board of directors, including independent members,
- appoint a compliance officer to be responsible for monitoring and assessing the designated rating organization's compliance with its code of conduct and the proposed regulatory framework, and
- file on an annual basis a form containing prescribed information.

However, in an effort to minimize these costs, we have developed the Proposed Instrument to ensure that the obligations and responsibilities imposed upon designated rating organizations are, to the extent feasible, complimentary to those in other jurisdictions. For example, under the Proposed Instrument, the governance provisions and the provisions setting out the responsibilities of the compliance officer are largely consistent with those applicable to an NRSRO in the United States. Many of the provisions that a designated rating organization will be required to include in its code of conduct that are not based on the IOSCO Code are similar to provisions in the EU Regulation.

In this regard, we note that the four largest global CROs are currently registered as NRSROs and each already maintains a code of conduct that is substantially compliant with the IOSCO Code and has sought registration under the EU Regulation. Moreover, the Proposed Materials provide CROs with the ability to use the "passport" regime to facilitate the filing of an application in multiple jurisdictions. As a result, we believe that the additional costs of compliance with the Proposed Instrument will be minimal.

We note that the proposal we published on July 16, 2010 would have permitted a designated rating organization to "comply or explain" with the provisions of the IOSCO Code. We are now proposing to move away from the "comply or explain" model in order to be consistent with international standards. In particular, we understand that CESR staff will not provide an equivalency recommendation to the European Commission if a jurisdiction's regulatory framework relies on the IOSCO Code's "comply or explain" model. The inability of a CRO that issues ratings out of Canada to rely on the endorsement or certification models in the EU Regulation would have a negative impact on such CROs. The issuers that such CROs rate might also be negatively impacted to the extent those ratings are used for regulatory purposes in the European Union. Indeed, in the absence of an equivalency determination, it is possible that CROs would move rating operations outside of Canada to jurisdictions where endorsement is available. A CRO might consequently decide to not seek designation under the Proposed Instrument, which could decrease the availability of ratings in Canada. As a result, there might be a significant cost to not obtaining an equivalency determination.

We do not anticipate that the move away from the "comply or explain" model will result in significant increased costs to CROs that obtain designation. The four largest global CROs maintain codes of conduct that are largely compliant with the IOSCO Code. To the extent that a designated rating organization would be unable to comply with a required provision in its code of conduct, it could apply for exemptive relief. As such the significant benefits of an equivalency determination to CROs that issue ratings out of Canada and the issuers that they rate outweigh the minimal anticipated increased costs to CROs of compliance with a mandatory framework.

We do not believe that the Proposed Instrument will result in the creation of additional barriers to entry for CROs, as it remains possible for a CRO to continue its business in Canada without being designated. However, a CRO that is not designated may, as a result of market forces, be faced with reduced demand for its product in Canada.

We believe that compliance by designated rating organizations with the Proposed Instrument will provide a significant benefit to the marketplace, individual issuers and investors, as it addresses issues associated with the quality and integrity of the rating process. Although CROs may already engage in some or all of the practices required by the Proposed Instrument, the regulatory framework would permit us with the opportunity to evaluate and, if necessary, enforce compliance with these requirements.

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
01/24/2011	10	2211056 Ontario Inc. - Debentures	575,000.00	575,000.00
12/01/2010	29	Aguila American Resources Ltd. - Units	500,000.00	2,500,000.00
02/09/2011 to 02/17/2011	44	AltaCanada Energy Corp. - Preferred Shares	10,630,500.00	212,610,000.00
09/24/2010	17	Aurvista Gold Corporation - Common Shares	662,800.00	3,458,220.00
11/09/2010	1	Aurvista Gold Corporation - Common Shares	100,000.00	500,000.00
10/22/2010	18	Aurvista Gold Corporation - Common Shares	355,000.00	5,322,848.00
10/15/2010	85	Aurvista Gold Corporation - Common Shares	2,188,199.90	11,546,398.00
01/27/2011	4	Big Deal Games Inc. - Common Shares	1,050,000.00	2,763,156.00
01/01/2010 to 08/01/2010	30	Blackheath Futures Fund LP - Units	5,516,266.26	5,431.81
10/01/2010 to 12/01/2010	6	Blackheath Futures Volatility Arbitrage Fund, LP - Units	904,856.67	896.00
02/23/2011	2	BNP Paribas Arbitrage Issuance B.V. - Certificates	61,928.96	53.00
02/25/2011	5	Champlain Resources Inc. - Units	1,000,000.00	5,882,352.00
02/16/2011 to 02/24/2011	62	Coda Petroleum Inc. - Common Shares	48,201,000.00	48,201,000.00
03/02/2011	45	Colombian Mines Corporation - Units	6,762,000.00	9,660,000.00
02/18/2011	1	Colwood City Centre Limited Partnership - Notes	50,000.00	50,000.00
02/14/2010	29	Commonwealth Silver and Gold Mining Inc. - Receipts	2,235,000.00	8,940,000.00
02/25/2011	11	CommunityLend Holdings Inc. - Common Shares	379,797.60	1,525,313.00
02/03/2011	3	CPI International, Inc. - Notes	9,157,925.00	92,500.00
02/16/2011	11	Del Monte Foods Company - Notes	3,424,612.50	11.00
02/11/2011	2	Development Notes Limited Partnership - Units	144,299.00	144,299.00
12/17/2010 to 12/22/2010	50	Donnybrook Energy Inc. - Common Shares	3,322,508.63	815,386.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
03/09/2011	1	Dynex Capital, Inc. - Common Shares	752,250.00	75,000.00
02/22/2011	25	ECI Exploration and Mining Inc. - Units	25,000,000.00	20,000,000.00
02/25/2011	53	Enterprise Energy Resources Ltd. - Units	4,999,999.80	16,666,666.00
02/18/2011	2	ExamWorks Group, Inc. - Common Shares	250,000.00	11,927.00
02/25/2011 to 03/04/2011	9	Explorator Resources Inc. - Units	5,200,000.00	10,000,000.00
01/18/2011 to 01/27/2011	57	Firestone Ventures Inc. - Units	1,350,500.00	13,505,000.00
01/01/2010 to 11/30/2010	102	Formula Growth Global Opportunities Fund - Units	1,465,176.00	121,696.00
01/01/2010 to 11/30/2010	119	Formula Growth Hedge Fund - Units	45,993,272.95	4,238,060.74
02/08/2011	2	Global Atomic Fuels Corporation - Units	1,200,000.00	800,000.00
02/08/2011	1	Greening Canada L.P. - Investment Trust Interest	200,000.00	1.00
01/01/2010 to 12/31/2010	3	Guardian Balanced Fund - Units	13,721,770.15	977,138.41
01/01/2010 to 12/31/2010	1	Guardian Canada Plus 130/30 Equity Fund - Units	18,515.25	2,242.90
01/01/2010 to 12/31/2010	134	Guardian Canadian Bond Fund - Units	27,389,923.21	2,503,222.90
01/01/2010 to 12/31/2010	56	Guardian Canadian Equity Fund - Units	85,174,720.36	686,799.44
01/01/2010 to 12/31/2010	36	Guardian Canadian Growth Equity Fund - Units	1,342,862.79	53,789.57
01/01/2010 to 12/31/2010	83	Guardian Canadian Maple Equity Fund - Units	1,077,906.79	112,926.23
01/01/2010 to 12/31/2010	289	Guardian Canadian Plus Equity Fund - Units	3,887,153.24	414,479.50
01/01/2010 to 12/31/2010	400	Guardian Canadian Short Term Investment Fund - Units	580,343,102.02	51,772,246.37
01/01/2010 to 12/31/2010	18	Guardian Canadian Small/Mid Cap Equity Fund - Units	197,602.35	8,189.05
01/01/2010 to 12/31/2010	5	Guardian Canadian Value Equity Fund - Units	2,659,217.51	217,665.88
01/01/2010 to 12/31/2010	95	Guardian Equity Income Fund - Units	2,155,865.87	171,341.61
01/01/2010 to 12/31/2010	1	Guardian Global 130/30 Equity Fund - Units	26,241.35	3,648.73
01/01/2010 to 12/31/2010	4	Guardian Global Dividend Growth Fund - Units	5,417,501.17	538,659.32

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
01/01/2010 to 12/31/2010	27	Guardian Global Equity Fund - Units	10,601,384.91	1,250,444.62
01/01/2010 to 12/31/2010	158	Guardian High Yield Bond Fund - Units	13,189,621.87	1,252,208.06
01/01/2010 to 12/31/2010	115	Guardian International Equity Fund - Units	20,083,194.46	2,947,221.87
01/01/2010 to 12/31/2010	109	Guardian U.S. Equity Fund - Units	1,117,862.91	146,368.33
12/23/2010 to 12/31/2010	15	Hy Lake Gold Inc. - Units	1,963,474.15	3,569,953.00
02/18/2011	71	ILI Technologies (2002) Corp. - Units	3,000,000.00	30,000,000.00
02/08/2011	4	iStopOver Inc. - Debentures	750,000.00	4.00
02/04/2011	11	JOG Limited Partnership No. V - Units	55,700,000.00	5,570,000.00
02/11/2011	7	Kinder Morgan, Inc. - Common Shares	78,312,924.00	95,466,600.00
02/16/2011	4	Lateegra Gold Corp. - Common Shares	730,000.00	2,000,000.00
03/04/2011	34	Lingo Media Corporation - Units	2,195,200.00	3,658,668.00
02/28/2011 to 03/03/2011	16	Liquidation World Inc. - Units	8,100,000.00	N/A
01/27/2011	20	Lithic Resources Ltd. - Units	260,000.00	3,250,000.00
02/01/2011	48	Liuyang Fireworks Limited - Units	2,166,066.00	12,033,700.00
02/01/2011	62	Loncor Resources Inc. - Common Shares	23,970,000.00	10,200,000.00
02/18/2011	1	Mack-Cali Realty Corporation - Common Shares	3,243,900.00	100,000.00
01/12/2011	1	Medical Pharmacies Group Limited - Common Shares	175,937,082.00	175,937,082.00
02/17/2010	30	MPT Mustard Products & Technologies Inc. - Common Shares	536,269.45	1,532,198.00
02/11/2011	60	New Zealand Energy Corp. - Common Shares	5,257,500.00	7,010,000.00
01/11/2011	11	Niven Resources Corp. - Units	1,000,000.00	4,000,000.00
01/12/2011	25	Northern Superior Resources Inc. - Common Shares	10,000,000.00	12,500,000.00
02/24/2011	9	Online Disruptive Technologies, Inc. - Common Shares	450.00	45,000.00
02/23/2011	22	Otis Gold Corp. - Units	2,346,390.10	5,780,557.00
02/24/2011	54	Pelangio Exploration Inc. - Units	4,000,000.00	5,000,000.00
02/24/2011 to 02/25/2011	3	Playfair Mining Ltd. - Common Shares	1,102,000.08	4,591,667.00
02/11/2011	1	Ply Gem Industries, Inc. - Note	495,000.00	1.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
02/24/2011	1	Rainy River Resources Ltd. - Common Shares	154,080.00	12,000.00
01/19/2011	5	Redev Properties Investment Capital Pool III Inc. - Common Shares	180.60	1,806.00
02/15/2011	1	Regal Entertainment Group - Note	775,912.50	1.00
02/23/2011	3	Royal Bank of Canada - Notes	1,826,016.00	1,840.00
03/02/2011	8	Royal Bank of Canada - Notes	1,703,450.00	1,750.00
12/22/2010	66	Rupestris Mines Inc - Warrants	2,946,290.90	11,423,333.00
02/26/2010 to 12/31/2010	228	Salida Global Energy Fund - Units	2,329,449.25	546,555.00
02/26/2010 to 12/31/2010	6	Salida Global Energy Fund - Units	50,000.00	15,560.24
01/06/2010 to 12/03/2010	197	Salida Multi Strategy Hedge Fund - Units	11,084,860.74	529,248.00
01/06/2010 to 12/03/2010	109	Salida Multi Strategy Hedge Fund - Units	8,978,563.00	889,702.36
01/29/2010 to 10/29/2010	315	Salida Strategic Growth Fund - Units	3,943,561.81	868,129.66
01/29/2010 to 10/29/2010	8	Salida Strategic Growth Fund - Units	87,600.00	22,895.47
01/29/2010 to 12/31/2010	218	Salida Wealth Preservation Fund - Units	8,882,231.60	2,425,739.00
01/29/2010 to 12/31/2010	117	Salida Wealth Preservation Fund - Units	3,548,200.00	1,025,874.97
02/07/2011	1	Seattle Genetics Inc. - Common Shares	306,800.00	20,000.00
12/30/2010	30	Shoreline Oil & Gas Ltd. - Flow-Through Shares	1,650,036.70	1,269,259.00
12/30/2010	33	Silver Fields Resources Inc. - Units	547,320.00	0.00
01/13/2010 to 12/06/2010	4	SLI Bond Pooled Fund - Units	34,248,345.34	321,532.43
01/13/2010 to 12/06/2010	6	SLI Capped Canadian Equity Pooled Fund - Units	62,659,722.44	691,382.85
01/12/2010 to 12/02/2010	2	SLI Conservative Diversified Pooled Fund - Units	3,373,993.00	38,264.26
01/20/2010 to 12/06/2010	5	SLI International Equity Pooled Fund - Units	18,468,150.66	296,956.09
09/24/2010 to 11/24/2010	5	SLI Long-Term Bond Pooled Fund - Units	85,916,245.46	867,735.15
01/20/2010 to 12/16/2010	11	SLI Money Market Pooled Fund - Units	15,884,322.78	NA
01/13/2010 to 12/06/2010	7	SLI U.S. Equity Pooled Fund - Units	34,599,975.24	449,862.42

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
02/24/2011	66	Southern Arc Minerals Inc. - Common Shares	28,382,000.00	17,738,750.00
01/24/2011	1	Spherix Incorporated - Units	639,849.60	125,000.00
01/01/2010 to 12/31/2010	3	SSGA Active Canadian Universe Bond Fund - Units	10,876,779.92	1,149,944.69
01/01/2010 to 12/31/2010	6	SSGA Australia Index Fund - Units	75,597,391.54	1,808,603.18
01/01/2010 to 12/31/2010	6	SSGA Austria Index Fund - Units	3,371,498.72	121,195.28
01/01/2010 to 12/31/2010	6	SSGA Belgium Index Fund - Units	9,019,069.04	340,749.57
01/01/2010 to 12/31/2010	4	SSGA Denmark Index Fund - Units	8,740,846.17	110,014.67
01/01/2010 to 12/31/2010	38	SSGA Enhanced Canadian Universe Bond Fund - Units	277,029,828.47	23,729,033.73
01/01/2010 to 12/31/2010	6	SSGA Finland Index Fund - Units	10,153,569.19	156,004.27
01/01/2010 to 12/31/2010	6	SSGA France Index Fund - Units	95,332,103.26	1,983,707.13
01/01/2010 to 12/31/2010	7	SSGA Greece Index Fund - Units	5,062,831.06	1,174,682.32
01/01/2010 to 12/31/2010	7	SSGA Hong Kong Index Fund - Units	25,371,984.19	296,862.09
01/01/2010 to 12/31/2010	7	SSGA Ireland Index Fund - Units	3,069,022.13	531,571.49
01/01/2010 to 12/31/2010	7	SSGA Israel Index Fund - Units	14,850,156.80	1,490,337.57
01/01/2010 to 12/31/2010	6	SSGA Italy Index Fund - Units	31,256,545.27	1,814,042.96
01/01/2010 to 12/31/2010	7	SSGA Japan Index Fund - Units	207,270,921.10	29,652,649.19
01/01/2010 to 12/31/2010	6	SSGA Spain Index Fund - Units	36,665,110.63	760,754.65
01/01/2010 to 12/31/2010	6	SSGA Switzerland Index Fund - Units	69,494,417.85	1,032,236.63
01/01/2010 to 12/31/2010	1	SSGA S&P/TSX Capped Equity Index Fund - Units	2,397,718.93	259,453.72
02/08/2011	3	STE (Clean Recycling and Energy - Debentures	10,000,000.00	10,000.00
02/22/2011	4	Stoneset One Mortgage Corporation - Bonds	148,000.00	148.00
02/11/2011	17	St. Vincent Minerals Inc. - Common Shares	450,128.64	7,502,144.00
12/07/2010	39	Tanzania Minerals Corp. - Units	9,000,200.00	16,364,000.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
02/09/2011	1	Tarpon Biosystems Inc. - Debenture	25,000.00	1.00
01/21/2011	10	Tartisan Resources Corp. - Units	88,250.00	353,000.00
02/18/2011 to 02/28/2011	5	Tartisan Resources Corp. - Units	140,000.00	400,000.00
01/01/2010 to 12/31/2010	2	TD Emerald 2020 Retirement Target Date Pooled Fund Trust - Trust Units	9,673.00	890.00
01/01/2010 to 12/31/2010	3	TD Emerald 2030 Target Date Pooled Fund Trust - Trust Units	437,263.00	42,247.00
01/01/2010 to 12/31/2010	3	TD Emerald 2040 Retirement Target Date Pooled Fund Trust - Trust Units	282,497.00	27,156.00
01/01/2010 to 12/31/2010	3	TD Emerald 2050 Retirement Target Date Pooled Fund Trust - Trust Units	524,472.00	52,239.00
01/01/2010 to 12/31/2010	5	TD Emerald 20+ Strip Bond Pooled Fund Trust - Trust Units	8,966,795.00	971,478.00
01/01/2010 to 12/31/2010	2	TD Emerald Active Canadian Corporate Bond Pooled Fund Trust - Trust Units	23,695,397.00	2,369,537.00
01/01/2010 to 12/31/2010	1	TD Emerald Active Core Canadian Bond Pooled Fund Trust - Trust Units	9,834,437.00	956,462.00
01/01/2010 to 12/31/2010	36	TD Emerald Canadian Bond Pooled Fund Trust - Trust Units	463,296,168.00	43,419,981.00
01/01/2010 to 12/31/2010	1	TD Emerald Canadian Core Plus Bond Pooled Fund Trust - Trust Units	4,275.00	420.00
01/01/2010 to 12/31/2010	1	TD Emerald Canadian Equity Growth Pooled Fund Trust - Trust Units	100.00	10.00
01/01/2010 to 12/31/2010	5	TD Emerald Canadian Equity Market Neutral Fund - Trust Units	19,415,146.00	2,084,943.00
01/01/2010 to 12/31/2010	16	TD Emerald Canadian Equity Market Pooled Fund Trust II - Trust Units	53,880,485.00	5,986,485.00
01/01/2010 to 12/31/2010	3	TD Emerald Canadian Government Bond Pooled Fund Trust - Trust Units	5,974,817.00	581,832.00
01/01/2010 to 12/31/2010	14	TD Emerald Canadian Long Bond Broad Market Pooled Fund Trust - Trust Units	184,513,780.00	17,923,608.00
01/01/2010 to 12/31/2010	28	TD Emerald Canadian Long Bond Pooled Fund Trust - Trust Units	265,575,560.00	23,666,302.00
01/01/2010 to 12/31/2010	3	TD Emerald Canadian Long Government Bond Pooled Fund Trust - Trust Units	191,684,305.00	18,932,646.00
01/01/2010 to 12/31/2010	7	TD Emerald Canadian Market Capped Pooled Fund Trust - Trust Units	44,838,416.00	35,863,219.00
01/01/2010 to 12/31/2010	12	TD Emerald Canadian Real Return Bond Pooled Fund Trust - Trust Units	67,035,772.00	5,053,932.00
01/01/2010 to 12/31/2010	2	TD Emerald Enhanced Canadian Equity Pooled Fund Trust - Trust Units	1,392,624.00	146,903.00
01/01/2010 to 12/31/2010	2	TD Emerald Enhanced Hedged US Equity Pooled Fund Trust - Trust Units	3,888,205.00	566,801.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
01/01/2010 to 12/31/2010	3	TD Emerald Enhanced US Equity Pooled Fund Trust - Trust Units	244,227.00	23,046.00
01/01/2010 to 12/31/2010	15	TD Emerald Global Equity Pooled Fund Trust - Trust Units	20,217,044.00	3,345,326.00
01/01/2010 to 12/31/2010	6	TD Emerald Hedged Synthetic International Equity Pooled Fund Trust - Trust Units	23,054,591.00	2,702,418.00
01/01/2010 to 12/31/2010	10	TD Emerald Hedged Synthetic US Equity Pooled Fund Trust - Trust Units	16,451,924.00	2,422,163.00
01/01/2010 to 12/31/2010	15	TD Emerald Hedged US Equity Pooled Fund Trust - Trust Units	49,323,985.00	6,389,400.00
01/01/2010 to 12/31/2010	17	TD Emerald Hedged US Equity Pooled Fund Trust - Trust Units	636,682,550.00	74,639,386.00
01/01/2010 to 12/31/2010	5	TD Emerald Low Volatility Canadian Equity Pooled Fund Trust - Trust Units	663,302.00	61,617.00
01/01/2010 to 12/31/2010	5	TD Emerald Low Volatility Global Equity Pooled Fund Trust - Trust Units	676,721.00	68,744.00
01/01/2010 to 12/31/2010	3	TD Emerald Multi-Strategy Absolute Return Fund - Trust Units	110,100.00	9,371.00
01/01/2010 to 12/31/2010	1	TD Emerald Multi-Strategy Canadian Bond Fund - Trust Units	5,099,341.00	517,243.00
01/01/2010 to 12/31/2010	7	TD Emerald North American Equity Pairs Fund - Trust Units	15,576,913.00	1,435,272.00
01/01/2010 to 12/31/2010	32	TD Emerald Pooled U.S. Fund - Trust Units	136,127,405.00	8,235,284.00
01/01/2010 to 12/31/2010	1	TD Emerald Real Return Bond Overlay Pooled Fund Trust - Trust Units	100.00	10.00
01/01/2010 to 12/31/2010	3	TD Emerald Retirement Income Pooled Fund Trust - Trust Units	392,749.00	39,025.00
01/01/2010 to 12/31/2010	6	TD Emerald US Equity Market Neutral Fund - Trust Units	16,470,283.00	1,612,111.00
01/01/2010 to 12/31/2010	2	TD Lancaster Balanced Fund II - Trust Units	844,066.00	95,392.00
01/01/2010 to 12/31/2010	2	TD Lancaster Canadian Equity Fund - Trust Units	1,200,437.00	139,864.00
01/01/2010 to 12/31/2010	14	TD Lancaster Fixed Income Fund II - Trust Units	387,243,339.00	28,148,690.00
02/15/2011	1	Ternium S.A. - American Depository Shares	1,245,762.00	35,000.00
02/10/0211	3	The GEO Group, Inc. - Notes	3,982,000.00	2,000.00
02/14/2011	1	The Toronto-Dominion Bank - Note	12,000,000.00	1.00
02/23/2011	14	Timelycash Inc. - Notes	3,831,052.00	16.00
02/24/2011	62	Tirex Resources Ltd. - Common Shares	5,000,000.00	10,000,000.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
03/04/2011	18	Tri Origin Exploration Ltd. - Units	550,000.00	4,400,000.00
01/10/2011	25	Trinity Mining Corporation - Units	928,500.00	6,088,948.00
02/22/2011	1	UBS AG - Notes	295,500.00	300,000.00
02/24/2011	1	UBS AG, Jersey Branch - Notes	47,150.00	5.00
02/24/2011	7	UBS AG, London Branch - Certificates	539,207.73	550.00
02/10/2011	27	Unity Power plc - Common Shares	7,928,695.92	747,900.00
12/29/2010	25	Vantex Resources Ltd. - Units	725,000.00	725.00
02/01/2011	2	Voyager Oil & Gas Inc. - Units	1,627,208.00	410,000.00
12/31/2010	10	VX Limited Partnership - Units	1,303,600.00	2,160.00
02/11/2011	16	Walton DC Region Land 1 Investment Corporation - Common Shares	267,180.00	26,718.00
02/18/2011	20	Walton DC Region Land I Investment Corporation - Common Shares	556,620.00	55,662.00
01/28/2011	7	Walton DC Region Land LP 1 - Units	566,536.22	56,904.00
03/01/2011	1	Walton Land Opportunity Fund, LP - Limited Partnership Interest	194,860.00	1.00
02/18/2011	35	Walton Southern US Land 2 IC - Common Shares	868,800.00	86,880.00
02/18/2011	13	Walton Southern U.S. Land LP 2 - Units	1,198,774.55	121,703.00
02/11/2011	23	Walton Southern U.S. Land LP 2 - Units	2,232,682.34	224,503.00
12/23/2010	25	Windarra Minerals Ltd. - Common Shares	908,900.00	5,044,500.00
02/24/2011	39	Yoho Resources Inc. - Common Shares	12,000,003.20	2,833,334.00
02/23/2011	18	Z-Gold Exploration Inc. - Units	200,000.00	869,565.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Bank of Montreal
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated March 9, 2011
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
1,000,000,000.00 - Medium Term Notes
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC.
HSBC SECURITIES (CANADA) INC.
Promoter(s):
-
Project #1709451

Issuer Name:
Banro Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated March 10, 2011
NP 11-202 Receipt dated March 11, 2011
Offering Price and Description:
$56,875,000.00 - 17,500,000 Common Shares Issuable on Exercise of Outstanding Special Warrants Price: $3.25 per Special Warrant
Underwriter(s) or Distributor(s):
GMP Securities L.P.
CIBC World Markets Inc.
Cormark Securities Inc.
Raymond James Ltd.
Promoter(s):
-
Project #1709942

Issuer Name:
Belo Sun Mining Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated March 9, 2011
NP 11-202 Receipt dated March 9, 2011
Offering Price and Description:
$45,080,000.00 - 39,200,000 Common Shares Price: $1.15 per Offered Share
Underwriter(s) or Distributor(s):
TD Securities Inc.
Cormark Securities Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
D&D Securities Inc.
Desjardins Securities Inc.
Promoter(s):
-
Project #1708707

Issuer Name:
Brigus Gold Corp.
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated March 9, 2011
NP 11-202 Receipt dated March 9, 2011
Offering Price and Description:
US$50,000,000.00 - 6.5% Convertible Senior Unsecured Debentures Due March 31, 2016 Price: $1,000.00 per Debenture
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Haywood Securities Inc.
CIBC World Markets Inc.
Cormark Securities Inc.
Paradigm Capital Inc.
Promoter(s):
-
Project #1708720

Issuer Name:
BTB Real Estate Investment Trust
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated March 15, 2011
NP 11-202 Receipt dated March 15, 2011
Offering Price and Description:
$17,505,000.00 -19,450,000 Units Price: $0.90 per Unit
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
Dundee Securities Ltd.
Canaccord Genuity Corp.
HSBC Securities (Canada) Inc.
Promoter(s):
-
Project #1711099

Issuer Name:
Feronia Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated March 11, 2011
NP 11-202 Receipt dated March 11, 2011
Offering Price and Description:
$ * - * Units Price: $ * per Unit
Underwriter(s) or Distributor(s):
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1710080

Issuer Name:
Friedberg Asset Allocation Fund Limited Partnership
Type and Date:
Preliminary Long Form Non-Offering Prospectus dated March 9, 2011
Receipted on March 10, 2011
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Toronto Trust Management Ltd.
Project #1709046

Issuer Name:
Friedberg Global-Macro Hedge Fund Limited Partnership
Type and Date:
Preliminary Long Form Non-Offering Prospectus dated March 9, 2011
Receipted on March 10, 2011
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Toronto Trust Management Ltd.
Project #1709049

Issuer Name:
Gazit America Inc.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Short Form dated March 10, 2011
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
OF UP TO 18,227,027 RIGHTS TO SUBSCRIBE FOR UP TO * UNITS AT A PRICE OF $ *PER UNIT
(EACH UNIT CONSISTING OF ONE COMMON SHARE AND ONE WARRANT)

Underwriter(s) or Distributor(s):
-
Promoter(s):
First Capital Realty Inc.
Project #1680641

Issuer Name:
Hudson Resources Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated March 9, 2011
NP 11-202 Receipt dated March 9, 2011
Offering Price and Description:
$ * - * Common Shares Price: $ * per Common share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
StoneCap Securities Inc.
Promoter(s):
-
Project #1708736

Issuer Name:
IESI-BFC Ltd. (formerly BFI Canada Ltd.)
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated March 10, 2011
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
US$750,000,000.00:
Common Shares
Debt Securities
Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1709377

Issuer Name:
Invesco Intactive Balanced Growth Portfolio Class
Invesco Intactive Balanced Income Portfolio Class
Invesco Intactive Diversified Income Portfolio Class
Invesco Intactive Growth Portfolio Class
Invesco Intactive Maximum Growth Portfolio Class
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectuses dated March 14, 2011
NP 11-202 Receipt dated March 15, 2011
Offering Price and Description:
Series A, Series F, Series P, Series PF, Series T4 and Series T6 and Series T8 shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
Invesco Trimark Ltd.
Project #1710650

Issuer Name:
Kiska Metals Corporation
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated March 9, 2011
NP 11-202 Receipt dated March 9, 2011
Offering Price and Description:
$15,065,000.00 - 13,100,000 Units Price: $1.15 per offered Unit
Underwriter(s) or Distributor(s):
Raymond James Ltd.
National Bank Financial Inc.
Mackie Research Capital Corporation
Scotia Capital Inc.
Union Securities Ltd.
Promoter(s):
-
Project #1708874

Issuer Name:
Lone Pine Resources Inc.
Principal Regulator - Alberta
Type and Date:
Amended and Restated Preliminary Long Form dated March 14, 2011
NP 11-202 Receipt dated March 14, 2011
Offering Price and Description:
US$ * - * Shares of Common Stock Price: US$ * per Share of Common Stock
Underwriter(s) or Distributor(s):
J. P. Morgan Securities Canada Inc.
Promoter(s):
Forest Oil Corporation
Project #1700328

Issuer Name:
Metalline Mining Company
Principal Regulator - British Columbia
Type and Date:
Preliminary MJDS Prospectus dated March 11, 2011
NP 11-202 Receipt dated March 14, 2011
Offering Price and Description:
US$125,000,000.00 - Common Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1710267

Issuer Name:
Parallel Energy Trust
Principal Regulator - Alberta
Type and Date:
Preliminary Long Form Prospectus dated March 11, 2011
NP 11-202 Receipt dated March 11, 2011
Offering Price and Description:
$* - * Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
Canaccord Genuity Corp.
National Bank Financial Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
FirstEnergy Capital Corp.
Peters & Co. Limited
Promoter(s):
Bravo Natural Gas, LLC
Project #1710175

Issuer Name:
Postmedia Network Canada Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Non-Offering Prospectus dated March 15, 2011
NP 11-202 Receipt dated March 15, 2011
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1711089

Issuer Name:
Quebec Index Income Corp.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Long Form dated March 9, 2011
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
Maximum $* (* Shares) Price: $10.00 per Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
Canaccord Genuity Corp.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
Industrial Alliance Securities Inc.
Laurentian Bank Securities Inc.
Promoter(s):
National Bank Financial Inc.
Project #1703133

Issuer Name:
Royal Coal Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated March 15, 2011
NP 11-202 Receipt dated March 15, 2011
Offering Price and Description:
$34,500,000.00 - 138,000,000 Common Shares and 69,000,000 Warrants issuable upon the exercise of 138,000,000 previously issued Special Warrants Price: $0.25 per Special Warrant
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Haywood Securities Inc.
Northern Securities Inc.
Promoter(s):
Juno Special Situations Corporation
Project #1711056

Issuer Name:
Shoreline Energy Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Long Form Prospectus dated March 14, 2011
NP 11-202 Receipt dated
Offering Price and Description:
Minimum Offering: $20,000,000 (1,800,000 Unit Subscription Receipts each representing the right to receive one Unit) (166,666 Flow-Through Subscription Receipts each representing the right to receive one Flow-Through Share) Maximum Offering: $46,000,000 (4,000,000 Unit Subscription Receipts each representing the right to receive one Unit) (500,000 Flow-Through Subscription Receipts each representing the right to receive one Flow-Through - Share) Price: $10.00 per Unit Subscription Receipt and $12.00 per Flow-Through Subscription Receipt
Underwriter(s) or Distributor(s):
MGI Securities Inc.
GMP Securities L.P.
Macquarie Capital Markets Canada Ltd.
HSBC Securities (Canada) Inc.
Jennings Capital Inc.
Octagon Capital Corporation
PI Financial Corp.
Casimir Capital Ltd.
Clarus Securities Inc.
Promoter(s):
Trevor Folk
Project #1710853

Issuer Name:
Sprott Physical Gold Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated March 11, 2011
NP 11-202 Receipt dated March 14, 2011
Offering Price and Description:
U.S.$1,500,000,000.00 - Trust Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Sprott Asset Management LP
Project #1710319

Issuer Name:
Sun Life Financial Inc.
Sunstone U.S. Opportunity (No. 4) Realty Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Shelf Prospectus dated March 9, 2011
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
$5,000,000,000.00
Debt Securities
Class A Shares
Class B Shares
Common Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #1708755

Issuer Name:
Sunstone (No. 4) Limited Partnership
Sunstone U.S. Opportunity (N. 4) Realty Trust
Principal Regulator - British Columbia
Type and Date:
Preliminary Long Form Prospectus dated March 14, 2011
NP 11-202 Receipt dated March 15, 2011
Offering Price and Description:
Minimum: $5,000,000 (4,000 Trust Units)
Maximum: $50,000,000 (40,000 Trust Units)
$1,250 per Trust Unit

Underwriter(s) or Distributor(s):
Dundee Securities Ltd.
GMP Securities L.P.
Raymond James Ltd.
Canaccord Genuity Corp.
Macquarie Private Wealth Inc.
Burgeonvest Bick Securities Limited
HSBC Securities (Canada) Inc.
Sora Group Wealth Advisors Inc.
Union Securities Ltd.
Promoter(s):
Sunstone Realty Advisors Inc.
Project #1711463/1711465

Issuer Name:
Western Energy Services Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated March 14, 2011
NP 11-202 Receipt dated March 14, 2011
Offering Price and Description:
$75,075,000.00 - 192,500,000 Common Shares Price: $0.39 per Common Share
Underwriter(s) or Distributor(s):
Cormack Securities Inc.
RBC Dominion Securities Inc.
Raymond James Ltd.
Peters & Co. Limited
AltaCorp Capital Inc.
FirstEnergy Capital Corp.
HSBC Securities (Canada) Inc..
Promoter(s):
-
Project #1710648

Issuer Name:
Whitecap Resources Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated March 14, 2011
NP 11-202 Receipt dated
Offering Price and Description:
$136,000,000.00 - 20,000,000 Subscription Receipts each representing the right to receive one Common Share Price $6.80 per Subscription Receipt
Underwriter(s) or Distributor(s):
GMP Securities L.P.
National Bank Financial Inc.
FirstEnergy Capital Corp.
Macquarie Capital Markets Canada Ltd.
Casimir Capital Ltd.
Cormark Securities Inc.
Haywood Securities Inc.
Peters & Co. Limited
Promoter(s):
-
Project #1710796

Issuer Name:
Antrim Energy Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated March 9, 2011
NP 11-202 Receipt dated March 9, 2011
Offering Price and Description:
$44,940,000 .00 - 42,000,000 Common Shares $1.07 per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Mackie Research Capital Corporation
RBC Dominion Securities Inc.
CIBC World Markets Inc.
Salman Partners Inc.
Promoter(s):
-
Project #1706002

Issuer Name:
Artek Exploration Ltd.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated March 10, 2011
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
$11,520,000.00 - 4,800,000 Common Shares;
$5,100,000.00 - 1,700,000 Flow Through Shares Price: $2.40 per Common Share $3.00 per Flow Through Share
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
Cormark Securities Inc.
Peters & Co. Limited
FirstEnergy Capital Corp.
Stifel Nicolaus Canada Inc.
Promoter(s):
-
Project #1706348

Issuer Name:
CARRIE ARRAN RESOURCES INC.
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated March 10, 2011
NP 11-202 Receipt dated March 15, 2011
Offering Price and Description:
$625,000.00 - 3,125,000 Units at $0.20 per Unit
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Promoter(s):
Thomas Pladsen
Project #1671798

Issuer Name:
Castlerock Growth Portfolio
(formerly Hartford Growth Portfolio)
Castlerock Balanced Growth Portfolio
(formerly Hartford Balanced Growth Portfolio)
Castlerock Balanced Portfolio
(formerly Hartford Balanced Portfolio)
Castlerock Conservative Portfolio
(formerly Hartford Conservative Portfolio)
Castlerock Capital Appreciation Fund
(formerly Hartford Capital Appreciation Fund)
Castlerock Global Leaders Fund
(formerly Hartford Global Leaders Fund)
Castlerock International Equity Fund
(formerly Hartford International Equity Fund)
Castlerock U.S. Dividend Growth Fund
(formerly Hartford U.S. Dividend Growth Fund)
Castlerock Canadian Dividend Fund
(formerly Hartford Canadian Dividend Fund)
Castlerock Canadian Dividend Growth Fund
(formerly Hartford Canadian Dividend Growth Fund)
Castlerock Canadian Stock Fund
(formerly Hartford Canadian Stock Fund)
Castlerock Canadian Value Fund
(formerly Hartford Canadian Value Fund)
Castlerock Canadian Balanced Fund
(formerly Hartford Canadian Balanced Fund)
Castlerock Global Balanced Fund
(formerly Hartford Global Balanced Fund)
Castlerock Canadian Bond Fund
(formerly Hartford Canadian Bond Fund)
Castlerock Global High Income Fund
(formerly Hartford Global High Income Fund)
and
Castlerock Canadian Money Market Fund
(formerly Hartford Canadian Money Market Fund**)**
Principal Regulator - Ontario
Type and Date:
Amendment #3 dated March 7, 2011 to the Simplified Prospectuess and Annual Information Form dated May 14, 2010
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Castlerock Investments Inc.
Project #1559761

Issuer Name:
Global Iman Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus dated March 10, 2011
NP 11-202 Receipt dated March 11, 2011
Offering Price and Description:
Series A and F Units
Underwriter(s) or Distributor(s):
Global Prosperata Funds Inc.
Promoter(s):
-
Project #1690780

Issuer Name:
Horizons AlphaPro Enhanced Income Equity ETF
(formerly Horizons AlphaPro Cdn Large Cap Enhanced Income ETF)Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated March 8, 2011
NP 11-202 Receipt dated March 14, 2011
Offering Price and Description:
Class E Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
AlphaPro Management Inc.
Project #1689529

Issuer Name:
IC Potash Corp.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated March 11, 2011
NP 11-202 Receipt dated March 11, 2011
Offering Price and Description:
$20,000,000.00 - 12,500,000 Common Shares Price: $1.60 per Common Share
Underwriter(s) or Distributor(s):
Stifel Nicolaus Canada Inc.
Wellington West Capital Markets Inc.
Macquarie Capital Markets Canada Ltd.
Cormark Securities Inc.
Mackie Research Capital Corporation
Clarus Securities Inc.
Stonecap Securities Inc.
Promoter(s):
-
Project #1705774

Issuer Name:
Kramer Capital Corp.
Principal Regulator - British Columbia
Type and Date:
Final CPC Prospectus dated March 7, 2011
NP 11-202 Receipt dated March 10, 2011
Offering Price and Description:
$240,000.00 (1,200,000 COMMON SHARES) Price: $0.20 per Common Share
Underwriter(s) or Distributor(s):
Cannacord Genuity Corp.
Promoter(s):
Quest Capital Management Corp.
Project #1697395

Issuer Name:
McLean Budden Canadian Equity Fund
Mclean Budden High Income Equity Fund
McLean Budden American Equity Fund
McLean Budden Global Equity Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated March 4, 2011 to the Simplified Prospectuses and Annual Information Form dated March 26, 2010
NP 11-202 Receipt dated March 11, 2011
Offering Price and Description:
Class A, C, D, F and O Units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
McLean Budden Limited,
Project #1538020

Issuer Name:
Dacha Strategic Metals Inc.
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Short Form Prospectus dated January 27, 2011
Withdrawn March 11, 2011
Offering Price and Description:
$100,000,000.00 - Common Shares
Price: $ * per Common Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
TD Securities Inc.
Canaccord Genuity Corp.
GMP Securities L.P.
Mackie Research Capital Corporation
Dundee Securities Corporation
HSBC Securities (Canada) Inc.
Macquarie Private Wealth Inc.
Raymond James Ltd.
Desjardins Securities Inc.
Euro Pacific Canada Inc.
Wellington West Capital Markets Inc.
Promoter(s):
-
Project #1690910

Issuer Name:
Theratechnologies Inc.
Principal Jurisdiction - Quebec
Type and Date:
Preliminary Short Form Prospectus dated February 22, 2011
Withdrawn on March 9, 2011
Offering Price and Description:
US$ * - 11,000,000 Common Shares Price: US$ * per Common Share
Underwriter(s) or Distributor(s):
Stifel Nicolaus Canada Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Desjardins Securities Inc.
National Bank Financial Inc.
Promoter(s):
-
Project #1700291

Issuer Name:
Ur-Energy Inc.
Principal Jurisdiction - Ontario
Type and Date:
Preliminary Short Form Prospectus dated February 11, 2011
Withdrawn on March 11, 2011
Offering Price and Description:
$30,000,000 - 10,000,000 Common Shares Price: $3.00 per Offered Share
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
Raymond James Ltd.
Macquarie Capital Markets Canada Ltd.
Promoter(s):
-
Project #1696582

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	ETS Equities Trading Services Inc.	Exempt Market Dealer	March 9, 2011
New Registration	Magenta Capital Corporation	Exempt Market Dealer	March 11, 2011
New Registration	Galliant Advisors LP	Exempt Market Dealer and Portfolio Manager	March 11, 2011
Voluntary Surrender	MacGregor Global Investments LLC	Exempt Market Dealer	March 14, 2011
Change in Registration Category	GMP Investment Management L.P.	From: Exempt Market Dealer and Portfolio Manager To: Exempt Market Dealer, Portfolio Manager and Investment Fund Manager	March 14, 2011
Change in Registration Category	C.A. Delaney Capital Management Ltd.	From: Exempt Market Dealer and Portfolio Manager To: Exempt Market Dealer, Portfolio Manager and Investment Fund Manager	March 15, 2011
Change in Registration Category	Interward Asset Management Ltd.	From: Portfolio Manager To: Portfolio Manager, Exempt Market Dealer and Investment Fund Manager	March 16, 2011

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Chapter 13

SROs, Marketplaces and Clearing Agencies

13.1 SROs

13.1.1 MFDA – Proposed Amendments to Form 1 – Definition of Market Value

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

PROPOSED AMENDMENT TO FORM 1

I. OVERVIEW

A. Current Form

The MFDA recently amended its financial reporting form, Form 1 – *Financial Questionnaire and Report* ("Form 1") to align it with International Financial Reporting Standards ("IFRS"), except as modified by the MFDA. The new Form 1 was approved by the Recognizing Regulators on January 21, 2011 for implementation by Members commencing with their fiscal years beginning on or after January 1, 2011.

The definition of "market value" was not included in the previous version of Form 1, as it was already defined in Canadian Generally Accepted Accounting Principles ("CGAAP") as "the amount obtainable from the sale, or payable on the acquisition, of a financial instrument in an active market". In the rare case where Members may hold securities for which there is no active market, Members would be expected to use the definition set out in the Investment Industry Regulatory Organization of Canada's ("IIROC") Form 1.

B. The Issues

As "market value" does not exist under IFRS and has been replaced with "fair value", staff of the Recognizing Regulators have requested that the MFDA amend Form 1 to include a definition of "market value".

C. Objectives

The objective of the proposed amendment is to explicitly include the definition of "market value" in Form 1 to ensure consistency by MFDA Members in the valuation of their securities.

D. Effect of Proposed Amendment

The proposed amendment will clarify the definition of "market value" and ensure that MFDA Members value their securities on a consistent basis, and will harmonize the definition with that used by members of IIROC.

II. DETAILED ANALYSIS

A. Proposed Amendment

The proposed definition of "market value", which is the same as the definition contained in the IIROC's Form 1, has been added to the General Notes and Definitions section of Form 1 as follows:

"market value of securities" means:

1. for listed securities, the last bid price of a long security and, correspondingly, the last ask price of a short security, as shown on the exchange quotation sheets as of the close of business on the relevant date or last trading date prior to the relevant date, as the case may be, subject to an appropriate adjustment where an unusually large or unusually small quantity of securities is being valued. If not available, the last sale price of a board lot may be used. Where not readily marketable, no market value shall be assigned.

2. for unlisted and debt securities, and precious metals bullion, a value determined as reasonable from published market reports or inter-dealer quotation sheets on the relevant date or last trading day prior to the relevant date, or based on a reasonable yield rate. Where not readily marketable, no market value shall be assigned.

3. for commodity futures contracts, the settlement price on the relevant date or last trading day prior to the relevant date

4. for money market fixed date repurchases (no borrower call feature), the market price is the price determined by applying the current yield for the security to the term of maturity from the repurchase date. This will permit calculation of any profit or loss based on the market conditions at the reporting date. Exposure due to future changes in market conditions is covered by the margin rate.

5. for money market open repurchases (no borrower call feature), prices are to be determined as of the reporting date or the date the commitment first becomes open, whichever is the later. Market price is to be determined as in 4 and commitment price is to be determined in the same manner using the yield stated in the repurchase commitment.

6. for money market repurchases with borrower call features, the market price is the borrower call price.

B. Issues and Alternatives Considered

No other alternatives were considered.

C. Comparison with Similar Provisions

As noted above, the proposed definition of "market value" is the same as the definition contained in the IIROC's Form 1.

D. Systems Impact of Proposed Amendment

The proposed amendment is not anticipated to result in a significant systems impact to Members.

E. Best Interests of the Capital Markets

The Board has determined that the proposed amendment is in the best interests of the capital markets.

F. Public Interest Objective

The proposed amendment is in the public interest as it will ensure a consistent valuation method among mutual fund and investment dealers that are Members of a self-regulatory organization, as it relates to the firms' own security positions and thus capitalization of the firm.

III. COMMENTARY

A. Filing in Other Jurisdictions

The proposed amendment will be filed for approval with the Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, and Ontario Securities Commissions and the Saskatchewan Financial Services Commission.

B. Effectiveness

The proposed amendment is simple and effective.

C. Process

The proposed amendment has been prepared in consultation with relevant departments within the MFDA and has been reviewed by the Regulatory Issues Committee of the Board. The MFDA Board of Directors approved the proposed amendment on March 8, 2011.

D. Effective Date

The proposed amendment will be effective on a date to be subsequently determined by the MFDA.

IV. SOURCES

MFDA Form 1

V. REQUIREMENT TO PUBLISH FOR COMMENT

The MFDA is required to publish for comment the proposed amendment so that the issues referred to above may be considered by the Recognizing Regulators.

The MFDA has determined that the entry into force of the proposed amendment would be in the public interest and is not detrimental to the capital markets. Comments are sought on the proposed amendment. Comments should be made in writing. One copy of each comment letter should be delivered within **60** days of the publication of this notice, addressed to the attention of the Corporate Secretary, Mutual Fund Dealers Association of Canada, 121 King St. West, Suite 1000, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of Sarah Corrigall-Brown, Senior Legal Counsel, British Columbia Securities Commission, 701 West Georgia Street, P.O. Box 10142, Pacific Centre, Vancouver, British Columbia, V7Y 1L2.

Those submitting comment letters should be aware that a copy of their comment letter will be made publicly available on the MFDA website at www.mfda.ca.

Questions may be referred to:

Paige Ward
Director, Policy & Regulatory Affairs
Mutual Fund Dealers Association of Canada
(416) 943-5838

Schedule "A"

MUTUAL FUND DEALERS ASSOCIATION OF CANADA

FORM 1

On March 8, 2011, the Board of Directors of the Mutual Fund Dealers Association of Canada made the following amendment to Form 1:

FORM 1 – GENERAL NOTES AND DEFINITIONS

GENERAL NOTES:

1. Each Member must comply with the requirements in Form 1 as approved and amended from time to time by the board of directors of the Mutual Fund Dealers Association of Canada (the Corporation).

   Form 1 is a special purpose report that includes financial statements and schedules, and is to be prepared in accordance with International Financial Reporting Standards (IFRS), except as prescribed by the Corporation. Each Member must complete and file all of these statements and schedules.

2. The following are Form 1 IFRS departures as prescribed by the Corporation:

	Prescribed IFRS departure
Trading balances	When reporting trading balances relating to Member and client securities and other investment transactions, the Corporation allows the netting of receivables from and payables to the same counterparty.
Preferred shares	Preferred shares issued by the Member and approved by the Corporation are classified as shareholders' capital.
Presentation	Statements A and D contain terms and classifications (such as allowable and non-allowable assets) that are not defined under IFRS. In addition, specific balances may be classified or presented on Statement A and D in a manner that differs from IFRS requirements. The General Notes and Definitions, and the applicable Notes and Instructions to the Statements, should be followed in those instances where departures from IFRS presentation exists. Statements B, C, E and F are supplementary financial information, which are not statements contemplated under IFRS.
Separate financial statements on a non-consolidated basis	Consolidation of subsidiaries is not permitted for regulatory reporting purposes except for related companies that meet the definition of "related Member" in MFDA By-law No. 1 and the Corporation has approved the consolidation. Because Statement D only reflects the operational results of the Member, a Member must not include the income (loss) of an investment accounted for by the equity method.
Statement of cash flow	A statement of cash flow is not required as part of Form 1.
Valuation	Securities are to be valued and reported at "market value".

3. The following are Form 1 prescribed accounting treatments based on available IFRS alternatives:

	Prescribed accounting treatment
Hedge accounting	Hedge accounting is not permitted for regulatory reporting purposes. All security and derivative positions of a Member must be marked-to-market at the reporting date. Gains or losses of the hedge positions must not be deferred to a future point in time.

Securities owned and sold short as held-for-trading	A Member must categorize all investment positions as held-for-trading financial instruments. These security positions must be marked-to-market. Because the Corporation does not permit the use of available for sale and hold-to-maturity categories, a Member must not include other comprehensive income (OCI) and will not have a corresponding reserve account relating to marking-to-market available for sale security positions.
Valuation of a subsidiary	A Member must value subsidiaries at cost.

4. These statements and schedules should be read in conjunction with the Corporation's Bylaws, Rules and Policies.

5. For purposes of these statements and schedules, the accounts of related companies that meet the definition of "related Member" in MFDA By-law No. 1 may be consolidated.

6. For purposes of the statements and schedules, the capital calculations must be on a trade date reporting basis unless specified otherwise in the Notes and Instructions to Form 1.

7. Comparative figures on all statements are required only at the audit date. As a transition exemption for the changeover to International Financial Reporting Standards (IFRS) from Canadian Generally Accepted Accounting Principles (CGAAP), Members are not required to file comparative information for the preceding financial year as part of the first audited Form 1 under IFRS.

8. All statements and schedules must be expressed in Canadian dollars and must be rounded to the nearest dollar.

9. Supporting details should be provided, as required, showing a breakdown of any significant amounts that have not been clearly described on the statements and schedules.

10 **Mandatory security counts.** Securities held in segregation and safekeeping must be counted once in the year in addition to the count as at the year-end audit date.

11. **Mandatory reconciliations.** Reconciliations must be performed monthly in addition to the year-end audit date between the Member's records and the records of the depository or custodian where the Member holds its own and client securities in nominee name accounts.

DEFINITIONS :

1. "**acceptable entity**" means:

(a) Acceptable institutions.

(b) Government of Canada, the Bank of Canada and Provincial Governments.

(c) Insurance companies licensed to do business in Canada or a province thereof.

(d) Canadian provincial capital cities and all other Canadian cities and municipalities, or their equivalents.

(e) All crown corporations, instrumentalities and agencies of the Canadian federal or provincial governments which are government guaranteed as evidenced by a written unconditional irrevocable guarantee or have a call on the consolidated revenue fund of the federal or provincial governments.

(f) Canadian pension funds which are regulated either by the Office of Superintendent of Financial Institutions or a provincial pension commission.

(g) Corporations (other than Regulated Entities) with a minimum net worth of $75 million on the last audited balance sheet, provided acceptable financial information with respect to such corporation is available for inspection.

(h) Members of the Corporation.

(i) Regulated entities.

2. "**acceptable institutions**" means:

(a) Canadian banks, Quebec savings banks, trust companies licensed to do business in Canada or a province thereof.

(b) Credit and central credit unions and regional caisses populaires.

3. "**acceptable securities locations**" means those entities considered suitable to hold securities on behalf of a Member, for both inventory and client positions, without capital penalty, given that the locations meet the requirements outlined in the segregation Bylaws, Rules or Policies of the Corporation including, but not limited to, the requirement for a written custody agreement outlining the terms upon which such securities are deposited and including provisions that no use or disposition of the securities shall be made without the prior written consent of the Member and the securities can be delivered to the Member promptly on demand. The Corporation will maintain and regularly update a list of those foreign depositories and clearing agencies that comply with these criteria. The entities are as follows:

(a) Depositories

i.	Canada	CDS Clearing and Depository Services Inc.
ii.	United States	Depository Trust Company

(b) Government of Canada, the Bank of Canada and Provincial Governments.

(c) Canadian banks, Quebec savings banks, trust companies and loan companies licensed to do business in Canada or a province thereof.

(d) Credit and central credit unions and regional caisses populaires.

(e) Insurance companies licensed to do business in Canada or a province thereof.

(f) Mutual Funds or their Agents – with respect to security positions maintained as a book entry of securities issued by the mutual fund and for which the mutual fund is unconditionally responsible.

(g) Regulated entities.

4. "**regulated entities**" means those that are Members covered by the Canadian Investor Protection Fund or Members of recognized exchanges and associations. For the purposes of this definition, recognized exchanges and associations are those that are identified as a "regulated entity" by the Investment Industry Regulatory Organization of Canada.

5. "**market value of securities**" means:

(a) for listed securities, the last bid price of a long security and, correspondingly, the last ask price of a short security, as shown on the exchange quotation sheets as of the close of business on the relevant date or last trading date prior to the relevant date, as the case may be, subject to an appropriate adjustment where an unusually large or unusually small quantity of securities is being valued. If not available, the last sale price of a board lot may be used. Where not readily marketable, no market value shall be assigned.

(b) for unlisted and debt securities, and precious metals bullion, a value determined as reasonable from published market reports or inter-dealer quotation sheets on the relevant date or last trading day prior to the relevant date, or based on a reasonable yield rate. Where not readily marketable, no market value shall be assigned.

(c) for commodity futures contracts , the settlement price on the relevant date or last trading day prior to the relevant date.

(d) for money market fixed date repurchases (no borrower call feature), the market price is the price determined by applying the current yield for the security to the term of maturity from the repurchase date. This will permit calculation of any profit or loss based on the market conditions at the reporting date. Exposure due to future changes in market conditions is covered by the margin rate.

(e) for money market open repurchases (no borrower call feature), prices are to be determined as of the reporting date or the date the commitment first becomes open, whichever is the later. Market price is to be determined as in 4 and commitment price is to be determined in the same manner using the yield stated in the repurchase commitment.

(f) for money market repurchases with borrower call features, the market price is the borrower call price.

13.2 Marketplaces

13.2.1 CNSX – Notice 2011-001 Housekeeping Amendments – Personal Information Form

NOTICE 2011-001 HOUSEKEEPING AMENDMENTS – PERSONAL INFORMATION FORM

March 7, 2010

Introduction

In accordance with the Rule Review Process set out in Appendix B of the CNSX Markets Inc. ("CNSX Markets") Recognition Order, CNSX Markets has adopted, and the OSC approved, amendments to the CNSX Form 3 – Personal Information Form (the "Form"). The amendments are considered housekeeping in nature and are therefore not public interest amendments.

Reasons for the Amendments

The changes to the Form reflect current practice, and do not create any new requirements. For the OPP to conduct the criminal record searches, two pieces of ID must be submitted with the Form. The OPP has changed practices over time, and CNSX Markets has complied simply by requesting information in advance or following up with the applicants individually.

There are no new requirements or obligations as a result of the Form amendments, which have been made in accordance the housekeeping provisions of the Rule Review Process. Applicants are not required to submit new forms as a result of the changes.

Text of Amendments

The changes to the form include:

- on page 1 under General Instructions – a correction to the name of the Form
- on page 1, the addition of point 5: " All forms must be accompanied by a clear photocopy of two pieces of identification issued by a government authority (such as a driver's license or passport). A list of acceptable identification can be found on page 13. "
- on page 1, clarification of the "name" field, and addition of "Name of CNSX Listed Company (or issuer seeking listing)."
- page 2 under (b) Personal Information, the addition of an email address field.
- page 13 – list of acceptable forms of ID and an explanation of more specific requirements:
  "One piece of identification must contain a recognizable photograph of you taken within the last 5 years.
  The pieces of identification must confirm your full given name, surname, date of birth, gender and current mailing address.
  Expired documents are not acceptable."

A blacklined copy of the Form reflecting the amendments is attached as Appendix A.

The new Form is available on the CNSX website under "Info for Issuers".

Effective Date

The Amendments are effective immediately.

Questions about CNSX Rules, Policies or Forms may be directed to:

Mark Faulkner,
Director, Listings and Regulation
416.572.2000 x2305
Email: Mark.Faulkner@cnsx.ca

Appendix A

FORM 3

PERSONAL INFORMATION FORM

General Instructions

1. This Personal ~~Application~~ Information Form ("Form") is to be completed by

   (a) every individual who, if the securities of the Applicant Issuer described below are accepted for listing on CNSX, will at the time of listing be a Related Person of the Applicant Issuer and

   (b) each director, senior officer and person who directly or indirectly owns, controls or exercises discretion over 20% or more of the outstanding voting shares of any non-individual that will, if the securities of the Applicant Issuer described below are accepted for listing on CNSX, be a Related Person of the Applicant Issuer..

2. This Form is also to be completed where the securities of the Applicant Company are listed on CNSX by

   (a) each individual who has become or proposes to become a Related Person of the CNSX Issuer and

   (b) each director, senior officer and each person who directly or indirectly owns, controls or exercises discretion over 20% or more of the outstanding voting shares of any non-individual who has become or proposes to become a Related Person of the CNSX Issuer.

3. All items must be completed on the Form. Each Form must be signed (and initialled where necessary) manually and not mechanically or electronically. No facsimiles or copied versions will be accepted. Please type or print using BLOCK letters. *Failure to respond to all questions accurately and completely may delay the processing of the application of the Applicant Issuer and may result in the denial of the application.*

4. All attachments pertaining to any question must be made exhibits to the Form and each one must be so marked. All signatures must be originals. The Commissioner of Oaths before whom the statutory declaration at the end of the form is made, as well as the person completing the Form, must initial all attachments.

5. All forms must be accompanied by a clear photocopy of two pieces of identification issued by a government authority (such as a driver's license or passport). A list of acceptable identification can be found on page 13.

~~Name of~~ Applicant's Name:
Name of CNSX Listed Company (or issuer seeking listing): ~~Original Listing: Listed Company:~~

1. Basic Information

(a) Identification

Surname:	Legal First Name:
Full Middle Name(s):	Check here if no middle name(s): ☐
Name(s) by which you are comonly known:	

(b) Personal Information – No Abbreviations

Gender: ☐ Male ☐ Female	Date of Birth: Day:			Month:			Year:		
Place of birth (*City Province/State, Country)*									
Email address:									

(c) Current Residential Address – No Abbreviations

Street Address:	City:	Province/State:
Country:	Postal/ZIP:	Res. Telephone Number: ( )

(d) Residential History for Past 15 years – No Abbreviations
(Provide attachments if additional space is necessary)

Street address, City, Province/State, Country, Postal/ZIP	From				To			
	M		Y		M		Y	

(e) Citizenship – No Abbreviations

Citizenship:
If not a Canadian citizen, please indicate number of years continuous residence in Canada:
If you are a U.S. citizen or hold a U.S. Social Security Number, please provide it here:

If you are a Hong Kong citizen or hold a Hong Kong Indentification Number:
If you have a Canadian Social Insurance Number, please provide it here:

(f) Professional Designation(s)

Please list all professional designations which you have and professional associations to which you belong (please include membership numbers where applicable):

(g) — Present or Proposed Position with the Applicant Issuer

Check below as applicable	Provide the Date Elected/ Appointed/ Position Achieved						Title
	M		D		Y		
☐ Director							
☐ Officer							
☐ Other (provide details) (see General Instructions – Pg.1)							

(h) Positions with Other Issuers

Provide the names of any public reporting issuers and any issuer with continuous disclosure obligations in any jurisdiction of which you are now, or during the last 10 years, have been a director, promoter, insider or control person, the positions you held and the periods during which you held those positions. Use an attachment if necessary.

Name of Reporting Issuers	Market	Positions Held with Issuer	From				To			
			M		Y		M		Y	

2. Change of Name or Use of Different Name

Instructions

Have you ever had, used, operated under, or carried on business under any name other than the names mentioned in Question 1a of this form, or have you ever been known under any other name?*(Name changes resulting from marriage, divorce, court order or any other process should be included here, giving appropriate dates.)*

Yes: ☐
No : ☐

Previous Names	From		To	
	Month	Year	Month	Year

Instructions Regarding Questions 3 to 7

Full details are required as attachments in respect of any question to which the answer is yes. These details must include the circumstances, the relevant dates, the names of the parties involved, and the final determination if known. All questions must be answered with YES or NO, unless otherwise specified.

3. Proceedings by Regulators

(a) Have you personally ever been the subject of a cease trading order issued by any authority regulating trading in securities?

Yes: ☐ No: ☐

Details:

_____
_____
_____

(b) Have you, or has any partnership or company of which you were at the time of such event a partner, officer, director, or beneficial owner of more than 10% of the voting securities, ever been denied the benefit of any exemption provided by any act regulating trading in securities?

Yes: ☐ No: ☐

Details:

_____
_____
_____

(c) Have you, or has any partnership or company of which you were at the time of such event a partner, officer, director, or beneficial owner of more than 10% of the voting securities, ever been the subject of disciplinary action, not disclosed in 3(b) above, undertaken by any authority regulating or supervising trading in securities, including any stock exchange, association of investment dealers or similar organization? (Do not include cease-trading orders.)

Yes: ☐ No: ☐

Details:

_____
_____
_____

(d) Have you personally ever been the subject of disciplinary action, not disclosed in 3(a), (b) or (c) above, undertaken by any tribunal, organization or society responsible for the regulation of a profession?

Yes: ☐ No: ☐

Details:

_____

4. Offences Under The Law

Note: *If a pardon under the Criminal Records Act (Canada) has been formally requested and you have received formal written notice that such pardon has been granted and it has not been revoked, you are not obliged to disclose any such pardoned offence. In such circumstances, the appropriate response would be: "Yes, pardon granted on (date)."*

(a) Past Convictions Involving Securities or Commodities

Have you ever been convicted under any law of any province, territory, state or country of any offence relating to trading in securities, commodities or commodity futures contracts, or with the theft of securities, or with any related offence, or been a party to any proceedings taken on account of fraud arising out of any trade in or advice respecting securities?

Yes: ☐ No: ☐

Details:

_____

_____

(b) Past Convictions Involving Other Contraventions or Criminal Offences

Have you ever been convicted under any law of any province, territory, state or country for contraventions or criminal offences not noted in 4(a) above? (Do not include non-criminal traffic convictions.)

Yes: ☐ No: ☐

Details:

_____

_____

(c) Current Charges or Indictments

Are you currently the subject of a charge or indictment, under any law of any province, territory, state or country for contraventions, criminal offences, or other conduct of the type described in 4(a) or 4(b) above?

Yes: ☐ No: ☐

Details:

_____

_____

_____

(d) Partnership or Company Convictions or Current Charges or Indictments

Has any partnership or company of which you were at the time of such event a partner, officer, director, or beneficial owner of more than 10% of the voting securities, ever been convicted, or is any partnership or company in which you hold such a position currently the subject of a charge or indictment, under any law of any province, territory, state or county for contraventions, criminal offences, or other conduct of the type described in 4(a) or 4(b) above?

Yes: ☐ No: ☐

Details:

_____

_____

5. Civil Proceedings

(a) Has a court in a civil proceeding ever held that you or any partnership or company of which you were at the time of such event a partner, officer, director, or beneficial owner of more than 10% of the voting securities committed fraud or similar conduct?

Yes: ☐ No: ☐

Details:

_____

_____

_____

(b) Are there any civil proceedings now pending in which fraud or similar conduct on the part of you or any partnership or company of which you are or were at the time such proceedings commenced a partner, officer, director, or beneficial owner of more than 10% of the voting securities is alleged?

Yes: ☐ No: ☐

Details:

_____

_____

_____

6. Bankruptcy

(a) Have you ever been declared bankrupt, made a voluntary assignment in bankruptcy, made a compromise or agreement with your creditors or gone out of business leaving debts outstanding, or produced a declaration under the Quebec Voluntary Deposit of Salary Wages Law, or has a receiver or a receiver and manager appointed by or at the request of your creditors ever assumed control of your assets?

Yes: ☐ No: ☐

Jurisdiction of Filing: _____

Details:

_____
_____
_____

If so, have you been discharged? *(A copy of the discharge must be attached.)*

_____
_____
_____

(b) Has any partnership or company of which you were at the time of such event a partner, director, officer, or beneficial owner of more than 10% of the voting securities ever been declared bankrupt or made a voluntary assignment in bankruptcy, or had control of its assets assumed by a receiver and manager appointed by or at the request of its creditors?

Yes: ☐ No: ☐

Details:

_____
_____
_____

7. Judgment Or Garnishment

Is any judgment or garnishment outstanding against you, in any civil court in any province, state or country for damages or other relief in respect of a fraud or for any reason whatsoever?

Yes: ☐ No: ☐

Details:

_____
_____
_____

Caution

A person who makes a false statement by statutory declaration commits an indictable offence under the *Criminal Code* that is punished by imprisonment for a term not exceeding fourteen (14) years. Steps will be taken to verify the answers you have given in this Form, including verification of information relating to any previous criminal record.

Acknowledgement and Consent to Collection and Use of Personal Information

I HAVE READ AND UNDERSTOOD THE PERSONAL INFORMATION COLLECTION POLICY ("PRIVACY POLICY") OF CANADIAN NATIONAL STOCK EXCHANGE. I HEREBY AUTHORIZE AND CONSENT TO THE COLLECTION AND USE BY ANY OF CANADIAN NATIONAL STOCK EXCHANGE AND ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS OF ANY INFORMATION WHATSOEVER (WHICH MAY INCLUDE PERSONAL, CREDIT, OR OTHER INFORMATION) FROM ANY SOURCE, INCLUDING WITHOUT LIMITATION AN INVESTIGATIVE AGENCY OR A RETAIL CREDIT AGENCY AS PERMITTED BY LAW IN ANY JURISDICTION IN CANADA OR ELSEWHERE. I ACKNOWLEDGE AND AGREE THAT SUCH INFORMATION MAY BE SHARED WITH AND RETAINED BY CANADIAN NATIONAL STOCK EXCHANGE AND ITS SUBSIDIARIES, AFFILIATES, REGULATORS AND AGENTS INDEFINITELY.

_____
Date

_____
Signature

ALL ATTACHMENTS MUST BE INITIALED BY THE PERSON COMPLETING THE FORM AND BY THE COMMISSIONER FOR OATHS. ALL SIGNATURES MUST BE ORIGINALS.
LIST ANY ATTACHMENTS:

8. — Statutory Declaration

I,_____ (Name of Person Completing this Form)

Do Solemnly Declare That
(a) I have read and understand the questions, caution and acknowledgement in this Form;
(b) The answers I have given to the questions in this Form and in any attachments to the Form are true and correct except where stated to be to the best of my knowledge in which case I believe the answers to be true; and
(c) I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada *Evidence Act*.

SWORN/DECLARED before me at the

City of _____ in the Province

(or State) of _____ this _____ day _____

of _____, 20_____.

_____
A Commissioner of Oaths/Notary Public

My Appointment Expires: _____

NOTARY'S SEAL:
Note: Where this form is sworn outside the Province of Ontario, it must be executed in the presence of a duly authorized Notary Public in and for the jurisdiction in which it is sworn.

Release and Discharge Relating to Consent to Disclosure of Criminal Record Information

Surname	Given Name	Middle Name	Date of Birth *(dd/mmm/yyyy)*	☐ Male ☐ Female

Previous Surnames *(eg. Former marriage, maiden)*

Address *(number, street, apt., lot, concession, township, rural route #, city, postal code)*

Occupation

I hereby authorize the Ontario Provincial Police (the OPP) to release records of criminal convictions for which a pardon has not been granted, records of discharges which have not been removed from the CPIC system in accordance with the Criminal Records Act, and records of outstanding criminal charges of which the OPP is aware, to the person(s) listed below.

Name	Title
Jason Daigle	Investigative Research and Disclosure

Department and Branch
Investigative Research & Regulation

Name of Organization
Canadian National Stock Exchange (CNSX)

Release and Discharge

I hereby release and forever discharge Her Majesty the Queen in right of Ontario, the Commissioner of the Ontario Provincial Police and all members and employees of the OPP from any and all actions, claims and demands for damages, loss or injury howsoever arising which may hereafter be sustained by myself as a result of the disclosure of information by the OPP to the above named organization.

I acknowledge that information so disclosed may be confirmed only by a comparison of the fingerprints on file to which the information relates and my fingerprints.

Signature *Date*

Confidential

This record and the information contained therein, is being provided in confidence and shall not be disclosed to any person with the exception of the person(s) named above without the express written consent of the Commissioner of the OPP.

Based on a name check only, and having a birth date as provided above – a records check:

☐ fails to reveal any record relating to the above subject.
☐ indicates the following information may relate to the above subject.

Details cannot be certified as relating to the subject of inquiry, without a fingerprint comparison.

PERSONAL INFORMATION COLLECTION POLICY

Canadian National Stock Exchange and its subsidiaries, affiliates, regulators and agents (collectively, "CNSX") collect and use the information (which may include personal, credit, confidential, criminal or other information) which you have provided in this personal information form ("PIF") for the following purposes:

- To conduct a background check of the individual or company completing the PIF;
- To verify the information provided in the PIF;
- To determine whether an individual is suitable to be associated with a listed CNSX Issuer;
- To determine whether an issuer is suitable for listing;
- To determine whether allowing an issuer to be listed or allowing an individual to be associated with a listed CNSX Issuer could give rise to investor protection concerns or could bring the CNSX marketplace into disrepute;
- To conduct enforcement proceedings;
- To ensure compliance with CNSX Requirements and applicable securities legislation; and
- To fulfil CNSX's obligation to regulate its marketplace.

CNSX also collects information, including personal information, from other sources, including but not limited to securities regulatory authorities, law enforcement and self-regulatory authorities, regulation service providers and their subsidiaries, affiliates, regulators and agents. CNSX may disclose personal information to these entities or otherwise as provided by law and they may use it for their own investigations.

CNSX may use third parties to process information or provide other adminstrative services. Any third party will be obliged to adhere to the security and confidentiality provisions set out in this policy.

All personal information provided to or collected by or on behalf of CNSX and that is retained by CNSX is kept in a secure environment. Only those employees who need to know the information for the purposes listed above are permitted access to the information or any summary thereof. Employees are instructed to keep the information confidential at all times.

Information about you that is retained by CNSX and that you have identified as inaccurate or obsolete will be corrected or removed.

If you wish to consult your file or have any quesitons about this policy or our practices, please write the Chief Privacy Officer, Canadian National Stock Exchange, 220 Bay Street – 9th Floor, Toronto, ON, M5J 2W4.

Acceptable Forms of Photo Identification

All forms must be accompanied by a clear photocopy of two pieces of identification issued by a government authority (such as a driver's license or passport). However,

- One piece of identification must contain a recognizable photograph of you taken within the last 5 years.
- The pieces of identification must confirm your full given name, surname, date of birth, gender and current mailing address.
- Expired documents are not acceptable.

  - Driver's Licence
  - BYID (issued by the LCBO)
  - Military Employment Card
  - Canadian Citizenship Card
  - Indian Status Card
  - International Student Card
  - Passport
  - Permanent Resident Card
  - PAL-Possession & Acquisition Licence
  - CNIB Card

  Acceptable Forms of Non-Photo Identification
  - Birth Certificate
  - Baptismal Certificate
  - Hunting Licence
  - Outdoors Card
  - Canadian Blood Donor Card
  - Immigration Papers

Common ID Submitted that is not acceptable

Health Cards – cannot be accepted for identification purposes under the *Personal Health Information Protection Act*, 2004 (Section 34).

Social Insurance Cards (SIN) – It is a punishable offence to photocopy a SIN card pursuant to the *Employment Insurance Act*, Part VI, (Section 141(c)) .

13.2.2 SIGMA X Canada – Notice of Initial Operations Report and Request for Feedback

SIGMA X CANADA– NOTICE OF INITIAL OPERATIONS REPORT AND REQUEST FOR FEEDBACK

SIGMA X CANADA

NOTICE OF INITIAL OPERATIONS REPORT AND REQUEST FOR FEEDBACK

Goldman Sachs Canada Inc. (GSCI) has announced its plans to begin operating SIGMA X Canada as an Alternative Trading System (ATS). GSCI is publishing this Notice of Initial Operations Report in accordance with the requirements set out in OSC Staff Notice 21-703 – *Transparency of the Operations of Stock Exchanges and Alternative Trading Systems*. Pursuant to OSC Staff Notice 21-703, market participants are invited to provide the Commission with feedback on the information provided in this Notice.

Feedback on the Initial Operations Notice should be in writing and submitted by **April 18, 2011** to:

Market Regulation Branch
Ontario Securities Commission
Suite 1903, Box 55
20 Queen Street West
Toronto, ON M5H 3S8
Fax (416) 595-8940
Email: marketregulation@osc.gov.on.ca

And to:

Darren Sumarah
Goldman Sachs Canada Inc.
Royal Trust Tower
77 King Street West
Suite 3400, P.O. Box 38
Toronto-Dominion Centre
Toronto, Ontario M5K 1B7
Email: darren.sumarah@gs.com

Comments received will be made public on the OSC website. Upon completion of the review by OSC staff, and in the absence of any regulatory concerns, notice will be published to confirm the completion of Commission staff's review and to outline the intended start date for operation of the ATS.

SIGMA X Canada

NOTICE OF INITIAL OPERATIONS REPORT AND REQUEST FOR FEEDBACK

Goldman Sachs Canada Inc. ("**GSCI**") will offer access to SIGMA X Canada, an alternative Canadian marketplace, to registered Investment Dealers that are members of IIROC in good standing ("**Subscribers**") and their clients (via direct market access) to trade securities listed on the TSX (other than debentures, securities with special settlement terms and those that trade in US dollars).

SIGMA X Canada will be a non-displayed ATS that provides continuous "price-time" priority matching. All trades will be executed with both counterparties receiving price improvement relative to the "national best bid and offer", defined as the best visible bid and offer (the "**NBBO**") of a standard trading unit of a security across all transparent marketplaces in Canada, excluding special terms orders.

Pricing Logic

Subscribers may enter orders at prices that are not immediately executable (e.g. limit orders or pegged orders) ("**Liquidity Providing Orders**") or at prices that are intended to be executed immediately (e.g. pegged market or marketable limit orders) ("**Liquidity Taking Orders**").

All executions will take place within SIGMA X Canada at prices within the NBBO. SIGMA X Canada will execute a trade when a Liquidity Taking Order matches with a Liquidity Providing Order in the platform within the NBBO. Additionally, if two Liquidity

Providing Orders are entered into the book and match within the NBBO, the second order that arrived and was time-stamped in the book becomes the Liquidity Taking Order for that execution based on price-time priority matching logic. The Liquidity Taking Order will always receive a minimum price improvement of 10% of the NBBO spread, while the Liquidity Providing Order will always receive price improvement of no more than 90% of the NBBO spread.

Limit orders posted in SIGMA X Canada are eligible for immediate execution against eligible contra-side orders. Posted limit orders may be cancelled and replaced prior to execution. Unexecuted limit orders posted in SIGMA X Canada will expire at 4:00 p.m. (ET) on the date of entry.

In determining price-time priority, pegged orders will not lose priority when re-priced within the book. Time priority at each price level within the book will always be determined by the time stamp assigned by the matching engine upon order arrival.

Hours of Operation

SIGMA X Canada will match orders from 9:30 a.m. to 4:00 p.m. (ET), provided the security is being quoted on a two-sided basis on at least one transparent marketplace. Subscribers may start sending orders to SIGMA X Canada for posting beginning at 7:00 a.m. (ET).

Order Entry Interface

Subscribers may submit orders to SIGMA X Canada using the Financial Information eXchange ("**FIX**") protocol, a technical specification developed by the financial services industry for electronic communication of trade-related messages.

GSCI also will work with EMS/OMS vendors to allow for access and connectivity to SIGMA X Canada from their platforms.

Market Information

SIGMA X Canada is a non-displayed ATS and, accordingly, will provide no outbound indications of interest or quotes. SIGMA X Canada will report all executions for settlement purposes to CDS Clearing and Depository Services Inc. ("**CDS**") and to the applicable information processor (i.e. the Toronto Stock Exchange) upon execution.

Order Handling, Types and Instructions

Subscribers of SIGMA X Canada will be able to enter the following order types with time in force information and optional order modifiers outlined below.

Limit order

An order to buy a security to be executed at a specified maximum price, and an order to sell a security to be executed at a specified minimum price.

Pegged orders

- *Mid peg order*: An order that is continuously pegged to the mid-point of the NBBO and can execute against an opposite mid-peg order, market peg order or incoming limit order.

- *Primary peg order*: A reference-priced order that is automatically priced, and subsequently re-priced as necessary, to equal either the reference bid price, in the case of a buy, or the reference offer price, in the case of a sell, based on the NBBO.

- *Market peg order*: A reference-priced order that is automatically priced, and subsequently re-priced as necessary, to equal either the reference offer price, in the case of a buy, or the reference bid price, in the case of a sell, based on the NBBO.

Time in Force Orders

- *Day order (DAY)*: An order which expires at 4:00 p.m. (ET) on the date of entry. All unexecuted orders in SIGMA X Canada by default are considered day orders and will expire at this time. DAY orders route to SIGMA X Canada directly, and interact with other marketable orders within the book as well as orders passing through SIGMA X Canada to leverage a smart order router, if applicable.

- *Immediate or cancel (IOC)*: An order which is eligible to receive a full or partial fill. Any portion of an IOC order that is not filled is cancelled immediately. IOC orders check for an immediate execution within SIGMA X Canada. IOC orders will not be routed to displayed markets.

Order modifiers

- *Discretion offset*: An order with a discretion offset modifier is willing to buy (sell) at a higher (lower) price. Discretion offset is an explicit value added to buy orders and subtracted from sell orders. These explicit values are defined in terms of cents and are to be added/subtracted from the order's base limit price. Any order will only be executed at its discretion offset price if no contra liquidity is available at the order's explicit price (e.g., limit price or mid peg).

- *Relative discretion*: Within SIGMA X Canada, relative discretion prices (mid, primary or market) are acceptable. Thus, a subscriber's order could rest in the book at an explicit or relative price (e.g., limit or buy primary peg) and have discretion to another relative price (e.g., mid peg). Relative discretion will often be used in conjunction with a minimum discretion quantity modifier as a subscriber would be willing to pay up if a significant quantity existed within SIGMA X Canada.

- *Minimum execution quantity (MXQ)*: The lowest number of shares at which an order will execute within SIGMA X Canada. If a contra-side order meets a subscriber's limit price, but does not satisfy the subscriber's minimum execution quantity threshold, the orders will not match.

- *Minimum discretion quantity (MDQ)*: The minimum number of shares for which an order will utilize its discretion. If a contra-side order is within the price limits of a subscriber's discretion, but its quantity does not satisfy the subscriber's minimum discretion quantity, the subscriber's order will not pay up (or sell down) to facilitate an execution. MDQ can only be used in conjunction with a SIGMA X Canada order that has a defined discretion value.

Minimum Price Increment

SIGMA X Canada will allow the entry of orders in the minimum tick increment allowed by UMIR.

Clearing and Settlement

Trades that are executed on SIGMA X Canada will be cleared and settled by the Subscriber or its clearing broker through CDS. Subscribers of SIGMA X Canada will receive electronic notification of executions promptly after execution.

All trades done on SIGMA X Canada will settle on T+3.

Policies and Procedures Regarding SIGMA X Canada

Employees of GSCI and its affiliates are subject to policies and procedures that address, among other things, the confidentiality of SIGMA X Canada trading data and restrictions on the use of such data, as well as procedures relating to personal account trading for employees engaged in trading and sales activities. Employees of GSCI and its affiliates who are involved in the operations of SIGMA X Canada are strictly prohibited from misusing nonpublic information about SIGMA X Canada subscriber's orders and transactions, and from discussing the details of any trades executed in SIGMA X Canada with persons who do not have a "need to know" that information for the purposes of operating SIGMA X Canada. Although certain employees of GSCI and its affiliates that are involved in both SIGMA X Canada and the dealer operations of GSCI and its affiliates will have the ability to see order information for the purposes of operating SIGMA X Canada, none of these employees will be trading or sales representatives of the firms whose duties permit them to have discretion over trading in any account or to provide investment advice to customers on trading activities.

13.3 Clearing Agencies

13.3.1 The Options Clearing Corporation – Notice of Commission Order – Application for Interim Exemptive Relief

THE OPTIONS CLEARING CORPORATION

APPLICATION FOR INTERIM EXEMPTIVE RELIEF

NOTICE OF COMMISSION ORDER

On March 1, 2011, the Commission granted The Options Clearing Corporation (OCC) an interim exemption from the requirement in subsection 21.2(0.1) of the *Securities Act* (Ontario) (Act) to be recognized as a clearing agency. OCC is exempted from the requirement until the earlier of (i) September 1, 2011, and (ii) the effective date of the subsequent order by the Commission recognizing OCC as a clearing agency under subsection 21.2(0.1) of the Act or exempting it from the requirement to be recognized as a clearing agency under section 147 of the Act. The interim exemption order is subject to certain terms and conditions.

A copy of the interim exemption order is published in Chapter 2 of this Bulletin.

13.3.2 LCH.Clearnet Limited – Notice of Commission Order – Application for Interim Exemptive Relief

LCH.CLEARNET LIMITED

APPLICATION FOR INTERIM EXEMPTIVE RELIEF

NOTICE OF COMMISSION ORDER

On March 1, 2011, the Commission granted LCH.Clearnet Limited (LCH) an interim exemption from the requirement in subsection 21.2(0.1) of the *Securities Act* (Ontario) (Act) to be recognized as a clearing agency. LCH is exempted from the requirement until the earlier of (i) September 1, 2011, and (ii) the effective date of the subsequent order by the Commission recognizing LCH as a clearing agency under subsection 21.2(0.1) of the Act or exempting it from the requirement to be recognized as a clearing agency under section 147 of the Act. The interim exemption order is subject to certain terms and conditions.

A copy of the interim exemption order is published in Chapter 2 of this Bulletin.

13.3.3 FundSERV Inc. – Notice of Commission Order – Application for Interim Exemptive Relief

FUNDSERV INC.

APPLICATION FOR INTERIM EXEMPTIVE RELIEF

NOTICE OF COMMISSION ORDER

On March 1, 2011, the Commission granted FundSERV Inc. (FundSERV) an interim exemption from the requirement in subsection 21.2(0.1) of the *Securities Act* (Ontario) (Act) to be recognized as a clearing agency as of March 1, 2011. FundSERV is exempted from the requirement until the earlier of (i) the date the Commission renders a subsequent order with respect to subsection 21.2(0.1) of the Act, and (ii) September 1, 2011.

A copy of the interim exemption order is published in Chapter 2 of this Bulletin.

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Chapter 25

Other Information

25.1 Consents

25.1.1 Comamtech Inc. – s. 4(b) of the Regulation

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the laws of the State of Delaware.

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 amended.

Regulations Cited

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

IN THE MATTER OF
R.S.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
COMAMTECH INC.

CONSENT
(Subsection 4(b) of the Regulation)

UPON the application of Comamtech Inc. (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") requesting the consent of the Commission for the Applicant to continue (the "**Continuance**") in another jurisdiction pursuant to subsection 4(b) of the Regulation;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was incorporated pursuant to the *Business Corporations Act* (Ontario) (the "**OBCA**") by certificate of incorporation effective on August 16, 2010 under the name Comamtech Inc.

2. The Applicant is the successor corporation to Copernic Inc., an issuer that was a reporting issuer in Ontario within the meaning of the Act (as hereinafter defined).

3. The Applicant's registered office and head office are located at 333 Bay Street, Suite 2400, Toronto Ontario, M5H 2T6.

4. The authorized share capital of the Applicant consists of an unlimited number of common shares (the "**Common Shares**"), of which 2,097,861 are issued and outstanding as at the date hereof.

5. The Applicant's issued and outstanding Common Shares are traded on the OTC Bulletin Board (the "**OTC**") under the symbol "COMT".

6. The Applicant is an offering corporation under the provisions of the OBCA and is a reporting issuer within the meaning of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**"). The Applicant intends to remain a reporting issuer in Ontario after the Proposed Transaction. The Applicant is not a reporting issuer in any other jurisdiction of Canada.

7. The Applicant proposes to make an application to the Director pursuant to Section 181 of the OBCA (the "**Application for Continuance**") for authorization to continue under the laws of the State of Delaware.

8. Pursuant to subsection 4(b) of the Regulation, where a corporation is an offering corporation under the OBCA, the Application for Continuance must be accompanied by a consent of the Commission.

9. The Applicant is not in default under any provision of the Act or the regulations or rules made under the Act or the OBCA.

10. The Applicant is not a party to any proceeding nor, to the best of its knowledge, information and belief, any pending proceeding under the Act or the OBCA.

11. The Application for Continuance is being made in connection with a plan of arrangement involving the Applicant, 2259736 Ontario Inc., a wholly-owned subsidiary of the Applicant and DecisionPoint Systems, Inc. ("**Proposed Transaction**")

12. The holders of Common Shares of the Applicant authorized the continuance of the Applicant at a special meeting of shareholders (the "**Meeting**") held on March 2, 2011. The special resolution authorizing the Continuance was approved at the Meeting by 99.08% of the votes cast.

13. The management information circular of the Applicant dated January 21, 2011 describing the Continuance (the "**Information Circular**") provided to all the shareholders of the Applicant in connection with the Meeting, included disclosure of the reasons for, and the implications of, the proposed Continuance, included a summary of the material differences between the OBCA and the laws of the State of Delaware and advised the shareholders of their dissent rights in connection with the Continuance, pursuant to section 185 of the OBCA.

14. The material rights, duties and obligations of a corporation governed by the laws of the State of Delaware are, in many instances, comparable to those of a corporation governed by the OBCA.

15. The Applicant intends to remain a reporting issuer in Ontario after the Proposed Transaction.

16. As the Applicant does not intend to maintain a corporate office in Canada subsequent to the Continuance, the Applicant has provided an undertaking (the "**Undertaking**") to the Commission that it will complete and file an "Issuer Form of Submission to Jurisdiction and Appointment of Agent for Service of Process" in the form of Schedule "A" thereto (the "**Submission to Jurisdiction Form**") with the Commission through the System for Electronic Document Analysis and Retrieval (SEDAR) promptly following the effective date of the Continuance. The Undertaking also provides that the Applicant will maintain and update the information contained in the Submission to Jurisdiction Form, or furnish a new submission to Jurisdiction Form, in accordance with the provisions contained therein. The form of Undertaking provided to the Commission is attached as Appendix "A".

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 laws of the State of Delaware.

DATED this 11 day of March, 2011.

"Margot C Howard"
Commissioner
Ontario Securities Commission

"James Turner"
Vice-Chair
Ontario Securities Commission

APPENDIX "A"

UNDERTAKING

To: Ontario Securities Commission (the "Commission")

RE: Comamtech Inc. (the "Applicant") – Application dated January 28, 2011 for a Consent to continuance to Delaware (the "Continuance") pursuant to clause 4(b) of Ontario Regulation 289/00 made under the Business Corporations Act, R.S.O. 1990, c. B. 16

The Applicant hereby undertakes that it will complete and file an "Issuer Form of Submission to Jurisdiction and Appointment of Agent for Service of Process" in the form of Schedule "A" hereto (the "**Submission to Jurisdiction Form**") with the Commission through the System for Electronic Document Analysis and Retrieval (SEDAR) promptly following the effective date of the Continuance.

The Applicant hereby further undertakes that it will maintain and update the information contained in the Submission to Jurisdiction Form, or furnish a new Submission to Jurisdiction Form, in accordance with the provisions contained therein.

Dated: March 5, 2011

COMAMTECH INC.

"Marc Ferland"
Name: Marc Ferland
Title: President & Chief Executive Officer

SCHEDULE "A"

ISSUER FORM OF SUBMISSION TO JURISDICTION AND APPOINTMENT OF AGENT FOR SERVICE OF PROCESS

1. Name of issuer (the "Issuer"):

_____

2. Jurisdiction of incorporation, or equivalent, of Issuer:

_____

3. Address of principal place of business of Issuer:

_____

4. Description of securities (the "Securities"):

_____

5. Name of agent for service of process (the "Agent"):

_____

6. Address for service of process of Agent in Canada (which address may be anywhere in Canada):

_____

7. The Issuer designates and appoints the Agent at the address of the Agent stated above as its agent upon whom may be served with any notice, pleading, subpoena, summons or other process in an action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding (the "Proceeding") arising out of, relating to or concerning the obligations of the Issuer as a reporting issuer and irrevocably waives any right to raise as a defence in any such Proceeding an alleged lack of jurisdiction to bring such Proceeding.

8. The Issuer irrevocably and unconditionally submits to the non-exclusive jurisdiction of:

   (a) the judicial, quasi-judicial and administrative tribunals of each of the provinces and territories of Canada in which the Securities have been distributed; and

   (b) any administrative proceeding in any such province or territory,

   in any Proceeding arising out of or related to or concerning the obligations of the Issuer as a reporting issuer.

9. Until six years after it has ceased to be a reporting issuer in any Canadian province or territory, the Issuer shall file a new Submission to Jurisdiction and Appointment of Agent for Service of Process in this form or as otherwise prescribed by securities law at least 30 days before termination, for any reason, of this Submission to Jurisdiction and Appointment of Agent for Service of Process.

10. Until six years after it has ceased to be a reporting issuer in any Canadian province or territory, the Issuer shall file an amended Submission to Jurisdiction and Appointment of Agent for Service of Process at least 30 days before a change in the name or address of the Agent.

11. This Submission to Jurisdiction and Appointment of Agent for Service of Process shall be governed by and construed in accordance with the laws of Province of Ontario.

Dated: _____

_____
Signature of Signing Officer of Issuer

Print name and title of person signing

AGENT

The undersigned accepts the appointment as agent for service of process of White Tiger Gold Ltd. under the terms and conditions of the preceding Submission to Jurisdiction and Appointment of Agent for Service of Process.

Dated: _____

_____
Signature of Agent

Print name of person signing and, if Agent is not an individual, the title of the person

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