

The Ontario Securities Commission

# OSC Bulletin

May 17, 2012

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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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# Table of Contents

<p><b>Chapter 1 Notices / News Releases .....4637</b></p> <p><b>1.1 Notices .....4637</b></p> <p>1.1.1 Current Proceedings before the Ontario Securities Commission .....4637</p> <p>1.1.2 Notice of Correction – Alpha Exchange Inc. – s. 101.2.....4646</p> <p><b>1.2 Notices of Hearing.....4647</b></p> <p>1.2.1 Frank Andrew Devcich and Gobinder Kular Singh – ss. 127(1), 127(10).....4647</p> <p><b>1.3 News Releases .....4647</b></p> <p>1.3.1 OSC Publishes Proposed Recognition Orders Related to Maple Application.....4647</p> <p><b>1.4 Notices from the Office of the Secretary .....4648</b></p> <p>1.4.1 Richvale Resource Corporation et al.....4648</p> <p>1.4.2 Abel Da Silva.....4648</p> <p>1.4.3 Frank Andrew Devcich and Gobinder Kular Singh.....4649</p> <p>1.4.4 David Charles Phillips.....4649</p> <p><b>Chapter 2 Decisions, Orders and Rulings .....4651</b></p> <p><b>2.1 Decisions .....4651</b></p> <p>2.1.1 John Deere Capital Corporation and John Deere Canada Funding Inc.....4651</p> <p>2.1.2 John Deere Capital Corporation and John Deere Credit Inc.....4657</p> <p>2.1.3 Atlantic Power Limited Partnership and Atlantic Power Corporation.....4664</p> <p>2.1.4 Frontera Copper Corporation .....4668</p> <p>2.1.5 AGF Investments Inc. ....4670</p> <p>2.1.6 Driehaus Capital Management LLC .....4675</p> <p>2.1.7 AlphaPro Management Inc. et al. ....4676</p> <p>2.1.8 Northern Precious Metals 2010 Limited Partnership and Northern Precious Metals Management Inc. ....4679</p> <p>2.1.9 Cominar Real Estate Investment Trust.....4681</p> <p>2.1.10 Minefinders Corporation Ltd. – s. 1(10).....4684</p> <p>2.1.11 Macquarie Emerging Markets Infrastructure Income Fund and Connor, Clark &amp; Lunn Capital Markets Inc. ....4685</p> <p>2.1.12 Lysander Funds Limited et al. ....4687</p> <p><b>2.2 Orders.....4689</b></p> <p>2.2.1 David Charles Phillips – ss. 127(1), 127(5) ....4689</p> <p><b>2.3 Rulings .....4691</b></p> <p>2.3.1 Barometer Capital Management Inc. et al. – ss. 74(1), 144(1) .....4691</p> <p><b>Chapter 3 Reasons: Decisions, Orders and Rulings ..... (nil)</b></p> <p><b>3.1 OSC Decisions, Orders and Rulings ..... (nil)</b></p> <p><b>3.2 Court Decisions, Order and Rulings..... (nil)</b></p> <p><b>Chapter 4 Cease Trading Orders .....4695</b></p> <p>4.1.1 Temporary, Permanent &amp; Rescinding Issuer Cease Trading Orders .....4695</p> <p>4.2.1 Temporary, Permanent &amp; Rescinding Management Cease Trading Orders .....4695</p>	<p>4.2.2 Outstanding Management &amp; Insider Cease Trading Orders ..... 4695</p> <p><b>Chapter 5 Rules and Policies ..... (nil)</b></p> <p><b>Chapter 6 Request for Comments ..... (nil)</b></p> <p><b>Chapter 7 Insider Reporting..... 4697</b></p> <p><b>Chapter 8 Notice of Exempt Financings..... 4763</b></p> <p>Reports of Trades Submitted on Forms 45-106F1 and 45-501F1 ..... 4763</p> <p><b>Chapter 9 Legislation..... (nil)</b></p> <p><b>Chapter 11 IPOs, New Issues and Secondary Financings..... 4771</b></p> <p><b>Chapter 12 Registrations..... 4777</b></p> <p>12.1.1 Registrants..... 4777</p> <p><b>Chapter 13 SROs, Marketplaces and Clearing Agencies ..... (nil)</b></p> <p><b>13.1 SROs ..... (nil)</b></p> <p><b>13.2 Marketplaces ..... 4779</b></p> <p>13.2.1 CNSX Markets Inc. – Notice of Completion of Staff Review of Proposed Changes – Changes to Order Allocation Methodology for Jitney Trades..... 4779</p> <p><b>13.3 Clearing Agencies ..... (nil)</b></p> <p><b>Chapter 25 Other Information ..... 4781</b></p> <p><b>25.1 Exemptions</b></p> <p>25.1.1 Horizons Morningstar Hedge Fund Index ETF – s. 19.1 of NI 41-101 General Prospectus Requirements..... 4781</p> <p>25.1.2 HAP Nexus Hedge Fund Replication Trust – s. 19.1 of NI 41-101 General Prospectus Requirements..... 4781</p> <p><b>Index..... 4783</b></p>
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## Chapter 1

# Notices / News Releases

### 1.1 Notices

### SCHEDULED OSC HEARINGS

#### 1.1.1 Current Proceedings Before The Ontario Securities Commission

May 17, 2012

#### CURRENT PROCEEDINGS

#### BEFORE

#### ONTARIO SECURITIES COMMISSION

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

The Harry S. Bray Hearing Room  
Ontario Securities Commission  
Cadillac Fairview Tower  
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Kevin J. Kelly	—	KJK
Paulette L. Kennedy	—	PLK
Edward P. Kerwin	—	EPK
Vern Krishna	—	VK
Christopher Portner	—	CP
Judith N. Robertson	—	JNR
Charles Wesley Moore (Wes) Scott	—	CWMS

May 22, 2012

2:30 p.m.

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

s. 127

T. Center in attendance for Staff

Panel: MGC/SOA

May 23-25, 2012

10:00 a.m.

**Crown Hill Capital Corporation and Wayne Lawrence Pushka**

s. 127

A. Perschy in attendance for Staff

Panel: JEAT/CP/JNR

May 23-25, June 4 and June 6, 2012

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: JDC/MCH

May 28-29, May 31 – June 1, June 8, June 20 and June 22, 2012

10:00 a.m.

May 30, 2012

9:00 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: VK/MCH

May 29 – June 1, 2012 10:00 a.m.	<b>Peter Beck, Swift Trade Inc. (continued as 7722656 Canada Inc.), Biremis, Corp., Opal Stone Financial Services S.A., Barka Co. Limited, Trieme Corporation and a limited partnership referred to as “Anguilla LP”</b>  s. 127  B. Shulman in attendance for Staff  Panel: MGC/SOA/PLK	June 11, 2012 9:00 a.m.	<b>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</b>  s. 127  H. Craig/C. Rossi in attendance for Staff  Panel: CP
June 4, 2012 9:30 a.m.	<b>Morgan Dragon Development Corp., John Cheong (aka Kim Meng Cheong), Herman Tse, Devon Ricketts and Mark Griffiths</b>  s. 127  J. Feasby in attendance for Staff  Panel: EPK	June 18 and June 20-22, 2012 10:00 a.m.	<b>Shallow Oil &amp; Gas Inc., Eric O’Brien, Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and Abraham Herbert Grossman aka Allen Grossman</b>  s. 127(7) and 127(8)  S. Schumacher in attendance for Staff  Panel: PLK
June 5, 2012 2:00 p.m.	<b>Abel Da Silva</b>  s. 127  C. Watson in attendance for Staff  Panel: JDC	June 21, 2012 10:00 a.m.	<b>M P Global Financial Ltd., and Joe Feng Deng</b>  s. 127 (1)  M. Britton in attendance for Staff  Panel: MCH
June 7, 2012 11:30 a.m.	<b>Systematech Solutions Inc., April Vuong and Hao Quach</b>  s. 127  J. Feasby in attendance for Staff  Panel: TBA	June 22, 2012 10:00 a.m.	<b>New Hudson Television Corporation, New Hudson Television L.L.C. &amp; James Dmitry Salganov</b>  s. 127  C. Watson in attendance for Staff  Panel: TBA
June 8, 2012 10:00 a.m.	<b>Richvale Resource Corp., Marvin Winick, Howard Blumenfeld, John Colonna, Pasquale Schiavone, and Shafi Khan</b>  s. 127(7) and 127(8)  J. Feasby in attendance for Staff  Panel: EPK		

July 5, 2012 10:00 a.m.	<b>North American Financial Group Inc., North American Capital Inc., Alexander Flavio Arconti, and Luigino Arconti</b>  s. 127  M. Vaillancourt in attendance for Staff  Panel: MGC	August 7-13, August 15-16 and August 21, 2012  10:00 a.m.	<b>Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjaiants 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</b>  s. 127 and 127.1  D. Campbell in attendance for Staff  Panel: VK
July 12, 2012 10:00 a.m.	<b>Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho and Simon Yeung</b>  s. 127  H. Craig in attendance for Staff  Panel: MGC		
July 16, 2012 10:00 a.m.	<b>Shane Suman and Monie Rahman</b>  s. 127 and 127(1)  C. Price in attendance for Staff  Panel: JEAT/PLK	September 4-10, September 12-14, September 19-24, and September 26 – October 5, 2012  10:00 a.m.	<b>Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg</b>  s. 127  H Craig in attendance for Staff  Panel: TBA
July 18, 2012 10:30 a.m.	<b>Energy Syndications Inc., Green Syndications Inc., Syndications Canada Inc., Land Syndications Inc. and Douglas Chaddock</b>  s. 127  C. Johnson in attendance for Staff  Panel: CP	September 5, 2012  10:00 a.m.	<b>Vincent Ciccone and Cabo Catoche Corp. (a.k.a. Medra Corp. and Medra Corporation)</b>  s. 127  M. Vaillancourt in attendance for Staff  Panel: TBA
August 1, 2012 10:00 a.m.	<b>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)</b>  s. 127  J. Lynch/S. Chandra in attendance for Staff  Panel: JDC	September 5-10, September 12-14 and September 19-21, 2012  10:00 a.m.	<b>Vincent Ciccone and Medra Corp.</b>  s. 127  M. Vaillancourt in attendance for Staff  Panel: TBA

September 21, 2012  
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

H. Craig in attendance for Staff

Panel: TBA

September 24, September 26 – October 5 and October 10-19, 2012  
10:00 a.m.

**New Found Freedom Financial, Ron Deonarine Singh, Wayne Gerard Martinez, Pauline Levy, David Whidden, Paul Swaby and Zompas Consulting**

s. 127

A. Heydon in attendance for Staff

Panel: TBA

October 11, 2012  
9:00 a.m.

**New Solutions Capital Inc., New Solutions Financial Corporation, New Solutions Financial (II) Corporation, New Solutions Financial (III) Corporation, New Solutions Financial (VI) Corporation and Ron Ovenden**

s. 127

S. Horgan in attendance for Staff

Panel: TBA

October 19, 2012  
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

C. Watson in attendance for Staff

Panel: PLK

October 22 and October 24 – November 5, 2012  
10:00 a.m.

**MBS Group (Canada) Ltd., Balbir Ahluwalia and Mohinder Ahluwalia**

s. 37, 127 and 127.1

C. Rossi in attendance for staff

Panel: TBA

October 22, October 24-31, November 1-2, November 7-14, 2012  
10:00 a.m.

**Peter Sbaraglia**

s. 127

J. Lynch in attendance for Staff

Panel: TBA

October 31 – November 5, November 7-9, December 3, December 5-17 and December 19, 2012  
10:00 a.m.

**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

November 5, 2012  
10:00 a.m.

**Heir Home Equity Investment Rewards Inc.; FFI First Fruit Investments Inc.; Wealth Building Mortgages Inc.; Archibald Robertson; Eric Deschamps; Canyon Acquisitions, LLC; Canyon Acquisitions International, LLC; Brent Borland; Wayne D. Robbins; Marco Caruso; Placencia Estates Development, Ltd.; Copal Resort Development Group, LLC; Rendezvous Island, Ltd.; The Placencia Marina, Ltd.; and The Placencia Hotel and Residences Ltd.**

s. 127

B. Shulman in attendance for Staff

Panel: TBA



November 12-19 and November 21, 2012	<b>Sandy Winick, Andrea Lee McCarthy, Kolt Curry, Laura Mateyak, Gregory J. Curry, American Heritage Stock Transfer Inc., American Heritage Stock Transfer, Inc., BFM Industries Inc., Liquid Gold International Inc., and Nanotech Industries Inc.</b>	TBA	<b>Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell</b>
10:00 a.m.	s. 127 J. Feasby in attendance for Staff Panel: TBA		s. 127 J. Waechter in attendance for Staff Panel: TBA
November 21 – December 3 and December 5-14, 2012	<b>Bernard Boily</b>	TBA	<b>Frank Dunn, Douglas Beatty, Michael Gollogly</b>
10:00 a.m.	s. 127 and 127.1 M. Vaillancourt/U. Sheikh in attendance for Staff Panel: TBA		s. 127 K. Daniels in attendance for Staff Panel: TBA
January 7 – February 5, 2013	<b>Jowdat Waheed and Bruce Walter</b>	TBA	<b>MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric</b>
10:00 a.m.	s. 127 J. Lynch in attendance for Staff Panel: TBA		s. 127 and 127(1) D. Ferris in attendance for Staff Panel: TBA
January 23-25 and January 30-31, 2013	<b>Sage Investment Group, C.A.D.E Resources Group Inc., Greenstone Financial Group, Fidelity Financial Group, Antonio Carlos Neto David Oliveira, and Anne Marie Ridley</b>	TBA	<b>Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmony, Harmony Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale</b>
10:00 a.m.	s. 127 C. Watson in attendance for Staff Panel: TBA		s. 127 H. Craig in attendance for Staff Panel: TBA
TBA	<b>Yama Abdullah Yaqeen</b>	TBA	<b>Gold-Quest International, Health and Harmony, Iain Buchanan and Lisa Buchanan</b>
	s. 8(2) J. Superina in attendance for Staff Panel: TBA		s. 127 H. Craig in attendance for Staff Panel: TBA

TBA	<p><b>Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York</b></p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Access Automation LLC, Access Fund Management, LLC, Access 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</b></p> <p>s. 127</p> <p>Y. Chisholm in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Paul Azeff, Korin Bobrow, Mitchell Finkelstein, Howard Jeffrey Miller and Man Kin Cheng (a.k.a. Francis Cheng)</b></p> <p>s. 127</p> <p>T. Center/D. Campbell in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Goldpoint Resources Corporation, Pasqualino Novielli also known as Lee or Lino Novielli, Brian Patrick Moloney also known as Brian Caldwell, and Zaida Pimentel also known as Zaida Novielli</b></p> <p>s. 127(1) and 127(5)</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan</b></p> <p>s. 127</p> <p>H. Craig/C.Rossi in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun</b></p> <p>s. 127</p> <p>C. Price in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Paul Donald</b></p> <p>s. 127</p> <p>C. Price in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>2196768 Ontario Ltd carrying on business as Rare Investments, Ramadhar Dookhie, Adil Sunderji and Evgueni Todorov</b></p> <p>s. 127</p> <p>D. Campbell in attendance for Staff</p> <p>Panel: TBA</p>

TBA	<p><b>York Rio Resources Inc., Brillante Brasilcan Resources Corp., Victor York, Robert Runic, George Schwartz, Peter Robinson, Adam Sherman, Ryan Demchuk, Matthew Oliver, Gordon Valde and Scott Bassingdale</b></p> <p>s. 127</p> <p>H. Craig/C. Watson in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Ground Wealth Inc., Armadillo Energy Inc., Paul Schuett, Doug DeBoer, James Linde, Susan Lawson, Michelle Dunk, Adrion Smith, Bianca Soto and Terry Reichert</b></p> <p>s. 127</p> <p>S. Schumacher in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt</b></p> <p>s. 127</p> <p>M. Vaillancourt in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Maitland Capital Ltd., Allen Grossman, Hanoch Ulfan, Leonard Waddingham, Ron Garner, Gord Valde, Marianne Hyacinthe, Dianna Cassidy, Ron Catone, Steven Lanys, Roger McKenzie, Tom Mezinski, William Rouse and Jason Snow</b></p> <p>s. 127 and 127.1</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Simply Wealth Financial Group Inc., Naida Allarde, Bernardo Giangrosso, K&amp;S Global Wealth Creative Strategies Inc., Kevin Persaud, Maxine Lobban and Wayne Lobban</b></p> <p>s. 127 and 127.1</p> <p>C. Johnson in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Eda Marie Agueci, Dennis Wing, Santo Iacono, Josephine Raponi, Kimberley Stephany, Henry Fiorillo, Giuseppe (Joseph) Fiorini, John Serpa, Ian Telfer, Jacob Gornitzki and Pollen Services Limited</b></p> <p>s. 127</p> <p>J, Waechter/U. Sheikh in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton</b></p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Empire Consulting Inc. and Desmond Chambers</b></p> <p>s. 127</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>David M. O'Brien</b></p> <p>s. 37, 127 and 127.1</p> <p>B. Shulman in attendance for Staff</p> <p>Panel: TBA</p>		

TBA	<p><b>American Heritage Stock Transfer Inc., American Heritage Stock Transfer, Inc., BFM Industries Inc., Denver Gardner Inc., Sandy Winick, Andrea Lee McCarthy, Kolt Curry and Laura Mateyak</b></p> <p>s. 127</p> <p>J. Feasby in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Bunting &amp; Waddington Inc., Arvind Sanmugam, Julie Winget and Jenifer Brekelmans</b></p> <p>s. 127</p> <p>S. Schumacher in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Shaun Gerard McErlean, Securus Capital Inc., and Acquiesce Investments</b></p> <p>s. 127</p> <p>M. Britton in attendance for Staff</p> <p>Panel: VK/JDC</p>	TBA	<p><b>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</b></p> <p>s. 37, 127 and 127.1</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Moncasa Capital Corporation and John Frederick Collins</b></p> <p>s. 127</p> <p>T. Center in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Colby Cooper Capital Inc. Colby Cooper Inc., Pac West Minerals Limited John Douglas Lee Mason</b></p> <p>s. 127</p> <p>B. Shulman in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Energy Syndications Inc. Green Syndications Inc. , Syndications Canada Inc., Daniel Strumos, Michael Baum and Douglas William Chaddock</b></p> <p>s. 127</p> <p>C. Johnson in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Normand Gauthier, Gentree Asset Management Inc., R.E.A.L. Group Fund III (Canada) LP, and CanPro Income Fund I, LP</b></p> <p>s. 127</p> <p>B. Shulman in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p><b>Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) and Liberty Consulting Ltd.</b></p> <p>s. 127</p> <p>S. Horgan in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p><b>Beryl Henderson</b></p> <p>s. 127</p> <p>S. Schumacher in attendance for Staff</p> <p>Panel: TBA</p>

TBA            **Cicccone Group, Cabo Catoche Corp. (a.k.a Medra Corp. and Medra Corporation), 990509 Ontario Inc., Tadd Financial Inc., Cachet Wealth Management Inc., Vincent Cicccone (a.k.a. Vince Cicccone), Darryl Brubacher, Andrew J Martin, Steve Haney, Klaudiusz Malinowski and Ben Giangrosso**

s. 127

M. Vaillancourt in attendance for Staff

Panel: TBA

TBA            **International Strategic Investments, International Strategic Investments Inc., Somin Holdings Inc., Nazim Gillani and Ryan J. Driscoll.**

s. 127

C. Watson in attendance for Staff

Panel: TBA

TBA            **Frank Andrew Devcich and Gobinder Kular Singh**

s. 127

J. Feasby in attendance for Staff

Panel: TBA

TBA            **Nicholas David Reeves**

s. 127

J. Feasby in attendance for Staff

Panel: TBA

TBA            **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

**ADJOURNED SINE DIE**

**Global Privacy Management Trust and Robert Cranston**

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

**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. Boulton and Peter Y. Atkinson**

**1.1.2 Notice of Correction – Alpha Exchange Inc. – s. 101.2**

The date “April 24, 2012” was inadvertently omitted from the Designation Order published at (2012), 35 OSCB 4499. The Designation Order should read as follows:

**2.2.6 Alpha Exchange Inc. – s. 101.2**

**Headnote**

Order by the Commission designating Alpha Exchange Inc. as an exchange for the purposes of section 101.2 of the Securities Act, R.S.O. 1990, c. S.5, as am.

**Applicable Legislative Provision**

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

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

**AND**

**IN THE MATTER OF  
ALPHA EXCHANGE INC.**

**DESIGNATION ORDER  
(Section 101.2 of the Act)**

**WHEREAS** by order dated December 8, 2011, the Commission recognized each of Alpha Trading Systems Limited Partnership and Alpha Exchange Inc. (Alpha Exchange) as an exchange pursuant to section 21 of the Act, effective the later of: (a) February 1, 2012; or (b) the date the operations of Alpha ATS Limited Partnership have been legally transferred to Alpha Exchange, and subject to the terms and conditions;

**AND WHEREAS** Alpha Exchange operates two separate and distinct listing markets referred to as “Alpha Main” and “Alpha Venture Plus”;

**AND WHEREAS** Alpha Exchange has adopted rules for normal course issuer bids for issuers listing on each of Alpha Main and Alpha Venture Plus;

**AND WHEREAS** pursuant to section 101.2(1) of the Act, an issuer bid that is made in the normal course through the facilities of a designated exchange is exempt from the formal bid requirements if the bid is made in accordance with the by-laws, rules, regulations and policies of that exchange;

**AND WHEREAS** pursuant to section 101.2(5), the Commission may designate an exchange for the purposes of section 101.2;

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

**THE COMMISSION** designates Alpha Exchange as a designated exchange for the purposes of section 101.2.

April 24, 2012

**1.2 Notices of Hearing**

**1.2.1 Frank Andrew Devcich and Gobinder Kular Singh – ss. 127(1), 127(10)**

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

**AND**

**IN THE MATTER OF  
FRANK ANDREW DEVCICH AND  
GOBINDER KULAR SINGH**

**AMENDED NOTICE OF HEARING  
(Sections 127(1) and 127(10))**

**TAKE NOTICE THAT** the Ontario Securities Commission (the “Commission”) will hold a hearing pursuant to section 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5., as amended (the “Act”) at the offices of the Commission, 20 Queen Street West, 17th Floor, Toronto, Ontario, commencing at 10:00 am on May 15, 2012, or as soon thereafter as the hearing can be held;

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

1. to make an order pursuant to clause 7 of subsection 127(1) of the Act that Frank Andrew Devcich and Gobinder Kular Singh (the “Respondents”) resign any position that either of them holds as director or officer of an issuer;
2. to make an order pursuant to clause 8 of subsection 127(1) of the Act that the Respondents be prohibited from becoming or acting as an officer or director of any issuer until and including August 29, 2018.

**BY REASON** of the allegations set out in the Statement of Allegations of Staff dated March 22, 2012.

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

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

**DATED** at Toronto this 8th day of May, 2012.

“John Stevenson”  
Secretary to the Commission

**1.3 News Releases**

**1.3.1 OSC Publishes Proposed Recognition Orders Related to Maple Application**

**FOR IMMEDIATE RELEASE  
May 3, 2012**

**OSC PUBLISHES PROPOSED RECOGNITION ORDERS  
RELATED TO MAPLE APPLICATION**

**Toronto, May 3, 2012** – The Ontario Securities Commission today published for comment proposed orders that would recognize Maple Group Acquisition Corporation, TMX Group Inc., and TSX Inc. as exchanges, and also recognize Canadian Depository for Securities Ltd. and CDS Clearing and Depository Services Inc. (collectively, CDS) as clearing agencies. Both orders are subject to proposed terms and conditions.

This publication follows an extensive OSC review of Maple’s proposal to acquire TMX Group Inc., together with Alpha Trading Systems Limited Partnership, Alpha Trading Systems Inc., and CDS, focusing particularly on the impact of the proposal on the public interest. In the course of this review, the OSC solicited public input through a written comment period and in-person policy hearings.

“The Commission has thoroughly reviewed the regulatory issues raised by Maple’s proposal and developed measures necessary to ensure that the public interest is protected,” said Howard Wetston, Q.C., Chair and CEO of the OSC. “Public consultation has been a fundamental part of our review process and we will carefully consider the further input we receive on these orders when making our final determination.”

The OSC is requesting comment on the proposed recognition orders, the terms and conditions proposed and the enhanced oversight program. To comment, please refer to the Notice and Request for Comment, which is available on the OSC website at [www.osc.gov.on.ca](http://www.osc.gov.on.ca). The comment period is open until June 4, 2012.

**For media inquiries:**  
[media\\_inquiries@osc.gov.on.ca](mailto:media_inquiries@osc.gov.on.ca)

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 Notices from the Office of the Secretary

1.4.2 Abel Da Silva

1.4.1 Richvale Resource Corporation et al.

FOR IMMEDIATE RELEASE  
May 10, 2012

FOR IMMEDIATE RELEASE  
May 10, 2012

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

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

AND

AND

IN THE MATTER OF  
ABEL DA SILVA

IN THE MATTER OF  
RICHVALE RESOURCE CORPORATION,  
MARVIN WINICK, HOWARD BLUMENFELD,  
JOHN COLONNA, PASQUALE SCHIAVONE,  
AND SHAFI KHAN

**TORONTO** – Take notice that a sanctions hearing in the above named matter is scheduled to commence on June 5, 2012 at 2:00 p.m. at the offices of the Commission, 20 Queen Street West, 17th Floor.

**TORONTO** – Take notice that a sanctions hearing in the above named matter is scheduled to commence on June 8, 2012 at 10:00 a.m. at the offices of the Commission, 20 Queen Street West, 17th Floor.

OFFICE OF THE SECRETARY  
JOHN P. STEVENSON  
SECRETARY

OFFICE OF THE SECRETARY  
JOHN P. STEVENSON  
SECRETARY

For media inquiries:  
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**1.4.3 Frank Andrew Devcich and Gobinder Kular Singh**

**FOR IMMEDIATE RELEASE  
May 11, 2012**

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

**AND**

**IN THE MATTER OF  
FRANK ANDREW DEVCICH AND  
GOBINDER KULAR SINGH**

**TORONTO** – The Office of the Secretary issued an Amended Notice of Hearing pursuant to Sections 127(1) and 127(10) on May 8, 2012 setting the matter down to be heard on May 15, 2012 at 10:00 a.m. or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Amended Notice of Hearing dated May 8, 2012 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
JOHN P. STEVENSON  
SECRETARY

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1-877-785-1555 (Toll Free)

**1.4.4 David Charles Phillips**

**FOR IMMEDIATE RELEASE  
May 15, 2012**

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

**AND**

**IN THE MATTER OF  
DAVID CHARLES PHILLIPS**

**TORONTO** – The Commission issued a Temporary Order pursuant to subsections 127(1) and (5) in the above named matter.

A copy of the Temporary Order dated May 15, 2012 is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
JOHN P. STEVENSON  
SECRETARY

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## Chapter 2

# Decisions, Orders and Rulings

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### 2.1 Decisions

#### 2.1.1 John Deere Capital Corporation and John Deere Canada Funding Inc.

##### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted from continuous disclosure, certification, and insider reporting requirements to an issuer of guaranteed medium term notes – continuous disclosure of U.S. affiliate credit supporter will be provided – issuer also granted relief from certain prospectus disclosure requirements.

##### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S-5, as am., ss. 107, 121(2)(a)(ii).  
National Instrument 51-102 Continuous Disclosure Obligations.  
National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.  
National Instrument 44-101 Short Form Prospectus Distributions.  
National Instrument 55-104 Insider Reporting Requirements and Exemptions.

May 4, 2012

**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  
JOHN DEERE CAPITAL CORPORATION (JDCC) AND  
JOHN DEERE CANADA FUNDING INC. (JDCF)  
(collectively, the Filers)**

**DECISION**

##### Background

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

- (a) pursuant to section 8.1 of National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**), exempting JDCF from the requirement to file a notice of intention to file a short form prospectus no fewer than 10 business days prior to a filing of a preliminary short form prospectus (the **Notice of Intention Relief**);
- (b) pursuant to section 13.1 of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**), exempting JDCF from all the requirements of NI 51-102 (the **Continuous Disclosure Relief**);
- (c) pursuant to section 8.1 of NI 44-101, exempting JDCF from the requirements in Item 6 and paragraphs 11.1(1)1, 2, 3, 4, 6, 7 and 8 of Form 44-101F1 *Short Form Prospectus* (**Form 44-101F1**) (the **Short Form Relief**);

- (d) pursuant to section 8.6 of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings (NI 52-109)*, exempting JDCF from all the requirements of NI 52-109 (the **Certification Relief**);
- (e) pursuant to section 10.1 of National Instrument 55-104 *Insider Reporting Requirements and Exemptions (NI 55-104)*, exempting insiders of JDCF from the requirements of NI 55-104 in respect of securities of JDCF (the **NI 55-104 Insider Reporting Relief**, and with the Continuous Disclosure Relief, the Short Form Relief, and the Certification Relief, the **Passport Exemptions Sought**); and
- (f) pursuant to section 121(2)(a)(ii) of the Legislation, exempting insiders of JDCF from the requirements in section 107 of the Legislation in respect of securities of JDCF (the **Legislation Insider Reporting Relief**).

Under National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*:

- (a) the Ontario Securities Commission was selected as the principal regulator for the Application;
- (b) the Filers have provided notice pursuant to section 4.7(1)(c) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* that section 4.7(1) of MI 11-102 is to be relied upon by the Filers with respect to the equivalent provisions of the legislation of each province of Canada in respect of the Passport Exemptions Sought; and
- (c) this Passport decision document evidences the decision of each Decision Maker.

### Interpretation

Terms defined in National Instruments 14-101 *Definitions*, MI 11-102 and National Policy 11-203 *Process For Exemptive Relief Applications in Multiple Jurisdictions* have the same meaning if used in this decision, unless otherwise defined.

### Representations

This decision is based on the following representations and submissions by the Filers:

#### *Proposed Continuous Offering*

1. JDCF has proposed a continuous offering (the **JDCF MTN Program**) of non-convertible medium term notes (the Notes) under a short form base shelf prospectus (the **Prospectus**) to be filed from time to time with the securities regulatory authorities in each of the provinces and territories of Canada. It is anticipated that JDCF will file a Prospectus from time to time (including applicable prospectus supplements and pricing supplements filed from time to time) for future offerings of non-convertible medium term notes.

#### *John Deere Capital Corporation and Support Agreement with Deere*

2. JDCC was incorporated under the laws of Delaware in 1958. Its principal executive offices are located at 1 East First Street, Suite 600, Reno, Nevada, 89501, USA.
3. JDCC is an indirect wholly-owned subsidiary of Deere & Company (**Deere**). JDCC is not a reporting issuer or the equivalent in any of the Jurisdictions and complies with U.S. laws in respect of making public disclosure of material information on a timely basis.
4. As required by the Securities and Exchange Commission (**SEC**) Regulation S-X Rule 4-08(e), (**Rule 4-08(e)**) JDCC discloses in each of its quarterly reports on Form 10-Q and each of its annual reports on Form 10-K filed with the SEC any significant restrictions on the ability of JDCC to obtain funds from its subsidiaries by dividend or loan.
5. JDCC has non-convertible debt securities outstanding with an "approved rating" (as defined in NI 44-101) and JDCC has not been the subject of an announcement by an "approved rating organization" (as defined in NI 44-101) that the "approved rating" given by the organization may be down-graded to a rating category that would not be an "approved rating".
6. Deere has entered into an agreement with JDCC (the Support Agreement) pursuant to which it has agreed to own at least 51 percent of the voting shares of capital stock of JDCC and to maintain JDCC's consolidated tangible net worth at not less than \$50 million. The Support Agreement also obliges Deere to make payments to JDCC such that its consolidated ratio of earnings to fixed charges is not less than 1.05 to 1 for each fiscal quarter.
7. Deere's obligations under the Support Agreement are independent of JDCC's indebtedness, obligations or other liabilities. The Support Agreement does not cause Deere to be responsible for the payment of any obligations of JDCC

or of any guaranteed entity, including JDCF, to any creditor thereof. However, any holder of Notes has the right to demand that JDCC enforce its rights under the Support Agreement and if JDCC fails or refuses to take timely action to enforce such rights such holder may proceed against JDCC to enforce JDCC's rights under the Support Agreement.

*JDCF*

8. JDCF is an indirect wholly-owned subsidiary of Deere formed under the laws of Canada. Its principal executive offices are located at Burlington, Ontario. JDCF is an affiliate of JDCC.
9. JDCF is not a reporting issuer, or the equivalent, in any of the provinces or territories of Canada. JDCF will be a reporting issuer, or the equivalent, in all of the Jurisdictions upon obtaining a receipt for the initial Prospectus. JDCF will file a notice declaring its intention pursuant to section 2.8 of NI 44-101 prior to or concurrently with the issuance of this Decision. JDCF did not file a notice at an earlier date because it did not want to establish a SEDAR profile without first obtaining the Exemptions Sought. JDCF may file an initial Prospectus within 10 business days of the date of this Decision.

*Relief from Continuous Disclosure and Prospectus Requirements*

10. Deere, and not JDCC, is the indirect beneficial owner of all of the issued and outstanding equity and voting securities of JDCF. In accordance with the terms of the Support Agreement, Deere is obligated to provide financial support to JDCC as described above.
11. JDCF is not able to utilize exemptions available to certain issuers of guaranteed securities set out in Item 13 of Form 44-101F1 and exemptions set out in Part 13 of NI 51-102, because (i) the guarantor (JDCC) of the issued securities is not the parent of the issuer (JDCF); and (ii) the Notes are not "designated credit support securities" (as defined in NI 51-102) because the terms of the Notes and any agreement governing the rights of holders of the Notes will only entitle holders of Notes to receive payment from JDCC within 30 days (rather than 15 days) of any failure by JDCF to make a payment.
12. JDCC satisfies the criteria set forth in section 3.1(a) of NI 71-101 and is eligible to use the multi-jurisdictional disclosure system (**MJDS**) for the purpose of distributing approved rating non-convertible debt in Canada based on documentation prepared in accordance with U.S. requirements even though JDCC is not a reporting issuer in the Jurisdictions.

*Future Offerings*

13. Each Prospectus in respect of a proposed offering of Notes will be prepared pursuant to the requirements of NI 44-101 and NI 44-102, other than the disclosure otherwise required pursuant to the Short Form Relief. Each Prospectus will incorporate by reference all United States *Securities Exchange Act of 1934* (the **1934 Act**) filings made by JDCC that would be required to be incorporated by reference (excluding **Non-Incorporated Exhibits**, as defined below) in a Form S-3 registration statement filed under the United States *Securities Act of 1933* (the **1933 Act**) if the securities distributed under the Prospectus were being registered on Form S-3, as well as any material change reports filed by JDCF that are not the subject of a current report on Form 8-K for JDCC.
14. The Non-Incorporated Exhibits are:
  - (i) agreements and any amendments thereto or termination thereof;
  - (ii) indemnification and severance agreements, deferred compensation plans, stock unit and stock option plans and other stock option or award plans, and all amendments, supplements and restatements thereto;
  - (iii) underwriting agreements or voting trust agreements of JDCC and all amendments, supplements and restatements thereto;
  - (iv) plans of acquisition, reorganization, arrangement, liquidation or succession;
  - (v) articles of incorporation (or instruments corresponding thereto) and by-laws of JDCC and any amendments or restatements thereof;
  - (vi) any instruments defining the rights of security holders, including deposit agreements, rights agreements and any supplements to and amendments or restatements thereof;
  - (vii) charters of committees of JDCC;

## Decisions, Orders and Rulings

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- (viii) opinions and consents of: (a) legal counsel; and (b) independent or public certified accountants, or revenue rulings from the Internal Revenue Service;
  - (ix) (a) indentures and supplemental indentures and (b) term sheets and forms of certificates of securities to be issued by JDCC, all relating to the issuance of securities;
  - (x) statements of eligibility with respect to any indentures and trust indenture legislation;
  - (xi) certifications pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act and section 1350 as required by section 906 of the Sarbanes-Oxley Act of 2002;
  - (xii) powers of attorney;
  - (xiii) codes of ethics; and
  - (xiv) other information that JDCC voluntarily files as exhibits on Form 10-K, Form 10-Q, Form 8-K or otherwise;
15. JDCC will fully and unconditionally guarantee payment of the principal, premium (if any), interest and certain other amounts that could become payable under any provisions of the trust indenture relating to the particular Notes;
16. Any Notes issued by JDCF pursuant to any offering will have an “approved rating” by an “approved rating agency”;
17. JDCC will sign each short form shelf prospectus of JDCF as credit supporter;
18. The Prospectus will include, directly or indirectly, all material disclosure regarding JDCF and JDCC;
19. JDCC will undertake to file with the Decision Makers, in electronic format through SEDAR (as defined in National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)*) under JDCF’s SEDAR profile, all documents that it files under sections 13 (other than sections 13(d), (f) and (g) which relate, *inter alia*, to holdings of JDCC of securities of other public companies) and 15(d) of the 1934 Act until such time as the Notes are no longer outstanding; and
20. The consolidated annual and interim financial statements of JDCC that will be included or incorporated by reference in any Prospectus of JDCF will be prepared in conformity with US GAAP, and, in the case of the audited consolidated annual financial statements, such financial statements will be audited in accordance with auditing standards generally accepted in the United States.

### Decision

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

The decision of the principal regulator under the Legislation is that the Notice of Intention Relief is granted provided that JDCF files a notice declaring its intention pursuant to section 2.8 of NI 44-101 prior to or concurrently with issuance of this Decision.

The further decision of the principal regulator under the Legislation is that the Continuous Disclosure Relief is granted for so long as:

- (a) Deere is the direct or indirect beneficial owner of 100% of the issued and outstanding voting shares of (i) JDCF and (ii) JDCC;
- (b) JDCC is an SEC issuer (as defined in subsection 1.1(1) of NI 51-102) that is incorporated or organized under the laws of the United States of America or any state or territory of the United States of America or the District of Columbia and that has filed all documents it is required to file with the SEC;
- (c) JDCF does not issue any securities, and does not have any securities outstanding, other than:
  - (i) (I) non-convertible debt securities or convertible debt securities that are convertible into non-convertible securities of JDCC; or
  - (II) non-convertible preferred shares or convertible preferred shares that are convertible into securities of JDCC

- in respect of which JDCC has provided
- (III) alternative credit support that
    - (A) entitles the holder of the securities to receive payment from JDCC, or enables the holder to receive payment from JDCF, within 30 days of any failure by JDCF to make a payment; and
    - (B) results in the securities receiving the same credit rating as, or a higher credit rating than, the credit rating they would have received if payment had been fully and unconditionally guaranteed by JDCC, or would result in the securities receiving such a rating if they were rated; or
  - (IV) a full and unconditional guarantee of the payments to be made by JDCF, as stipulated in the terms of the securities or in an agreement governing the rights of holders of the securities, that results in the holder of such securities being entitled to receive payment from JDCC within 30 days of any failure by JDCF to make a payment;
- (ii) securities issued to and held by Deere or an affiliate of Deere;
  - (iii) debt securities issued to and held by banks, loan corporations, loan and investment corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions; or
  - (iv) securities issued under exemptions from the prospectus requirement in section 2.35 of National Instrument 45-106 Prospectus and Registration Exemptions;
- (d) JDCF files in electronic format, copies of all documents JDCC is required to file with the SEC under the 1934 Act, at the same time or as soon as practicable after the filing by JDCC of those documents with the SEC;
  - (e) JDCC and Deere comply with U.S. laws and the requirements of any U.S. marketplace on which securities of JDCC or Deere are listed or quoted in respect of making public disclosure of material information on a timely basis;
  - (f) JDCC discloses, in accordance with Rule 4-08(e), any significant restrictions on the ability of JDCC to obtain funds from its subsidiaries by dividend or loan;
  - (g) JDCC immediately issues in Canada and files any news release that discloses a material change in its affairs;
  - (h) JDCF issues in Canada a news release and files a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of JDCF that are not also material changes in the affairs of JDCC;
  - (i) JDCF has minimal assets, operations, revenue or cash flows other than those related to the issuance, administration and repayment of the securities described in paragraph (C), above;
  - (j) JDCF concurrently sends to all holders of its debt securities all disclosure materials that are sent to holders of similar debt of JDCC in the manner and at the time required by U.S. laws and any U.S. marketplace on which securities of JDCC are listed or quoted;
  - (k) JDCF concurrently sends to all holders of its preferred shares all disclosure materials that are sent to holders of similar preferred shares of JDCC in the manner and at the time required by U.S. laws and any U.S. marketplace on which securities of JDCC are listed or quoted;
  - (l) No person or company other than JDCC has provided a guarantee or alternative credit support (as defined in subsection 13.4(1) of NI 51-102) for the payments to be made under any issued and outstanding securities of JDCF; and
  - (m) JDCC continues to satisfy the criteria set forth in paragraph 3.1(a) of NI 71-101 (or any applicable successor provision or instrument).

The further decision of the principal regulator under the Legislation is that the Short Form Relief is granted for so long as:

## Decisions, Orders and Rulings

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- (a) JDCF qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above;
- (b) each Prospectus satisfies any applicable requirement under NI 44-101 and Form 44-101F1, except as varied by this decision or otherwise permitted under NI 44-102; and
- (c) each Prospectus incorporates by reference the documents required under the representation in paragraph 13, above.

The further decision of the principal regulator under the Legislation is that the Certification Relief is granted for so long as:

- (a) JDCF qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above; and
- (b) JDCF is not required to, and does not, file its own annual or interim filings.

The further decision of the principal regulator under the Legislation is that the NI 55-104 Insider Reporting Relief is granted for so long as:

- (a) JDCF qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above;
- (b) for an insider that is neither JDCC nor Deere,
  - (i) the insider does not receive, in the ordinary course, information as to material facts or material changes concerning JDCC before the material facts or material changes are generally disclosed; and
  - (ii) the insider is not an insider of JDCC in any capacity other than by virtue of being an insider of JDCF; and
- (c) JDCC and Deere do not beneficially own any securities listed in subparagraph (C)(i) of the conditions to the Continuous Disclosure Relief, above.

“Jo-Anne Matear”  
Manager, Corporate Finance

The further decision of the principal regulator under the Legislation is that the Legislation Insider Reporting Relief is granted for so long as:

- (a) JDCF qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above;
- (b) for an insider that is neither JDCC nor Deere,
  - (i) the insider does not receive, in the ordinary course, information as to material facts or material changes concerning JDCC before the material facts or material changes are generally disclosed; and
  - (ii) the insider is not an insider of JDCC in any capacity other than by virtue of being an insider of JDCF; and
- (c) JDCC and Deere do not beneficially own any securities listed in subparagraph (C)(i) of the conditions to the Continuous Disclosure Relief, above.

“Edward Kerwin”  
Commissioner  
Ontario Securities Commission

“Sarah Kavanagh”  
Commissioner  
Ontario Securities Commission



2.1.2 John Deere Capital Corporation and John Deere Credit Inc.

**Headnote**

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted from continuous disclosure, certification, and insider reporting requirements to an issuer of guaranteed medium term notes – continuous disclosure of U.S. affiliate credit supporter will be provided – issuer also granted relief from certain prospectus disclosure requirements.

**Applicable Legislative Provisions**

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 107, 121(2)(a)(ii).  
National Instrument 51-102 Continuous Disclosure Obligations.  
National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings.  
National Instrument 44-101 Short Form Prospectus Distributions.  
National Instrument 55-104 Insider Reporting Requirements and Exemptions.

May 4, 2012

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  
JOHN DEERE CAPITAL CORPORATION (JDCC)  
AND JOHN DEERE CREDIT INC. (JDCI)  
(collectively, the Filers)

**DECISION**

**Background**

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

- (a) pursuant to section 13.1 of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**), exempting JDCI from all the requirements of NI 51-102 (the **Continuous Disclosure Relief**);
- (b) pursuant to section 8.1 of National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**), exempting JDCI from the requirements in Item 6 and paragraphs 11.1(1)1, 2, 3, 4, 6, 7 and 8 of Form 44-101F1 *Short Form Prospectus* (**Form 44-101F1**) (the **Short Form Relief**);
- (c) pursuant to section 8.6 of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**), exempting JDCI from all the requirements of NI 52-109 (the **Certification Relief**);
- (d) pursuant to section 10.1 of National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (**NI 55-104**), exempting insiders of JDCI from the requirements of NI 55-104 in respect of securities of JDCI (the **NI 55-104 Insider Reporting Relief**, and with the Continuous Disclosure Relief, the Short Form Relief, and the Certification Relief, the **Passport Exemptions Sought**); and
- (e) pursuant to section 121(2)(a)(ii) of the Legislation, exempting insiders of JDCI from the requirements in section 107 of the Legislation in respect of securities of JDCI (the **Legislation Insider Reporting Relief**).

Under National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*:

## Decisions, Orders and Rulings

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- (a) the Ontario Securities Commission was selected as the principal regulator for the Application;
- (b) the Filers have provided notice pursuant to section 4.7(1)(c) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) that section 4.7(1) of MI 11-102 is to be relied upon by the Filers with respect to the equivalent provisions of the legislation of each province of Canada in respect of the Passport Exemptions Sought; and
- (c) this Passport decision document evidences the decision of each Decision Maker.

### Interpretation

Terms defined in National Instruments 14-101 *Definitions*, MI 11-102 and National Policy 11-203 *Process For Exemptive Relief Applications in Multiple Jurisdictions* have the same meaning if used in this decision, unless otherwise defined.

### Representations

This decision is based on the following representations and submissions by the Filers:

1. JDCI has outstanding non-convertible medium term notes (the **Notes**), issued pursuant to a short form base shelf prospectus (the **Prospectus**) filed from time to time with the securities regulatory authorities in each of the provinces of Canada (the **JDCI MTN Program**).

#### *John Deere Capital Corporation and Support Agreement with Deere*

2. JDCC was incorporated under the laws of Delaware in 1958. Its principal executive offices are located at 1 East First Street, Suite 600, Reno, Nevada, 89501, USA.
3. JDCC is an indirect wholly-owned subsidiary of Deere & Company (**Deere**). JDCC is not a reporting issuer or the equivalent in any of the Jurisdictions and complies with U.S. laws in respect of making public disclosure of material information on a timely basis.
4. As required by the Securities and Exchange Commission (**SEC**) Regulation S-X Rule 4-08(e), (**Rule 4-08(e)**) JDCC discloses in each of its quarterly reports on Form 10-Q and each of its annual reports on Form 10-K filed with the SEC any significant restrictions on the ability of JDCC to obtain funds from its subsidiaries by dividend or loan.
5. JDCC has non-convertible debt securities outstanding with an "approved rating" (as defined in NI 44-101) and JDCC has not been the subject of an announcement by an "approved rating organization" (as defined in NI 44-101) that the "approved rating" given by the organization may be down-graded to a rating category that would not be an "approved rating".
6. Deere has entered into an agreement with JDCC (the **Support Agreement**) pursuant to which it has agreed to own at least 51 percent of the voting shares of capital stock of JDCC and to maintain JDCC's consolidated tangible net worth at not less than \$50 million. The Support Agreement also obliges Deere to make payments to JDCC such that its consolidated ratio of earnings to fixed charges is not less than 1.05 to 1 for each fiscal quarter.
7. Deere's obligations under the Support Agreement are independent of JDCC's indebtedness, obligations or other liabilities. The Support Agreement does not cause Deere to be responsible for the payment of any obligations of JDCC or of any guaranteed entity, including JDCI, to any creditor thereof. However, any holder of Notes has the right to demand that JDCC enforce its rights under the Support Agreement and if JDCC fails or refuses to take timely action to enforce such rights such holder may proceed against JDCC to enforce JDCC's rights under the Support Agreement.

#### *JDCI*

8. JDCI is an indirect wholly-owned subsidiary of Deere formed under the laws of Canada. Its principal executive offices are located at Burlington, Ontario. JDCI is an affiliate of JDCC.
9. JDCI is a reporting issuer, or the equivalent, in all of the provinces of Canada.
10. JDCI primarily finances sales and leases by John Deere dealers of new and used agricultural and turf and commercial and forestry equipment.
11. The following exemptive relief decisions have been issued by certain securities regulators in Canada in respect of the JDCI MTN Program (the **Existing Relief Orders**):

- (a) the Mutual Reliance Review System for Exemptive Relief Applications decisions entitled (i) "In the Matter of John Deere Credit Inc. and John Deere Capital Corporation" dated September 29, 2003, (ii) "In the Matter of Deere & Company, John Deere Capital Corporation and John Deere Credit Inc." dated May 30, 2004,
- (b) decisions of the New Brunswick Securities Commission both entitled "In the Matter of John Deere Credit Inc." and identified as Order 2004-80187 and Order 2006-80118, and
- (c) a decision of the Autorité des marchés financiers, Décision No. 2005-PDG-0396.

*Relief from Continuous Disclosure*

- 12. Deere, and not JDCC, is the indirect beneficial owner of all of the issued and outstanding equity and voting securities of JDCI. In accordance with the terms of the Support Agreement, Deere is obligated to provide financial support to JDCC as described above.
- 13. JDCI is not able to utilize exemptions available to certain issuers of guaranteed securities set out in Item 13 of Form 44-101F1 and exemptions set out in Part 13 of NI 51-102, because (i) the guarantor (JDCC) of the issued securities is not the parent of the issuer (JDCI); and (ii) the Notes are not "designated credit support securities" (as defined in NI 51-102) because the terms of the Notes and any agreement governing the rights of holders of the Notes will only entitle holders of Notes to receive payment from JDCC within 30 days (rather than 15 days) of any failure by JDCI to make a payment.
- 14. JDCC satisfies the criteria set forth in section 3.1(a) of NI 71-101 and is eligible to use the multi-jurisdictional disclosure system (**MJDS**) for the purpose of distributing approved rating non-convertible debt in Canada based on documentation prepared in accordance with U.S. requirements even though JDCC is not a reporting issuer in the Jurisdictions.

*Future Offerings*

- 15. Each Prospectus in respect of a proposed offering of Notes will be prepared pursuant to the requirements of NI 44-101 and NI 44-102, other than the disclosure otherwise required pursuant to the Short Form Relief. Each Prospectus will incorporate by reference all United States *Securities Exchange Act of 1934* (the **1934 Act**) filings made by JDCC that would be required to be incorporated by reference (excluding **Non-Incorporated Exhibits**, as defined below) in a Form S-3 registration statement filed under the United States *Securities Act of 1933* (the **1933 Act**) if the securities distributed under the Prospectus were being registered on Form S-3, except as varied by the following:
  - (a) (i) the annual comparative selected financial information (the **Annual Selected Financial Information**) derived from the audited annual financial statements of JDCI for its most recently completed financial year and the financial year immediately preceding such financial year, prepared in accordance with generally accepted accounting principles in Canada in effect at such time (**Canadian GAAP**), accompanied by a specified procedures report of the auditors to JDCI, which shall define and include at least the following line items (or such other line items that provide substantially similar disclosure): (1) total revenues; (2) net income; (3) net investment in financing contracts and equipment on operating leases, together with a descriptive note on the dollar amount of the allowance for impaired financial contracts; (4) total assets; (5) short-term borrowings; (6) long-term borrowings (which shall include the Notes); (7) accounts payable and other liabilities; and (8) total shareholder's equity; and
  - (b) (ii) the interim comparative selected financial information (the **Interim Selected Financial Information**) derived from the unaudited interim financial statements of JDCI for its most recently completed interim period and the corresponding interim period in the previous financial year, prepared in accordance with Canadian GAAP, which shall define and include at least the line items set out above in paragraph 15(A) (or such other line items that provide substantially similar disclosure);
  - (c) any material change reports filed by JDCI that are not the subject of a current report on Form 8-K for JDCC;
- 16. The Non-Incorporated Exhibits are:
  - (i) agreements and any amendments thereto or termination thereof;
  - (ii) indemnification and severance agreements, deferred compensation plans, stock unit and stock option plans and other stock option or award plans, and all amendments, supplements and restatements thereto;
  - (iii) underwriting agreements or voting trust agreements of JDCC and all amendments, supplements and restatements thereto;

## Decisions, Orders and Rulings

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- (iv) plans of acquisition, reorganization, arrangement, liquidation or succession;
  - (v) articles of incorporation (or instruments corresponding thereto) and by-laws of JDCC and any amendments or restatements thereof;
  - (vi) any instruments defining the rights of security holders, including deposit agreements, rights agreements and any supplements to and amendments or restatements thereof;
  - (vii) charters of committees of JDCC;
  - (viii) opinions and consents of: (a) legal counsel; and (b) independent or public certified accountants, or revenue rulings from the Internal Revenue Service;
  - (ix) (a) indentures and supplemental indentures and (b) term sheets and forms of certificates of securities to be issued by JDCC, all relating to the issuance of securities;
  - (x) statements of eligibility with respect to any indentures and trust indenture legislation;
  - (xi) certifications pursuant to Rule 13a-14(a)/15d-14(a) of the Exchange Act and section 1350 as required by section 906 of the Sarbanes-Oxley Act of 2002;
  - (xii) powers of attorney;
  - (xiii) codes of ethics; and
  - (xiv) other information that JDCC voluntarily files as exhibits on Form 10-K, Form 10-Q, Form 8-K or otherwise;
17. JDCC will fully and unconditionally guarantee payment of the principal, premium (if any), interest and certain other amounts that could become payable under any provisions of the trust indenture relating to the particular Notes;
18. Any Notes issued by JDCC pursuant to any offering will have an "approved rating" by an "approved rating agency";
19. JDCC will sign each short form shelf prospectus of JDCC as credit supporter;
20. The Prospectus will include, directly or indirectly, all material disclosure regarding JDCC and JDCC;
21. JDCC will undertake to file with the Decision Makers, in electronic format through SEDAR (as defined in National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)*) under JDCC's SEDAR profile, all documents that it files under sections 13 (other than sections 13(d), (f) and (g) which relate, *inter alia*, to holdings of JDCC of securities of other public companies) and 15(d) of the 1934 Act until such time as the Notes are no longer outstanding; and
22. The consolidated annual and interim financial statements of JDCC that will be included or incorporated by reference in any Prospectus of JDCC will be prepared in conformity with US GAAP, and, in the case of the audited consolidated annual financial statements, such financial statements will be audited in accordance with auditing standards generally accepted in the United States.

### Decision

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

The decision of the principal regulator under the Legislation is that the Continuous Disclosure Relief is granted for so long as:

- (a) The Filers shall not rely on the Existing Relief Orders;
- (b) Deere is the direct or indirect beneficial owner of 100% of the issued and outstanding voting shares of (i) JDCC and (ii) JDCC;
- (c) JDCC is an SEC issuer (as defined in subsection 1.1(1) of NI 51-102) that is incorporated or organized under the laws of the United States of America or any state or territory of the United States of America or the District of Columbia and that has filed all documents it is required to file with the SEC;

- (d) JDCl does not issue any securities, and does not have any securities outstanding, other than:
- (i) (I) non-convertible debt securities or convertible debt securities that are convertible into non-convertible securities of JDCC; or
  - (II) non-convertible preferred shares or convertible preferred shares that are convertible into securities of JDCC
- in respect of which JDCC has provided
- (III) alternative credit support that
    - (A) entitles the holder of the securities to receive payment from JDCC, or enables the holder to receive payment from JDCl, within 30 days of any failure by the JDCl to make a payment; and
    - (B) results in the securities receiving the same credit rating as, or a higher credit rating than, the credit rating they would have received if payment had been fully and unconditionally guaranteed by JDCC, or would result in the securities receiving such a rating if they were rated; or
  - (IV) a full and unconditional guarantee of the payments to be made by JDCl, as stipulated in the terms of the securities or in an agreement governing the rights of holders of the securities, that results in the holder of such securities being entitled to receive payment from JDCC within 30 days of any failure by JDCl to make a payment (collectively, **Credit Support Securities**);
- (ii) securities issued to and held by Deere or an affiliate of Deere;
  - (iii) debt securities issued to and held by banks, loan corporations, loan and investment corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions; or
  - (iv) securities issued under exemptions from the prospectus requirement in section 2.35 of National Instrument 45-106 *Prospectus and Registration Exemptions*;
- (e) JDCl files in electronic format, copies of all documents JDCC is required to file with the SEC under the 1934 Act, at the same time or as soon as practicable after the filing by JDCC of those documents with the SEC;
- (f) So long as any Credit Support Securities are outstanding, JDCl files, in electronic format, the Annual Selected Financial Information within:
- (i) 120 days of JDCl's most recently completed financial year beginning if JDCl is a venture issuer (as defined in NI 51-102) as at the end of such financial year; or
  - (ii) 90 days of JDCl's most recently completed financial year beginning if JDCl is not a venture issuer as at the end of such financial year;
- (g) The Annual Selected Financial Information shall include at least the following line items (or such other line items that provide substantially similar disclosure):
- (i) total revenues;
  - (ii) net income;
  - (iii) net investment in financing contracts and equipment on operating leases, together with a descriptive note on the dollar amount of the allowance for impaired financial contracts;
  - (iv) total assets;
  - (v) short-term borrowings;
  - (vi) long-term borrowings;

- (vii) accounts payable and other liabilities; and
  - (viii) total shareholder's equity;
- (h) So long as any Credit Support Securities are outstanding, JDCI files, in electronic format, Interim Selected Financial Information for such interim period and for items (i) and (ii) of paragraph (I) below, the corresponding interim period in the previous financial year and for items (iii) through to and including (viii) of paragraph (I) below, as at the end of the previous financial year, with all such information derived from its unaudited interim financial statements, prepared in accordance with Canadian GAAP;
- (i) So long as any Credit Support Securities are outstanding, JDCI files the Interim Selected Financial Information within:
  - (i) 60 days of JDCI's then most recently completed interim period if JDCI is a venture issuer as at the end of such interim period; or
  - (ii) 45 days of JDCI's then most recently completed interim period if JDCI is not a venture issuer as at the end of such interim period;
- (j) The Interim Comparative Selected Financial Information referred to in paragraph (H) above shall include at least the following line items (or such other line items that provide substantially similar disclosure):
  - (i) total revenues;
  - (ii) net income;
  - (iii) net investment in financing contracts and equipment on operating leases, together with a descriptive note on the dollar amount of the allowance for impaired financial contracts;
  - (iv) total assets;
  - (v) short-term borrowings;
  - (vi) long-term borrowings;
  - (vii) accounts payable and other liabilities; and
  - (viii) total shareholder's equity;
- (k) JDCC and Deere comply with U.S. laws and the requirements of any U.S. marketplace on which securities of JDCC or Deere are listed or quoted in respect of making public disclosure of material information on a timely basis;
- (l) JDCC discloses, in accordance with Rule 4-08(e), any significant restrictions on the ability of JDCC to obtain funds from its subsidiaries by dividend or loan;
- (m) JDCC immediately issues in Canada and files any news release that discloses a material change in its affairs;
- (n) JDCI issues in Canada a news release and files a material change report in accordance with Part 7 of NI 51-102 for all material changes in respect of the affairs of JDCI that are not also material changes in the affairs of JDCC;
- (o) JDCI concurrently sends to all holders of its debt securities all disclosure materials that are sent to holders of similar debt of JDCC in the manner and at the time required by U.S. laws and any U.S. marketplace on which securities of JDCC are listed or quoted;
- (p) JDCI concurrently sends to all holders of its preferred shares all disclosure materials that are sent to holders of similar preferred shares of JDCC in the manner and at the time required by U.S. laws and any U.S. marketplace on which securities of JDCC are listed or quoted;
- (q) No person or company other than JDCC has provided a guarantee or alternative credit support (as defined in subsection 13.4(1) of NI 51-102) for the payments to be made under any issued and outstanding securities of JDCI; and

## Decisions, Orders and Rulings

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- (r) JDCC continues to satisfy the criteria set forth in paragraph 3.1(a) of NI 71-101 (or any applicable successor provision or instrument).

The further decision of the principal regulator under the Legislation is that the Short Form Relief is granted for so long as:

- (a) JDCI qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above;
- (b) each Prospectus satisfies any applicable requirement under NI 44-101 and Form 44-101F1, except as varied by this decision or otherwise permitted under NI 44-102; and
- (c) each Prospectus incorporates by reference the documents required under the representation in paragraph 15, above.

The further decision of the principal regulator under the Legislation is that the Certification Relief is granted for so long as:

- (a) JDCI qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above; and
- (b) JDCI is not required to, and does not, file its own annual or interim filings.

The further decision of the principal regulator under the Legislation is that the NI 55-104 Insider Reporting Relief is granted for so long as:

- (a) JDCI qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above;
- (b) for an insider that is neither JDCC nor Deere,
  - (i) the insider does not receive, in the ordinary course, information as to material facts or material changes concerning JDCC before the material facts or material changes are generally disclosed; and
  - (ii) the insider is not an insider of JDCC in any capacity other than by virtue of being an insider of JDCI; and
- (c) JDCC and Deere do not beneficially own any securities listed in subparagraph (D)(i) of the conditions to the Continuous Disclosure Relief, above.

“Jo-Anne Matear”  
Manager, Corporate Finance

The further decision of the principal regulator under the Legislation is that the Legislation Insider Reporting Relief is granted for so long as:

- (a) JDCI qualifies for the Continuous Disclosure Relief and the Filers and Deere are in compliance with the applicable requirements and conditions of the Continuous Disclosure Relief, above;
- (b) for an insider that is neither JDCC nor Deere,
  - (i) the insider does not receive, in the ordinary course, information as to material facts or material changes concerning JDCC before the material facts or material changes are generally disclosed; and
  - (ii) the insider is not an insider of JDCC in any capacity other than by virtue of being an insider of JDCI; and
- (c) JDCC and Deere do not beneficially own any securities listed in subparagraph (D)(i) of the conditions to the Continuous Disclosure Relief, above.

“Edward Kerwin”  
Commissioner  
Ontario Securities Commission

“Sarah Kavanagh”  
Commissioner  
Ontario Securities Commission

### 2.1.3 Atlantic Power Limited Partnership and Atlantic Power Corporation

#### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application from company (Filer) for an order exempting limited partnership (Issuer) from continuous disclosure requirements, certification requirements and insider reporting requirements – Filer will provide a full and unconditional guarantee of notes issued by Issuer – Filer unable to rely on exemption for credit support issuers in applicable securities legislation as definition of “parent credit support issuer” contemplates corporate subsidiary whereas Issuer is a limited partnership; additionally, guarantees provided by Filer and another affiliated entity are joint, rather than joint and several as required for exemption – Relief granted on condition that the Filer provide a full and unconditional guarantee to Issuer and on conditions substantially analogous to the conditions contained in section 13.4 of National Instrument 51-102 Continuous Disclosure Obligations.

#### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, ss. 107, 121(2)(a)(ii).  
National Instrument 51-102 Continuous Disclosure Obligations, ss. 13.1, 13.4.  
National Instrument 52-109 Certification of Disclosure in Issuer’s Annual and Interim Filings, s. 8.6.  
National Instrument 55-102 System for Electronic Disclosure by Insiders (SEDI), s. 6.1.  
National Instrument 55-104 Insider Reporting Requirements and Exemption, s. 10.1.

May 8, 2012

**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  
ATLANTIC POWER LIMITED PARTNERSHIP  
(the Issuer)**

**AND**

**ATLANTIC 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 of the principal regulator (the **Legislation**) for an order exempting:

- (a) the Issuer from the continuous disclosure obligations of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**), as amended from time to time (the **Continuous Disclosure Requirements**);
- (b) the Issuer from the certification of disclosure in annual and interim filings in National Instrument 52-109 *Certification of Disclosure in Issuers’ Annual and Interim Filings*, as amended from time to time (the **Certification Requirements**); and
- (c) the insiders of the Issuer from the insider reporting requirements of National Instrument 55-104 *Insider Reporting Requirements and Exemptions* (**NI 55-104**), including the primary insider reporting requirements of Part 3 of NI 55-104 and in section 107 of the *Securities Act* (Ontario), each as amended from time to time, and the requirement to file an insider profile and insider reports under National Instrument 55-102 *System for Electronic Disclosure by Insiders*, as amended from time to time (collectively, the **Insider Reporting Requirements**)



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

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon Territory, Northwest Territories, and Nunavut.

### **Interpretation**

Terms defined in National Instrument 14-101 *Definitions* or MI 11-102 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:

#### ***The Filer***

1. The Filer is a corporation continued under the laws of the Province of British Columbia.
2. The Filer's headquarters are located at 200 Clarendon Street, Floor 25, Boston, Massachusetts, USA 02116.
3. The Filer is a reporting issuer in each of the provinces and territories of Canada and is not in default of any applicable requirements under the securities legislation in any of the provinces and territories of Canada. The Filer is an SEC issuer (as defined in NI 51-102) and its financial statements are prepared in accordance with U.S. GAAP.
4. The Filer is authorized to issue an unlimited number of common shares. As at 27 March 2012, the Filer had 113,680,643 common shares outstanding.
5. The Filer's common shares trade on the New York Stock Exchange and on the Toronto Stock Exchange.
6. As a reporting issuer (or the equivalent thereof) in each of the provinces and territories of Canada, the Filer must, pursuant to the Continuous Disclosure Requirements, file and, where applicable, send to its securityholders, audited comparative annual consolidated financial statements, unaudited interim consolidated financial statements and management's discussion and analysis relating to its annual and interim consolidated financial statements.

#### ***The Issuer***

7. The Issuer is a limited partnership organized under the laws of the Province of Ontario pursuant to an amended and restated limited partnership agreement made effective as of November 5, 2011, as may be amended, supplemented and/or restated from time to time (the **LP Agreement**).
8. The head office and principal place of business of the Issuer is Suite 1301, 200 University Avenue, Toronto, Ontario, M5H 3C6.
9. The Issuer carries on activities that are directly or indirectly related to the energy supply industry and holds investments in other entities which are primarily engaged in such industry.
10. The Issuer is a reporting issuer in each of the provinces and territories of Canada and is not in default of any applicable requirements under the securities legislation in any of the provinces and territories of Canada other than its obligation to file its annual financial statements and management's discussion & analysis relating to its annual financial statements in accordance with NI 51-102.
11. The rights, privileges, restrictions and conditions attaching to the limited partnership units of the Issuer (the **Units**) are set out in LP Agreement. The Units of the Issuer are not listed for trading on any stock exchange.
12. All of the outstanding Units are owned by the Filer, the sole limited partner of the Issuer, and Atlantic Power GP Inc., the sole general partner of the Issuer and a wholly-owned subsidiary of the Filer. Only those Units held by the Filer are voting securities of the Issuer.

## Decisions, Orders and Rulings

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13. The Issuer has issued \$210 million aggregate principal amount of 5.95% Medium Term Notes due June 23, 2034 (the **Notes**), which Notes are held by the public and are not listed on any stock exchange.
14. All of the Notes were issued pursuant to a prospectus supplement dated June 16, 2006 to a (final) short form base shelf prospectus dated June 15, 2006 and under a trust indenture (the **Indenture**) dated June 15, 2006 between the Issuer (formerly Epcor Power L.P.) and CIBC Mellon Trust Company. The Issuer was qualified at the time to file the short form base shelf prospectus pursuant to section 2.4 of NI 44-101.
15. On November 18, 2011, the Issuer filed a notice of withdrawal of its intention to be qualified to file a short form prospectus under NI 44-101.
16. The rights, privileges, restrictions and conditions attaching to the Notes are set out in the Indenture. The Notes are non-convertible debt securities of the Issuer. Holders of the Notes are entitled to interest on the Notes at a rate of 5.95%, payable semi-annually in arrears in equal instalments on June 23 and December 23 in each year. The Notes are redeemable at the option of the Issuer in certain circumstances on payment of a specified amount.
17. Atlantic Power Preferred Equity Ltd. (the **Subsidiary**), a wholly-owned subsidiary of the Issuer, has provided a full and unconditional guarantee (the **Subsidiary Guarantee**) of the payments to be made by the Issuer, as stipulated in the terms of each of the Notes, which results in the holders of the Notes being entitled to receive payment from the Subsidiary within 15 days of any failure by the Issuer to make a payment. The Subsidiary is a "credit supporter" (as defined in NI 51-102) and is required to file certain financial information in accordance with section 13.4 of NI 51-102.
18. The Filer has provided a full and unconditional guarantee (the **Filer Guarantee**) of the payments to be made by the Issuer, as stipulated in the terms of each of the Notes, which results in the holders of the Notes being entitled to receive payment from the Filer within 15 days of any failure by the Issuer to make a payment, as contemplated by paragraph (d) of the definition of "designated credit support security" in section 13.4(1) of NI 51-102. Upon the granting of the Filer Guarantee, the Filer will be a "credit supporter" (as defined in NI 51-102).
19. The Filer does not directly satisfy the definition of "parent credit supporter" (as defined in NI 51-102); therefore the Subsidiary will not be a "subsidiary credit supporter" (as defined in NI 51-102), the Notes will not be "designated credit support securities" (as defined in NI 51-102) and the Issuer will not be able to meet the tests set forth in section 13.4(2.1).
20. The Issuer has not issued any securities and does not have any securities outstanding other than the Units and the Notes.

### Decision

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

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

- (a) the Filer has provided the Filer Guarantee;
- (b) in respect of the Continuous Disclosure Requirements, the Issuer and the Filer (as applicable) continue to satisfy the conditions set out in subsection 13.4(2.1) of NI 51-102,
  - (i) including, for greater certainty, subsection 13.4(2)(c) of NI 51-102 which provides that the Issuer does not issue any securities, and does not have any securities outstanding, other than:
    - (A) designated credit support securities,
    - (B) securities issued to and held by the Filer or an affiliate of the Filer,
    - (C) debt securities issued to and held by banks, loan corporations, loan and investment corporations, savings companies, trust corporations, treasury branches, savings or credit unions, financial services cooperatives, insurance companies or other financial institutions, or
    - (D) securities issued under exemptions from the registration requirement and prospectus requirement in section 2.35 of National Instrument 45-106 *Prospectus and Registration Exemptions*,

and

- (ii) except as modified as follows:
  - (A) any reference to parent credit supporter in section 13.4 of NI 51-102 shall be deemed to include the Filer,
  - (B) any reference to a subsidiary credit supporter in section 13.4 of NI 51-102 shall be deemed to include the Subsidiary,
  - (C) the Filer shall be deemed to control the Issuer for purposes of paragraph 13.4(2.1)(b) of NI 51-102 if the Filer has direct or indirect ownership of, or control (as defined in subsection 1.1(3) of NI 51-102) or direction over all of the voting securities of the Issuer, and
  - (D) the Issuer does not have to comply with the condition in paragraph 13.4(2.1)(e) of NI 51-102 if the Filer has provided the Filer Guarantee and the Subsidiary has provided the Subsidiary Guarantee.
- (c) in respect of the Certification Requirements, the Filer and the Issuer continue to satisfy the conditions for relief from the Continuous Disclosure Requirements as set forth and modified above.
- (d) in respect of the Insider Reporting Requirements, an insider of the Issuer can only rely on the Exemption Sought so long as:
  - (i) the insider of the Issuer complies with the conditions in paragraphs 13.4(3)(b) and 13.4(3)(c) of NI 51-102, as applicable, and
  - (ii) the Filer and the Issuer continue to satisfy the conditions for relief from the Continuous Disclosure Requirements as set forth and modified above.

As to the Exemption Sought (other than from the Insider Reporting Requirements in the *Securities Act* (Ontario)):

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

As to the Exemption Sought from the Insider Reporting Requirements in the *Securities Act* (Ontario):

“Vern Krishna”  
Commissioner  
Ontario Securities Commission

“Judith Robertson”  
Commissioner  
Ontario Securities Commission

## 2.1.4 Frontera Copper Corporation

### 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 under applicable securities laws – requested relief granted.

### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s.1(10)(a)(ii).  
CSA Staff Notice 12-307 Applications for a Decision that an Issuer is not a Reporting Issuer.

May 9, 2012

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

AND

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

AND

IN THE MATTER OF  
FRONTERA COPPER CORPORATION  
(the “Filer”)

DECISION

### Background

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

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

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

### Interpretation

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

### Representations

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

1. The Filer was amalgamated under the laws of Canada on June 14, 2010 pursuant to a plan of arrangement and was continued under the laws of British Columbia on November 21, 2011.
2. The Filer’s head and registered office is currently located at 1075 West Georgia Street, Suite 1620, Vancouver, British Columbia, V6E 4A2.

3. The Filer is a reporting issuer in each of the Jurisdictions.
4. On February 21, 2012, the Applicant sent to the registered holders of all of its outstanding 10% Senior Secured Notes due September 30, 2013 (Series 1A) (the **Notes**) a redemption notice to redeem the Notes in full (the **Redemption**) in accordance with the terms of the trust indenture governing the Notes dated as of June 14, 2010 between the Applicant, Cobre del Mayo, S.A. de C.V. and CIBC Mellon Trust Company, as supplemented by a first supplemental indenture dated as of July 30, 2010.
5. The outstanding Notes were redeemed in full as of March 22, 2012.
6. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions in Canada and fewer than 51 security holders in total in Canada.
7. The Notes were delisted from the TSX on March 22, 2012. No securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.
8. The Filer is applying for a decision that it is not a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer.
9. The Filer filed a Notice of Voluntary Surrender of Reporting Issuer Status with the British Columbia Securities Commission under BC Instrument 11-502 – *Voluntary Surrender of Reporting Issuer Status* on March 23, 2012. The British Columbia Securities Commission has confirmed the Filer's non-reporting status in British Columbia effective April 1, 2012.
10. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer, other than its obligation to file and deliver on or before March 30, 2012 annual financial statements for the year ended December 31, 2011 and accompanying management's discussion and analysis, as required under NI 51-102 *Continuous Disclosure Obligations (NI 51-102)*, the related certifications of such financial statements as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* and an annual information form as required under NI 51-102.
11. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the Exemptive Relief Sought because it is in default of certain filing obligations under the Legislation as described in paragraph 10 above;
12. The Filer has no current intention to seek public financing by way of an offering of its securities in a jurisdiction in Canada.
13. Upon the granting of the Exemptive Relief Sought, the Filer will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

**Decision**

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

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

"Christopher Portner"  
Commissioner  
Ontario Securities Commission

"James Turner"  
Vice-Chair  
Ontario Securities Commission

## 2.1.5 AGF Investments Inc.

### Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund mergers – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfer in National Instrument 81-102 – certain merging funds do not have substantially similar investment objectives and fees structure – certain mergers not a “qualifying exchange” or a tax-deferred transaction under Income Tax Act – securityholders of terminating funds provided with timely and adequate disclosure regarding the mergers.

### Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.5(3), 5.6, 5.7.

May 4, 2012

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  
AGF INVESTMENTS INC.  
(AGF)

AND

IN THE MATTER OF  
THE MERGING FUNDS (as hereinafter defined)

AND

IN THE MATTER OF  
THE CONTINUING FUNDS (as hereinafter defined)

DECISION

### Background

The principal regulator in the Jurisdiction has received an application (the **Application**) from AGF, the manager of each of the funds discussed below (AGF together with the funds discussed below are hereinafter referred to as the **Filers**) for a decision under the securities legislation of the Principal Jurisdiction (the **Legislation**) for merger approvals (**Merger Approval**) pursuant to clause 5.5(1)(b) of National Instrument 81-102 – *Mutual Funds (NI 81-102)*.

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

**Interpretation**

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

The following terms shall have the following meanings:

<b>AWTAG</b>	refers to AGF All World Tax Advantage Group Limited
<b>Circular</b>	refers to the management information circular described in this Application
<b>Continuing Funds</b>	refers, collectively, to AGF Canadian Stock Fund, Acuity Natural Resource Fund, Acuity Conservative Asset Allocation Fund, Acuity Social Values Canadian Equity Fund, Acuity Social Values Balanced Fund and AGF Canada Class
<b>Continuing Trust Funds</b>	refers, collectively, to AGF Canadian Stock Fund, Acuity Natural Resource Fund, Acuity Conservative Asset Allocation Fund, Acuity Social Values Canadian Equity Fund and Acuity Social Values Balanced Fund
<b>Corporate Funds</b>	refers to AGF Canadian Stock Class and AGF Canada Class
<b>Corporate Fund Merger Effective Date</b>	refers to May 25, 2012 – the expected date for effecting the Proposed Corporate Fund Merger
<b>IRC</b>	refers to the independent review committee of a fund or funds
<b>Merging Funds</b>	refers, collectively to AGF Canadian Value Fund, AGF Global Resources Fund, Acuity Canadian Balanced Fund, Acuity Social Values Global Equity Fund, Alpha Social Values Portfolio and AGF Canadian Stock Class
<b>Merging Trust Funds</b>	refers, collectively, to AGF Canadian Value Fund, AGF Global Resources Fund, Acuity Canadian Balanced Fund, Acuity Social Values Global Equity Fund and Alpha Social Values Portfolio
<b>OBCA</b>	refers to the <i>Business Corporations Act</i> (Ontario)
<b>Tax Act</b>	refers to the Income Tax Act (Canada)
<b>Trust Fund Mergers Effective Date</b>	refers to May 25, 2012 – the expected date for effecting the Proposed Trust Fund Mergers
<b>Trust Funds</b>	refers, collectively, to the Merging Trust Funds and the Continuing Trust Funds

**Representations**

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

**The Filers**

1. The head office of AGF is located in Toronto, Ontario. The Filers are not in default of securities legislation in any jurisdiction of Canada.
2. On March 1, 2012, AGF Investments Inc. amalgamated with Acuity Funds Ltd. and continued as one corporation known as AGF Investments Inc. AGF is a corporation existing under the laws of Ontario.
3. AWTAG is a multi-class mutual fund corporation incorporated under the laws of Ontario. AWTAG offers both AGF Canadian Stock Class and AGF Canada Class.
4. Each of the Trust Funds is an open-end mutual fund trust established under the laws of Ontario by a declaration of trust pursuant to which AGF is the trustee.
5. AGF is the manager and trustee of each of the Trust Funds and the manager of each of the Corporate Funds.
6. Each of the Trust Funds and Corporate Funds is a reporting issuer under the applicable securities legislation of each jurisdiction in Canada.

7. The funds (the **Funds**) proposed to be merged (the **Proposed Mergers**) are set forth below:

MERGING FUND	CONTINUING FUND
<b><u>Proposed Corporate Fund Merger</u></b>	
AGF Canadian Stock Class	AGF Canada Class
<b><u>Proposed Trust Fund Mergers</u></b>	
AGF Canadian Value Fund	AGF Canadian Stock Fund
AGF Global Resources Fund	Acuity Natural Resource Fund
Acuity Canadian Balanced Fund	Acuity Conservative Asset Allocation Fund
Acuity Social Values Global Equity Fund	Acuity Social Values Canadian Equity Fund
Alpha Social Values Portfolio	Acuity Social Values Balanced Fund

8. Meetings of securityholders of all of the Merging Funds were held on April 10, 2012. All other approvals required by the OBCA in connection with the Proposed Corporate Fund Merger have been obtained.
9. AGF will be responsible for the costs associated with the special meeting matters.
10. There will be no sales charges payable in connection with the acquisition by a Continuing Fund of the investment portfolio of the corresponding Merging Fund.
11. Pursuant to NI 81-107 – *Independent Review Committee for Investment Funds*, the IRC has reviewed the Proposed Mergers on behalf of the Merging Funds and the Continuing Funds and the process to be followed in connection with the Proposed Mergers, and has advised AGF that in the IRC’s opinion, having reviewed each of the Proposed Mergers as a potential conflict of interest, following the process proposed, each of the Proposed Mergers achieves a fair and reasonable result for each of the Merging Funds and the Continuing Funds.
12. The relevant notices of the meetings and Circular have been mailed to securityholders of the relevant Funds and filed on SEDAR in accordance with applicable securities legislation.
13. Each of the Merging Funds will be wound up as soon as possible following completion of the Proposed Mergers.

**The Proposed Corporate Fund Merger**

14. AGF proposes that AGF Canadian Stock Class be merged into AGF Canada Class.
15. AGF currently proposes to effect the Proposed Corporate Fund Merger on or about May 25, 2012 (the **Corporate Fund Merger Effective Date**).
16. AGF has determined that the Proposed Corporate Fund Merger will not be a material change to AGF Canada Class due to the small size of AGF Canadian Stock Class relative to AGF Canada Class.
17. Shareholders of AGF Canada Class will be permitted to dissent from the Proposed Corporate Fund Merger pursuant to the provisions of the OBCA.
18. Securityholders of AGF Canadian Stock Class will continue to have the right to redeem securities of AGF Canadian Stock Class at any time up to the close of business immediately before the Corporate Fund Merger Effective Date.

**Proposed Trust Fund Mergers**

19. AGF is proposing that there be mergers of the Merging Trust Funds with the relevant Continuing Trust Funds.
20. AGF currently proposes to effect the Proposed Trust Fund Mergers of the Merging Trust Funds and Continuing Trust Funds on or about May 25, 2012 (the **Trust Fund Mergers Effective Date**).



21. AGF has determined that the Proposed Trust Fund Mergers will not be a material change to each of the Continuing Trust Funds due to the small size of the Merging Trust Funds relative to the applicable Continuing Trust Funds.
22. Securityholders of the Merging Trust Funds will continue to have the right to redeem securities of the Merging Trust Funds at any time up to the close of business immediately before the Trust Fund Mergers Effective Date.

**Reasons for Merger Approval**

23. AGF requires Merger Approval in connection with one or more Proposed Mergers and cannot rely on section 5.6(1) of NI 81-102 for the following reasons:
  - (a) the investment objectives of some of the Merging Funds with its corresponding Continuing Fund are not substantially similar;
  - (b) certain of the Proposed Trust Fund Mergers are not tax deferred mergers;
  - (c) certain of the Merging Funds do not have the same fees as the relevant Continuing Funds; and
  - (d) the materials sent to securityholders of the Merging Funds did not include a copy of the current simplified prospectus or the most recently filed fund facts document of the Continuing Funds.
24. Although the investment objectives of some Merging Funds or method of implementation may not be substantially similar to the relevant Continuing Funds, they are nevertheless complementary.
25. Current Canadian tax laws do not permit the merger of a unit trust with a mutual fund trust and certain Proposed Mergers would cause a Continuing Fund to lose its material loss carry forwards if done on a tax deferred basis.
26. To the extent that the fees of certain Merging Funds are lower than those of the Continuing Funds, the fees of the Continuing Funds will be lowered for all outstanding securities of such Continuing Funds and to the extent that the fees of certain Merging Funds are higher than those of the Continuing Funds, the securityholders of the Merging Funds will benefit from a decrease in fees.
27. Except as noted above, AGF believes that each Proposed Merger satisfies all of the criteria for pre-approved reorganizations and transfers set forth in section 5.6(1) of NI 81-102.
28. AGF believes that the Mergers will be beneficial to securityholders of each Fund for the following reasons:
  - (a) it is expected that each Proposed Merger will reduce duplication and create operational efficiencies;
  - (b) following the Proposed Mergers, each Continuing Fund will have more assets, thereby allowing for increased portfolio diversification opportunities; and
  - (c) each Continuing Fund will benefit from its larger profile in the marketplace.
29. AGF submits that the investors will not be prejudiced in connection with the Proposed Mergers as:
  - (a) the Circular sent to securityholders in connection with a Proposed Merger provided sufficient information about the Proposed Merger to permit securityholders to make an informed decision about the Proposed Merger including the tax implications of the Proposed Merger, the differences between the Merging Fund and the Continuing Fund and the Funds' IRC's recommendation that the Mergers achieve a fair and reasonable result for the applicable Funds;
  - (b) the Circular sent to securityholders prominently disclosed the various ways in which securityholders can obtain the most recently filed annual information form, fund facts documents, interim and annual financial statements and management reports of fund performance of the Funds;
  - (c) each applicable Continuing Fund and Merging Fund with respect to a Proposed Merger have an unqualified audit report in respect of their last completed financial period;
  - (d) also accompanying the Circular delivered to securityholders was a tailored simplified prospectus consisting of:
    - (i) the current Part A of the simplified prospectus of the applicable Continuing Fund; and

- (ii) the current Part B of the simplified prospectus of the applicable Continuing Fund;
- (e) securityholders of the Merging Funds approved the Proposed Mergers at meetings held on April 10, 2012.

**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 Merger Approval is granted.

“Raymond Chan”  
Manager, Investment Funds Branch  
Ontario Securities Commission

## 2.1.6 Driehaus Capital Management LLC

### Headnote

Relief granted from margin rate applicable to U.S. money market mutual funds in calculation of market risk in Form 31-103F1 – margin rate for funds qualified for distribution in Canada is 5%, while funds qualified for distribution in U.S. is 100% – similar regulation of money market funds – NI 31-103 – Ontario-only decision, filer provided undertaking not to passport decision to jurisdictions outside of Ontario.

### Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 12.1, 15.

May 10, 2012

**IN THE MATTER OF  
NATIONAL INSTRUMENT 31-103  
REGISTRATION REQUIREMENTS, EXEMPTIONS  
AND ONGOING REGISTRANT OBLIGATIONS  
("NI 31-103")**

**AND**

**IN THE MATTER OF  
DRIEHAUS CAPITAL MANAGEMENT LLC  
(the "Filer")**

**DECISION**

### Background

The Director has received an application from the Filer for a decision under subsection 15.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("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 F1") only to the extent that the Filer be able to apply the same margin rate to investments in money market mutual funds qualified for sale by prospectus in the United States of America as is the case for money market mutual funds qualified for sale in a province of Canada when calculating market risk pursuant to Line 9 of Form F1 (the "Exemption Sought").

### Interpretation

Defined terms contained in NI 31-103 have the same meanings in this decision (the "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 limited liability company established under the laws of the State of Delaware in the

United States of America ("U.S.") with its head office located in Chicago, Illinois.

2. The Filer is registered as an adviser in the category of portfolio manager in the province of Ontario.
3. 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, other than as disclosed in this Decision.
4. The Filer is a privately-held independent investment adviser providing discretionary advisory services to a diverse group of U.S. and non-U.S. clients, including corporate pension plans, endowments, foundations, single and multi-family offices, U.S. and non-U.S. mutual funds, privately offered pooled investment vehicles or pooled accounts and individuals. The Filer employs active equity and credit investment management strategies. More than 95% of the Filer's revenues are received from clients in jurisdictions other than Canada.
5. The Filer is registered with the U.S. Securities and Exchange Commission (the "SEC") as an investment adviser under the United States *Investment Advisers Act of 1940*, as amended (the "1940 Act").
6. The Filer invests its cash balances in money market mutual funds qualified for sale by prospectus in the U.S., specifically money market mutual funds which are registered investment companies under the United States *Investment Company Act of 1940*, as amended (the "Investment Company Act"), and which comply with Rule 2a-7 thereunder ("Rule 2a-7").
7. It is not practicable for the Filer to invest its cash balances in money market mutual funds qualified for sale by prospectus in a province of Canada because: such mutual funds are unlikely to be qualified for sale in the U.S.; as they are not offered by the financial institution used by the Filer they are not easily used for cash management purposes; there may be foreign exchange issues as the Filer invests in U.S. dollar denominated securities; there may be tax implications; and the Filer lacks familiarity with Canadian money market funds and their issuers.
8. Under Schedule 1 of Form F1 an investment in the securities of a money market mutual fund qualified for sale by prospectus only in the U.S. would be subject to a margin rate of 100% of the market value of such investments for the purposes of Line 9 of Form F1.
9. The Filer would have excess working capital as calculated using Form F1 of less than zero unless

relief is granted, and could not meet the capital requirements under NI 31-103.

10. The margin rate required for a money market mutual fund qualified for sale by prospectus in a province of Canada is 5% of the market value of such investment, as opposed to 100% for the market value of investments in a money market mutual fund qualified for sale by prospectus in the U.S.
11. The regulatory oversight and the quality of investments held by a money market mutual fund qualified for sale by prospectus in each of the U.S. and a province of Canada is similar. In particular Rule 2a-7 sets out requirements dealing with portfolio maturity, quality, diversification and liquidity, which are similar to requirements under National Instrument 81-102 *Mutual Funds* ("NI 81-102").
12. The Filer undertakes not to rely upon section 4.7(1) Multilateral Instrument 11-102 *Passport System* to passport this decision into jurisdictions outside of Ontario.

**Decision**

The Director is satisfied that the Decision meets the test set out in the securities legislation of Ontario (the "Legislation") for the Director to make the Decision.

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

- (a) any money market mutual fund invested in by the Filer is qualified for sale by prospectus in the U.S. as a result of being a registered investment company under the Investment Company Act, which complies with Rule 2a-7;
- (b) the requirements for money market mutual funds under Rule 2a-7 or any successor rule or legislation are similar to the requirements for Canadian money market mutual funds under NI 81-102 or any successor rule or legislation; and
- (c) the Filer is registered with the SEC as an investment adviser under the 1940 Act.

"Marriane Bridge"  
Deputy Director, Compliance and Registrant Regulation  
Ontario Securities Commission

**2.1.7 AlphaPro Management Inc. et al.**

**Headnote**

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from subsections 2.1(1), 2.2(2) and paragraphs 2.5(2)(a), (b) and (c) of NI 81-102, to permit commodity pools to enter into a forward agreement providing exposure to underlying commodity pools, which may gain exposure to exchange traded mutual funds tracking the performance of, physical commodities. Relief revokes and replaces prior relief granted to the filers.

**Applicable Legislative Provisions**

National Instrument 81-102 Mutual Funds, ss. 2.1(1), 2.2(1), 2.5(2)(a), (b) and (c), 19.1.  
National Instrument 81-104 Commodity Pools, s. 1.1(1).

April 3, 2012

**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  
ALPHAPRO MANAGEMENT INC.  
(the Filer)**

**AND**

**IN THE MATTER OF  
HORIZONS GOLD YIELD ETF  
HORIZONS SILVER YIELD ETF  
HORIZONS CRUDE OIL YIELD ETF  
HORIZONS NATURAL GAS YIELD ETF  
HORIZONS DIVERSIFIED COMMODITY YIELD ETF  
HORIZONS AUSPICE MANAGED FUTURES INDEX ETF  
HORIZONS MORNINGSTAR HEDGE FUND INDEX ETF  
(each an Existing ETF)**

**DECISION**

**Background**

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

- (a) an exemption (the **ETF Exemption**) for the Existing ETFs and any other exchange traded fund that is established by the Filer or an affiliate of the Filer in the future (each a **New ETF** and

collectively with the Existing ETFs, the **ETFs** and individually, an **ETF**), pursuant to section 19.1 of National Instrument 81-102 *Mutual Funds (NI 81-102)* from Sections 2.1(1), 2.2(1) and 2.5(2)(a), (b) and (c) of NI 81-102 in order to allow each ETF to gain exposure to its Portfolio (as defined below) by means of one or more forward purchase and sale agreements, swap agreements or other derivative agreements, which will not be a prepaid forward, (each a **Forward Agreement**) in order to achieve its investment objectives; and

- (b) revocation of the Decision Document granted by the principal regulator to the Filer on February 23, 2012 (the **Revocation Relief**).

The ETF Exemption and the Revocation Relief are collectively, the **Exemption Sought**.

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

1. the Ontario Securities Commission is the principal regulator for this application; and;
2. the Filer has provided notice that Section 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in each of the other provinces and territories of Canada (collectively, with Ontario, the **Jurisdictions**).

### Interpretation

Terms defined in NI 81-102, National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

### Representations

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

#### **The Filer**

1. The Filer is a corporation incorporated under the laws of Canada.
2. The Filer or an affiliate of the Filer is or will be the manager and trustee of each ETF.

#### **ETFs**

3. Each ETF is or will be a newly created fund organized under the laws of Ontario.
4. Each ETF is or will be a commodity pool, as such term is defined in Section 1.1(1) of National Instrument 81-104 *Commodity Pools (NI 81-104)*, in that each ETF will adopt fundamental investment objectives that permit each ETF to use or invest in financial instruments in a manner that is not permitted under NI 81-102. Each ETF will also be subject to NI 81-102 to the extent

applicable, unless exemptive relief has been obtained.

5. The applicable class(es) of units of each ETF are or will be qualified for distribution in each of the Jurisdictions.
6. An application has or will be filed with the Toronto Stock Exchange (the **TSX**) to list the applicable class(es) of units of each ETF on the TSX, which will be issued and sold on a continuous basis on the TSX.
7. The investment objective of each ETF will be to seek to:
  - (a) gain exposure to a portfolio of securities and other instruments that provide exposure to the price of a commodity or commodities that are relevant to that ETF; or
  - (b) replicate, to the best of its ability, the performance of an index (the **Underlying Index**);
8. Horizons Investment Management Inc. (**Horizons Investment**), an affiliate of the Filer is or will be the portfolio manager of each ETF. Horizons Investment is registered as a portfolio manager, a commodity trading manager, a commodity trading counsel and as an investment fund manager in Ontario.
9. Horizons Investment may engage the services of another party to act as sub-adviser to a Reference Fund (as defined below).
10. Each ETF will seek to achieve its investment objective through exposure to the investment portfolio (the **Portfolio**) of a reference fund (a **Reference Fund**). Each Portfolio may include futures contracts, money market instruments, cash, exchange traded funds and/or Commodity Participation Units (defined below) in order to replicate, to the best of its ability, the performance of one or more commodities, or an Underlying Index, depending on the investment objective of the relevant ETF. Each Portfolio may also use derivatives, including futures contracts and forwards, for hedging purposes.
11. A Commodity Participation Unit is defined as a security traded on a stock exchange in Canada or the United States and issued by an issuer, the only purpose of which is to:
  - (a) hold a physical commodity as defined in NI 81-102 (a **Physical Commodity**) or more than one Physical Commodity;
  - (b) hold commodity futures that are widely quoted or used as the benchmark for

pricing the future price of a Physical Commodity or more than one Physical Commodity; or

- (c) invest in a manner that causes the mutual fund to replicate the performance of a Physical Commodity or more than one Physical Commodity, or commodity futures, referred to in subparagraphs 11(a) and 11(b);

12. Each Underlying Index will measure the performance of an index or an investable factor-based replication strategy (a **Replication Strategy**) that aims to replicate, as closely as possible, the performance of an index.
13. If a Reference Fund is using a Replication Strategy, the applicable Portfolio will not invest directly or indirectly in the elements of the Underlying Index that the Replication Strategy is trying to replicate.
14. The returns to each ETF and its unitholders will be based upon the return of the applicable Portfolio and the performance of its underlying investments by virtue of one or more Forward Agreements with one or more counterparties, which provide exposure to that ETF's Reference Fund.

#### Reference Funds

15. Each Reference Fund is or will be a newly created investment trust organized under the laws of Ontario.
16. The Filer or an affiliate of the Filer is or will be the manager and trustee of each Reference Fund.
17. Horizons Investment is or will be the portfolio manager of each Reference Fund, which may or may not use the services of a sub-adviser.
18. Each Reference Fund will, subject to any exemptive relief that has been or is obtained, operate in accordance with the investment requirements of NI 81-102 except as modified by NI 81-104.
19. Each Reference Fund has or will file a non-offering prospectus with the Autorité des marchés financiers and is or will become a reporting issuer in Québec.
20. The units of each Underlying Fund will only be offered on an exempt basis.
21. Each Reference Fund is or will be created for the purpose of acquiring and holding a Portfolio.
22. Neither the Filer nor any Existing ETF nor any existing Reference Fund is in default of the securities legislation of any Jurisdiction.

#### Decision

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

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

- (a) The exposure of an ETF to its Portfolio, which may include securities of Commodity Participation Units, is in accordance with the fundamental investment objectives of the ETF;
- (b) The Reference Fund of each ETF operates in accordance with the investment requirements of NI 81-102, as modified by NI 81-104, other than the requirements of section 2.2(1), and 2.5(2)(a) and (c) of NI 81-102 to enable its investments, as necessary, in securities of other exchange traded funds;
- (c) Each Reference Fund remains a reporting issuer in Québec subject to the requirements of National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (d) No securities of a Reference Fund are distributed in Canada other than in reliance on prospectus exemptions; and
- (e) The Commodity Participation Units are established, and trade on a stock exchange, in Canada or the United States.

"Raymond Chan"  
Manager, Investment Funds Branch  
Ontario Securities Commission

**2.1.8 Northern Precious Metals 2010 Limited Partnership and Northern Precious Metals Management Inc.**

**Headnote**

Policy Statement 11-203 Respecting Process for Exemptive Relief Applications in Multiple Jurisdictions – Exemptions granted to flow-through limited partnership from the requirement in Regulation 81-106 Investment Fund Continuous Disclosure to file an annual information form. Flow-through limited partnership has a short lifespan and does not have a readily available secondary market.

**Applicable Legislative Provisions**

Regulation 81-106 Investment Fund Continuous Disclosure, s. 9.2.

[Translation]

March 29, 2012

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

AND

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

AND

IN THE MATTER OF  
NORTHERN PRECIOUS METALS  
2010 LIMITED PARTNERSHIP  
(the Partnership)

AND

NORTHERN PRECIOUS METALS MANAGEMENT INC.  
(the Manager, together with the Partnership, the Filers)

**DECISION**

**Background**

The securities regulatory authority or regulator in each of the Jurisdictions (each a **Decision Maker**) has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption relieving the Partnership from the requirement to file an annual information form (the **AIF**) pursuant to section 9.2 of *Regulation 81-106 respecting Investment Fund Continuous Disclosure* (the **Regulation 81-106**) in respect of its financial year ended December 31, 2011 (the **Exemption Sought**).

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

- (a) the Autorité des marchés financiers is the principal regulator for this application;
- (b) the Filers have provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System (Regulation 11-102)* is intended to be relied upon in the following jurisdictions: Ontario, British Columbia, Alberta, Saskatchewan and Manitoba; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

**Interpretation**

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

**Representations**

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

1. The Partnership is a non-redeemable investment fund established as a limited partnership in accordance with the *Civil Code of Québec* on July 8, 2010.
2. Northern Precious Metals 2010 Inc. is the general partner of the Partnership (the **General Partner**). The General Partner was incorporated under the *Canada Business Corporations Act*.
3. The Manager is the duly registered investment fund manager of the Partnership. The Manager was incorporated under the *Canada Business Corporations Act*.
4. The head office of the Manager, the Partnership and the General Partner is located in Montréal, Québec.
5. The Partnership became a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario and Québec by filing a final prospectus relating to its initial public offering in such jurisdictions on October 25, 2010, as amended by Amendment No.1 dated November 4, 2010.
6. Neither the Manager nor the Partnership are in default of securities legislation in any jurisdiction.
7. The Partnership has been created for the primary investment purpose of acquiring flow-through shares and other securities of mining companies in order to obtain for the limited partners of the Partnership (the **Limited Partners**) the significant tax benefits that accrue when mining companies renounce qualifying mineral resource exploration

- expenditures to the Partnership through flow-through shares. The achievement of capital appreciation is a secondary benefit of the Partnership's primary investment purpose.
8. The Partnership invests in flow-through shares (the **Flow-Through Shares**) of mining companies focused primarily on gold exploration or development (the **Mining Companies**) pursuant to agreements (the **Flow-Through Agreements**) between the Partnership and the Mining Companies. Under the terms of each Flow-Through Agreement, the Partnership will subscribe for Flow-Through Shares of the Mining Companies and the Mining Companies will agree to incur and renounce to the Partnership, in amounts equal to the subscription price of the Flow-Through Shares, expenditures in respect of resource exploration and development that qualify as Canadian exploration expenses or as Canadian development expenses and that may be renounced as Canadian exploration expenses to the Partnership.
  9. Following the initial public offering of the limited partnership units of the Partnership (the **Units**) on October 25, 2010, the Partnership has issued no other Units and no further Units will be issued. The Units are not redeemable nor are they listed or quoted for trading on any stock exchange or market. Generally, Units are not transferred by the Limited Partners, since each Limited Partner must be the holder of the Units on the last day of each fiscal year of the Partnership in order to obtain the desired tax deduction.
  10. According to the limited partnership agreement (the **Partnership Agreement**), the Partnership should have been dissolved by no later than February 29, 2012 (the **Dissolution Date**). Prior to its dissolution, all assets of the Partnership would have been disposed of, all liabilities of the Partnership would have been discharged and all net proceeds of dispositions would have been distributed. On February 29, 2012, by extraordinary resolution, the Limited Partners approved the amendment to the Partnership Agreement for the purpose of extending the term of the Partnership from the Dissolution Date to July 31, 2012.
  11. According to the terms of the Partnership Agreement, the Manager has the authority to manage, control, administer and operate the business and affairs of the Partnership, including the authority to take all measures necessary or appropriate for the business, or ancillary thereto, and to ensure that the Partnership complies with all necessary reporting and administrative requirements.
  12. Each Limited Partner has, by subscribing for Units, agreed to the irrevocable power of attorney contained in the Partnership Agreement and has thereby, in effect, consented to the making of this application.
  13. Since its formation, the Partnership's activities have been limited to: (i) completing the issue of the Units under its prospectus, (ii) investing its available funds in accordance with its investment objective, and (iii) incurring expenses as described in its prospectus.
  14. All material information concerning the business and activities of the Partnership is contained in the publicly available documents filed on the System for Electronic Document Analysis and Retrieval (SEDAR). The AIF is intended to assist current and prospective investors to evaluate investment funds so that they may make an informed investment decision. In the case of the Partnership, no prospective investor may purchase its units and current investors have access to the continuous disclosure documents of the Partnership, such as its annual and interim financial statements and management reports of fund performance, in order to get information on their investments.
  15. Given the limited range of business activities to be conducted by the Partnership, the short lifespan and the nature of the investment of the Limited Partners, the preparation and distribution of an AIF by the Partnership would not provide additional benefit to the Limited Partners. Furthermore, the fees associated with the filing of an AIF represent a significant expense for the Partnership, considering its net asset value.
  16. Upon the occurrence of any material change to the Partnership, Limited Partners would receive all relevant information from the material change reports the Partnership is required to file with each of the jurisdictions where the Partnership is a reporting issuer. If the Manager does not consider a change in the organization and management of the Partnership, the custodian of the Partnership, the investment strategy of the Partnership or the investment restrictions of the Partnership, to be a material change, the Manager undertakes to promptly issue and file a release on SEDAR.
  17. The Filers are of the view that the Exemption Sought is not against the public interest, and represents the business judgment of responsible persons uninfluenced by considerations other than the best interest of the Partnership and its Limited Partners.

#### 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.

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

## 2.1.9 Cominar Real Estate Investment Trust

### Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Take-over Bids – Identical consideration – Issuer needs relief from the requirement in subsection 97(1) of the Securities Act (Ontario) and section 2.23 of Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids that all holders of the same class of securities must be offered identical consideration – Under the bid, Canadian resident security holders will receive cash or units of the offeror; security holders who are residents of the U.S. will receive substantially the same value as Canadian security holders in the form of cash paid to such security holders based on the proceeds from the sale of their units.

### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 97(1), 104(2)(c).

January 13, 2012

### Translation

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

AND

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

AND

IN THE MATTER OF  
COMINAR REAL ESTATE INVESTMENT TRUST  
(the Applicant)

### DECISION

### Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Applicant for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the requirement in Section 2.23(1) of *Regulation 62-104 respecting Take-Over Bids and Issuer Bids* and in Section 97(1) of the *Securities Act* (Ontario) to offer identical consideration to all holders of the same class of securities subject to a take-over bid (the **Identical Consideration Requirement**) in connection with the Applicant's take-over bid (the **Take-Over Bid**) for all of the Canmarc Units (as defined below) of Canmarc Real Estate Investment Trust (**Canmarc**) (the **Exemption Sought**).

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

- (a) the *Autorité des marchés financiers* is the principal regulator for this application;
- (b) the Applicant has provided notice that Section 4.7(1) of *Regulation 11-102 respecting Passport System (Regulation 11-102)* is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia, New Brunswick, Newfoundland & Labrador, Prince Edward Island, the Northwest Territories, Nunavut and Yukon; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

### Interpretation

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

### Representations

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

- 1. The Applicant is a trust existing under the laws of the Province of Québec constituted under a contract of trust made as of March 31, 1998, as amended as of May 8, 1998, May 13, 2003, May 11, 2004, May 15, 2007, May 14, 2008 and May 18, 2010.
- 2. The registered and head office of the Applicant is located in Québec City, Province of Québec.
- 3. The Applicant is a reporting issuer in each of the provinces of Canada.
- 4. The Applicant is not in default of any requirement of securities legislation applicable to it.
- 5. The authorized capital of the Applicant consists of an unlimited number of trust units (the **Applicant Units**). As at December 30, 2011, there were 76,822,274 Applicant Units issued and outstanding.
- 6. The Applicant Units are listed and posted for trading on the Toronto Stock Exchange (the **TSX**).
- 7. Canmarc is a trust existing under the laws of the Province of Québec pursuant to a Declaration of Trust dated March 30, 2010, as amended.
- 8. Canmarc's head office is located in Montréal, Province of Québec.

- 9. Canmarc is a reporting issuer in each of the provinces and territories of Canada.
- 10. As at December 20, 2011, based on publicly available information, there were 54,799,532 Canmarc Units issued and outstanding.
- 11. The Canmarc Units (as defined below) are listed and posted for trading on the TSX.
- 12. The Take-Over Bid was commenced by advertisement on December 2, 2011.
- 13. The Take-Over Bid is not being made to any person in any jurisdiction in which such offer or solicitation is unlawful. The Take-Over Bid is not being made or directed to, nor will deposits of Canmarc Units be accepted from or on behalf of, holders of Canmarc Units in any jurisdiction in which the making of or acceptance thereof would not be in compliance with the laws of such jurisdiction.
- 14. Under the Take-Over Bid, the Applicant has offered to purchase all of the trust units of Canmarc not currently owned by the Applicant and its subsidiaries and all trust units of Canmarc that may be issued after the date of the Take-Over Bid and before the expiry thereof upon the exercise, conversion or exchange of (i) the Class B LP Units of Homburg Canada REIT Limited Partnership (if any), (ii) the deferred units and the restricted units issued under the long-term incentive plan of Canmarc or (iii) other securities that are convertible into or exchangeable or exercisable for, or existing rights to acquire, trust units of Canmarc (collectively, the **Convertible Securities** and, together with the trust units of Canmarc and the associated rights issued under the existing unitholder rights plan of Canmarc or any other unitholder rights plan which may be adopted by Canmarc, the **Canmarc Units**). The Applicant has offered, at the option of the holders of Canmarc Units, either (i) \$15.30 cash, not subject to pro-ration or (ii) 0.7054 Applicant Unit, subject to pro-ration, with a maximum aggregate number of 16 million Applicant Units available under the Take-Over Bid.
- 15. The Applicant Units issuable under the Take-Over Bid have not been and will not be registered under the 1933 Act or any state securities (or **blue sky**) laws in the United States of America (the **U.S.**) or the securities laws of any other country. Although, as discussed below, the Applicant Units issuable under the Take-Over Bid will be exempt from the registration requirements of the 1933 Act, the issuance of Applicant Units to certain holders of Canmarc Units in the U.S. and elsewhere (the **Ineligible Unitholders**) under the Take-Over Bid might not be exempt from the registration requirements of a significant number of U.S. state securities laws or the securities laws of other

- countries. Because the Applicant Units will not be registered under any U.S. state securities laws or the securities laws of other countries, the offer or sale of Applicant Units under the Take-Over Bid to Ineligible Unitholders could violate certain U.S. state securities laws and other foreign securities laws.
16. Rule 802 under the 1933 Act (**Rule 802**) provides an exemption from the registration requirements of the 1933 Act for offers and sales in any exchange offer for a class of securities of a “foreign private issuer” (as defined for purposes of the 1933 Act and the rules and regulations issued by the SEC thereunder) or in any exchange of securities for the securities of a foreign private issuer in any business combination if the holders of the foreign subject company resident in the U.S. hold no more than 10% of the securities that are the subject of the exchange offer or business combination and the other conditions of Rule 802 are satisfied. Rule 802 and the related rules provide that, for the purposes of this calculation, securities held by the offeror are to be excluded. Rule 802 and the related rules also provide that, in the context of a non-consensual exchange offer or proposed business combination transaction, the subject company will be presumed to be a “foreign private issuer” and U.S. holders will be presumed to hold 10% or less of its outstanding subject securities unless (a) the average daily trading volume of the subject securities in the United States exceeds 10% of the average daily trading volume of the subject securities on a worldwide basis for the period specified in the rules, (b) the most recent annual report or annual information form filed by the subject company indicates that U.S. holders hold more than 10% of the outstanding subject securities, or (c) the offeror knows or has reason to know, before the public announcement of the offer, that the level of U.S. ownership exceeds 10% of such securities.
17. The average daily trading volume of the Canmarc Units in the U.S. for the specified period did not exceed 10% of the average daily trading volume for the Canmarc Units on a worldwide basis for the specified period. Furthermore, Canmarc has not disclosed in its most recent annual report or annual information form that holders of Canmarc Units in the U.S. (**U.S. Unitholders**) collectively hold more than 10% of the Canmarc Units, and the Applicant did not know or have reason to know, before the public announcement on November 28, 2011 of its intention to proceed with the Take-Over Bid, that the level of U.S. ownership of the Canmarc Units exceeds 10% of such securities. Accordingly, the Applicant is entitled to rely on the presumption under Rule 802 that Canmarc is a “foreign private issuer” and that holders of Canmarc Units in the U.S. do not hold more than 10% of the Canmarc Units. The Applicant plans to satisfy the other requirements of Rule 802. Accordingly, the offer and sale of the Applicant Units in the Take-Over Bid will be exempt from the registration requirements of the 1933 Act.
18. In order for the exemption provided in Rule 802 to apply, U.S. Unitholders must be permitted to participate in the exchange offer or business combination on terms at least as favourable to those offered to the other holders of the subject securities. The offeror need not extend the offer to securityholders in those states or jurisdictions that require registration or qualification, except that the offeror must offer the same cash alternative to securityholders resident in any such state that it has offered to securityholders in any other state or jurisdiction.
19. There is no general exemption from U.S. state “blue sky” laws commensurate with Rule 802. As a result, the securities laws of a significant number of U.S. states could prohibit the offer and sale of the Applicant Units to U.S. Unitholders without registration of the Applicant Units to be issued to U.S. Unitholders resident in such states unless such holders are otherwise eligible to be issued Units in transactions exempt from registration under the laws of such states. The Applicant is taking the same view with respect to other foreign securities laws.
20. Registration under applicable state securities laws and the securities laws of any other country of the Applicant Units deliverable to Ineligible Unitholders would be costly and burdensome to the Applicant.
21. The Applicant will deliver Applicant Units in any jurisdiction in which it is satisfied, in its sole discretion, that the Applicant Units may be lawfully delivered in reliance upon available exemptions from the registration requirements of the securities laws of such jurisdiction, on a basis determined to be acceptable to it.
22. The Applicant proposes, with respect to Ineligible Unitholders that would otherwise receive Applicant Units in exchange for their Canmarc Units, to, at the sole discretion of the Applicant, have such Applicant Units issued on their behalf to a selling agent. The selling agent shall, as agent for such Ineligible Unitholders, as expeditiously as is commercially reasonable thereafter, sell such Applicant Units on their behalf through the facilities of the TSX and have the net proceeds of such sale, less any applicable brokerage commissions, other expenses and withholding taxes, delivered to such Ineligible Unitholders (the **Vendor Placement**). Each Ineligible Unitholder for whom Applicant Units are sold by the selling agent will receive an amount equal to such holder’s pro rata interest in the net proceeds of sales of all Applicant Units so sold by the selling agent. Such

Vendor Placement will be done in a manner intended to maximise the consideration to be received from the sale on behalf of the Ineligible Unitholders and minimise any adverse impact of the sale on the market for the Applicant Units.

23. The take-over bid circular discloses the Vendor Placement and the procedure to be followed with respect to Ineligible Unitholders that deposit their Canmarc Units under the Take-Over Bid.
24. There is currently a "liquid market" (as such term is defined in Section 1.2 of *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions*) for the Applicant Units and the Applicant's financial advisor has advised that in its view it is reasonable for the trustees of the Applicant to conclude that there will continue to be such a "liquid market" for the Applicant Units following completion of the Take-Over Bid, any related second-step transaction and the sale of the Applicant Units on behalf of Ineligible Unitholders as described in paragraph 22 above.
25. If the Applicant increases the consideration offered to holders of Canmarc Units resident in Canada, the increase in consideration will also be offered to holders of Canmarc Units resident outside of Canada, including Ineligible Unitholders, at the same time and on the same basis.
26. Except to the extent that the relief requested herein is granted, the Take-Over Bid will otherwise be in compliance with the requirements under the Legislation governing take-over bids.

#### Decision

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

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

"Louis Morisset"  
Superintendent, Securities Market  
Autorité des marchés financiers

#### 2.1.10 Minefinders Corporation Ltd. – s. 1(10)

##### Headnote

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

##### Ontario Statutes

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

May 11, 2012

Borden Ladner Gervais LLP  
1200 – 200 Burrard Street  
Vancouver, BC V7X 1T2

Dear Sirs/Mesdames:

**Re: Minefinders Corporation Ltd. (the Applicant) – application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Nunavut, Yukon and Northwest Territories (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.

“Shannon O’Hearn”  
Manager, Corporate Finance  
Ontario Securities Commission

**2.1.11 Macquarie Emerging Markets Infrastructure  
Income Fund and Connor, Clark & Lunn  
Capital Markets Inc.**

**Headnote**

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Investment fund and its manager exempted from the dealer registration requirement for certain limited trading activities to be carried out by these parties in connection with a warrant offering by the investment fund – the limited trading activities involve: i) the forwarding of a short form (final) prospectus, and the distribution of warrants to acquire securities of the fund to existing holders of fund securities, and ii) the subsequent distribution of securities to holders of the warrants, upon their exercise of the warrants, through an appropriately registered dealer.

**Applicable Legislative Provisions**

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

Multilateral Instrument 11-102 Passport System, s. 4.7(1).

National Instrument 45-106 Prospectus and Registration Exemptions, ss. 2.1, 3.1, 3.42, 8.5.

National Instrument 31-103, Registration Requirements and Exemptions, s. 8.5.

**May 11, 2012**

**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  
MACQUARIE EMERGING MARKETS  
INFRASTRUCTURE INCOME FUND  
(the Fund)**

**AND**

**CONNOR, CLARK & LUNN CAPITAL MARKETS INC.  
(the Manager) (collectively, the Filers)**

**DECISION**

**Background**

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

respect of certain trades (the **Warrant Offering Activities**) to be carried out by the Manager and the Investment Manager (as defined below), on behalf of the Fund, in connection with a proposed distribution (the **Warrant Offering**) of warrants (the **Warrants**) to acquire units (the **Units**) of the Fund, such distribution to be made in Ontario and each of the Passport Jurisdictions (as defined below) pursuant to a (final) short form prospectus (the **Warrant Prospectus**) (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) each 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 (other than Ontario) and territories of Canada (collectively, 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 Filers:

1. The Fund is an investment trust established under the laws of the Province of Ontario pursuant to a trust agreement dated as of January 26, 2011, as amended and restated (the **Trust Agreement**) between the Manager and RBC Dexia Investor Services Trust (the **Trustee**).
2. The Manager acts as the investment fund manager of the Fund. The Manager is part of the Connor, Clark & Lunn Financial Group. The head office of each of the Fund and the Manager is located at 181 University Avenue, Suite 300, Toronto, Ontario, M5H 3M7. The Manager is registered as an investment fund manager and as an adviser in the category of portfolio manager in Ontario. The Manager is not in default of any of its obligations under securities legislation in any jurisdiction.
3. The authorized share capital of the Fund consists of an unlimited number of Units, each representing an equal, undivided interest in the net assets of the Fund. The Units are listed and posted for trading on the Toronto Stock Exchange (the **TSX**).
4. The investment objectives of the Fund are to generate: (a) quarterly distributions for holders of Units (**Unitholders**) initially targeted to be \$0.15

per Unit (\$0.60 per annum) and (b) total return for Unitholders consisting of dividend income and capital appreciation.

5. To achieve the Fund's investment objectives, the Fund invests in a portfolio consisting of listed emerging markets infrastructure securities issued by entities that own, operate or provide infrastructure assets or services. These are emerging market domiciled entities that earn a substantial amount of their revenue or profits from owning, operating or providing infrastructure assets or services.
6. Macquarie Capital Investment Management LLC (the **Investment Manager**) has been retained to provide investment advisory and portfolio management services to the Manager in respect of the Fund subject to the investment objectives, investment strategies and investment restrictions of the Fund. The Investment Manager is not registered in any of the provinces or territories of Canada. The Investment Manager is registered as an investment adviser with the U.S. Securities and Exchange Commission. The Investment Manager provides its investment advice to the Fund pursuant to Section 8.26 of NI 31-103 [*International adviser*].
7. The Fund does not engage in the continuous distribution of its securities.
8. In connection with the Warrant Offering, the Fund proposes to file a preliminary short form prospectus in April 2012 under the securities legislation of the Province of Ontario and each Passport Jurisdiction. Under the Warrant Offering, each holder of a Unit as at a specified record date will be entitled to receive, for no consideration, one Warrant for each Unit held by such holder.
9. Holders of the Warrants will be entitled, upon the exercise of their Warrants, to subscribe for Units pursuant to subscription privileges provided for in the Warrants, at a subscription price to be specified in the Warrant Prospectus. Each Warrant will entitle the holder to subscribe for one Unit under a basic subscription privilege. Holders of Warrants who exercise their Warrants under the basic subscription privilege may also subscribe, *pro rata*, for additional Units that are not subscribed for by other holders under the basic subscription privilege pursuant to the terms of an additional subscription privilege. The Warrants (including both the basic subscription privilege and the additional subscription privilege) may be exercised weekly commencing in October 2012 until 5:00 p.m. (Toronto time) on January 31, 2013.
10. The Fund intends to apply to list the Warrants to be distributed under the Warrant Prospectus on the TSX.

11. The Warrant Offering Activities will consist of:
- (a) the distribution of the Warrant Prospectus and the issuance of Warrants to the holders of Units (as at the record date specified in the Warrant Prospectus), after the Warrant Prospectus has been filed, and receipts obtained, under the securities legislation of the Province of Ontario and each Passport Jurisdiction; and
  - (b) the distribution of Units to holders of the Warrants, upon the exercise of Warrants by their holders, through registered dealers that are registered in categories that permit them to make such distribution.
12. The Fund is in the business of trading securities by virtue of its portfolio investing activities, which to the extent carried out in Ontario, are made pursuant to section 8.5 [*Trades through or to a registered dealer*] of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. As a result, its capital raising activities, including the Warrant Offering Activities, would require the Fund and the Manager, acting on the Fund’s behalf, to register as a dealer in the absence of the Requested Relief (or another available exemption from the dealer registration requirements).
13. Section 8.5 of National Instrument 45-106 – *Prospectus and Registration Exemptions (NI 45-106)* provides that, after March 26, 2010, the exemptions from the dealer registration requirements set out in sections 3.1 [*Rights offering*] and section 3.42 [*Conversion, exchange or exercise*] of NI 45-106 no longer apply.

**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 Fund and the Manager, acting on behalf of the Fund, are not subject to the dealer registration requirement in respect of the Warrant Offering Activities.

“Judith N. Robertson”  
Commissioner  
Ontario Securities Commission

“Sarah B. Kavanagh”  
Commissioner  
Ontario Securities Commission

**2.1.12 Lysander Funds Limited et al.**

**Headnote**

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – subsection 4.1(1)(b) of National Instrument 31-103 Registration Requirements and Exemptions and Ongoing Registrant Obligations – a registered firm must not permit an individual to act as a dealing, advising or associate advising representative of the registered firm if the individual is registered as a dealing, advising or associate advising representative of another registered firm – individuals have time to serve both registered firms – policies in place to handle potential conflicts of interest – clients advised of relationship between affiliated firms – Filers exempted from prohibition.

**Applicable Legislative Provisions**

Multilateral Instrument 11-102 Passport System, s. 4.7.  
National Instrument 31-103 Registration Requirements and Exemptions, ss. 4.1, 15.1.

May 14, 2012

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

**AND**

**IN THE MATTER OF  
LYSANDER FUNDS LIMITED (Lysander) AND  
CANSO INVESTMENT COUNSEL LTD. (Canso) AND  
TIMOTHY JOHN HICKS (Hicks) AND  
BRIAN RICHARD USHER-JONES (Jones)  
(collectively, the Filers)**

**DECISION**

**Background**

The regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction (the **Legislation**) for relief from the requirement under paragraph 4.1(1)(b) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* (the **Relief Sought**) to permit Hicks and Usher-Jones (collectively, the **Representatives**) to each be registered as both a dealing representative of Lysander and an associate advising, advising and/or dealing representative of Canso (the **Dual Registration**).

**Interpretation**

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

## Representations

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

1. Canso is registered as a portfolio manager and exempt market dealer with the OSC and as a portfolio manager and exempt market dealer with the securities regulatory authorities of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Quebec and Saskatchewan. The head office of Canso is in Richmond Hill, Ontario.
2. Lysander has applied for registration as an exempt market dealer and investment fund manager with the OSC. The head office of Lysander is in Richmond Hill, Ontario.
3. Lysander is a direct majority-owned subsidiary of Grip Investments Limited (**Grip**), while Canso is an indirect majority-owned subsidiary of Grip and they are thus affiliates of one another.
4. The Filers are not in default of any requirements of securities legislation in any jurisdiction of Canada.
5. Each of the Representatives is currently registered as a dealing representative, associate advising representative and/or advising representative of Canso in Ontario and is a resident of Ontario.
6. Lysander is the investment fund manager of Lysander Balanced Fund, Lysander Corporate Value Bond Fund and Lysander Bond Fund (formerly Lysander Canadian Bond Fund), which were qualified for sale in Ontario and various other Canadian jurisdictions of Canada pursuant to a simplified prospectus, and two closed-end funds, Canso Credit Income Fund (whose Class A units are listed on the TSX) and Canso Credit Trust, and may, in the future, act as investment fund manager for non-prospectus-qualified funds and additional prospectus qualified funds (the current and future funds are collectively referred to as the **Lysander Funds**). The current Lysander Funds are distributed by third-party registered dealers. It is proposed that Lysander act as an exempt market dealer in connection with distribution services for the current Lysander Funds and for future Lysander Funds to clients that qualify for a prospectus exempt distribution, such as accredited investors.
7. Canso acts as the portfolio manager for the Lysander Funds and for the non-prospectus-qualified mutual funds for which Canso Fund Management Ltd. (**CFM**) acts as investment fund manager (the **CFM Funds**). There are currently no other portfolio advisers to either the Lysander Funds or the CFM Funds. Therefore, each of CFM and Lysander act as the investment fund manager to different business lines, and Canso acts as the portfolio manager to all of the CFM Funds/Lysander Funds. Canso acts as an exempt market dealer primarily to facilitate the purchase of the CFM Funds by its managed accounts. It also acts as an exempt market dealer to distribute the CFM Funds to clients that qualify for a prospectus exempt distribution, such as accredited investors.
8. The Representatives provide portfolio management services in respect of the Lysander Funds and the CFM Funds in their capacities as associate advising or advising representatives of Canso. The Representatives may also provide distribution services in respect of the Lysander Funds and the CFM Funds to clients resident in various provinces of Canada in their capacities as dealing representatives of Canso. Hicks also advises certain Canso managed account clients as an advising representative of Canso and neither of the Representatives advises or trades for any other clients.
9. It is proposed that the Representatives also provide distribution services in respect of Lysander Funds in their capacity as dealing representatives of Lysander.
10. Because each of Canso, CFM and Lysander are "small shops", and because each Representative is an advising or associate advising representative with Canso, each Representative is intimately familiar with all of the investment products offered by each of CFM and Lysander and is in the best position to act in the proposed dual roles with Canso and Lysander. The Representatives devote their full time each day to these roles concurrently.
11. The Representatives will be subject to supervision by, and the applicable compliance requirements of, both Filers. Existing compliance and supervisory structures will apply depending on which regulatory entity the client assets are held with.
12. As the Representatives will be trading with different client bases in their dual roles with Lysander and Canso, there is minimal potential for conflicts of interest. Moreover, because the Filers are majority-owned subsidiaries of the same ultimate parent company, the Dual Registration of the Representatives will not give rise to the conflicts of interest present in a similar arrangement involving unrelated, arms'-length firms.
13. If these duties and business lines were being carried out under the umbrella of a single registrant (as is very common), each Representative's "multiple" roles would not be an issue.



14. The Filers have in place policies and procedures to address any potential conflicts of interest that may arise in their business, and believe that they will be able to appropriately deal with these conflicts.
15. In the absence of the Requested Relief, the Filers would be prohibited under paragraph 4.1(1)(b) of NI 31-103 from permitting a Representative to act as a dealing representative of Lysander while the individual is an associate advising, advising and/or dealing representative of Canso, even though Lysander and Canso are affiliates.

**Decision**

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

The decision of the regulator under the Legislation is that the Relief Sought is granted.

“Marriane Bridge”  
Deputy Director, Compliance and Registrant Regulation  
Ontario Securities Commission

**2.2 Orders**

**2.2.1 David Charles Phillips – ss. 127(1), 127(5)**

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

**AND**

**IN THE MATTER OF  
DAVID CHARLES PHILLIPS**

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

**WHEREAS** it appears to the Ontario Securities Commission (the “Commission”) that:

1. First Leaside Securities Inc. (“FLSI”) was registered with the Commission as an investment dealer until February 24, 2012, when its registration was suspended;
2. F.L. Securities Inc. (“F.L. Securities”) was registered with the Commission as an exempt market dealer until February 28, 2012, when its registration was suspended;
3. FLSI and F.L. Securities are part of a collection of at least 161 First Leaside entities (the “First Leaside Group”);
4. David Charles Phillips (“Phillips”) is or was the controlling and directing mind of the First Leaside Group;
5. On November 7, 2011, the First Leaside Group agreed that FLSI and F.L. Securities would cease trading in securities of any limited partnerships and funds formed or established by FLSI, F.L. Securities or any other member of the First Leaside Group;
6. FLSI, F.L. Securities and other entities in the First Leaside Group applied to the Ontario Superior Court of Justice for an order that the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 applies to them. The Court granted the initial order on February 23, 2012, and subsequently extended the order to June 29, 2012;
7. Phillips was registered as a trading officer and approved as a director and shareholder with FLSI from March 1, 2004 to February 24, 2012. Phillips was registered as the ultimate designated person of FLSI from January 11, 2010 to February 24, 2012;
8. Phillips was registered as a trading officer and approved as a director with F.L. Securities from April 14, 2000 to February 27, 2004. Phillips was

approved as a shareholder of F.L. Securities from March 17, 2004 to February 28, 2012;

9. Phillips' registration was suspended in accordance with subsection 29(2) of the Act when the corresponding registration of FLSI and F.L. Securities was suspended;
10. Phillips is acting as a consultant to at least two groups of investors to raise capital in respect of First Leaside Group entities and has been or expects to be compensated for that activity;
11. in so doing, Phillips engaged in or held himself out as engaging in the business of trading after his registration was suspended contrary to subsection 25(1) of the Act; and
12. Phillips has acted contrary to the public interest.

**AND WHEREAS** the Commission is of the opinion that the time required to conclude a hearing could be prejudicial to the public interest as set out in section 127(5) of the Act;

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

**AND WHEREAS** by Authorization Order made July 14, 2011, pursuant to subsection 3.5(3) of the Act, the Commission authorized each of Howard I. Wetston, James E. A. Turner, Kevin J. Kelly, James D. Carnwath, Mary G. Condon, Paulette Kennedy, Vern Krishna, Christopher Portner and Edward P. Kerwin, acting alone, to exercise the powers of the Commission to make Orders under section 127 of the Act;

**IT IS ORDERED** that Phillips shall cease trading in all securities;

**IT IS FURTHER ORDERED** that any exemptions contained in Ontario securities law do not apply to Phillips;

**IT IS FURTHER ORDERED** that this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission.

**DATED** at Toronto this 15th day of May, 2012.

"Mary G. Condon"

## 2.3 Rulings

### 2.3.1 Barometer Capital Management Inc. et al. – ss. 74(1), 144(1)

#### Headnote

Relief from the prospectus requirement of the Securities Act (Ontario) to permit the distribution of pooled fund securities to certain managed accounts held by non-accredited investors on an exempt basis – NI 45-106 containing carve-out for managed accounts in Ontario prohibiting portfolio manager from making exempt distributions of securities of its proprietary funds to its managed account clients in Ontario unless managed account client qualifies as accredited investor or invests \$150,000 – portfolio manager providing *bona fide* portfolio management services to high net worth clients – not all managed account clients are accredited investors

#### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74(1), 144(1).

#### Rules Cited

National Instrument 45-106 Prospectus and Registration Exemptions.  
National Instrument 81-102 Mutual Funds.

May 8, 2012

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

AND

IN THE MATTER OF  
BAROMETER CAPITAL MANAGEMENT INC.  
(the Filer)

AND

BAROMETER EQUITY POOL  
BAROMETER GLOBAL TACTICAL BALANCED POOL  
BAROMETER HIGH INCOME POOL  
BAROMETER LONG SHORT EQUITY POOL  
BAROMETER TACTICAL EXCHANGE  
TRADED FUND POOL  
BAROMETER GLOBAL EQUITY POOL  
(the Existing Pools)

RULING  
(Subsections 74(1) and 144(1) of the Act)

#### Background

The Ontario Securities Commission (the **Commission**) has received an application from the Filer, on its own behalf, and on behalf of the Existing Pools and any other pooled fund that the Filer may establish and manage in the future as part of the Barometer Private Pools (each a **Future Pool** and together with the Existing Pools, collectively, the **Pools** and individually, a **Pool**) for a ruling pursuant to Subsections 74(1) and 144(1) of the Act that distributions of units of the Pools to Secondary Managed Accounts (defined below) of clients for which the Filer provides discretionary investment management services will not be subject to the prospectus requirements (the **Prospectus Requirements**) in section 53 of the Act (the **Requested Relief**).

#### Interpretation

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

## Representations

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

1. The Filer is a corporation incorporated under the laws of Canada and has its head office in Toronto, Ontario. The Filer is registered as a portfolio manager, commodity trading manager, investment fund manager and exempt market dealer in Ontario. The Filer is also registered as a portfolio manager and exempt market dealer in each of the other Provinces of Canada.
2. Each Pool is, or will be, a unit trust established under the laws of the Province of Ontario, and is, or will be, a "mutual fund" under the Act. The Existing Pools are not, and no Future Pool will be, a reporting issuer under the Act.
3. The Filer is or will be the manager, portfolio advisor and principal distributor of each Pool.
4. The Pools will be sold on an exempt basis to investors in Ontario pursuant to applicable exemptions from the Prospectus Requirements.
5. The Filer provides discretionary investment management services (**Managed Services**) to clients pursuant to managed account agreements between such clients and the Filer (each a **Managed Account Agreement**). Pursuant to a Managed Account Agreement, each client, in accordance with its investment objectives, authorizes the Filer to manage that client's investment portfolio on a fully-discretionary basis, which depending on its size, may be managed by the Filer on a segregated account basis or invested in one or more of the Pools.
6. The Managed Services are provided by employees of the Filer who are registered under Ontario securities law to provide advice on securities to clients.
7. The Managed Services consist of the following:
  - (a) each client who accepts Managed Services executes a Managed Account Agreement whereby the client authorizes the Filer to supervise, manage and direct purchases and sales, at the Filer's full discretion on a continuing basis;
  - (b) the Filer's qualified employees perform investment research, securities selection and management functions with respect to all securities, investments, cash equivalents or other assets in that client's Managed Account (defined below);
  - (c) each Managed Account holds securities as selected by the Filer, including where appropriate units of one or more of the Pools; and
  - (d) the Filer retains overall responsibility for the Managed Services provided to each client and has designated a senior officer to oversee and supervise such Managed Services.
8. The Filer's minimum aggregate balance for all the managed accounts of a client is usually \$500,000 (each a **Primary Managed Account**). From time to time, the Filer will accept a person as a client who does not meet this minimum threshold if there are exceptional factors that have persuaded the Filer for business reasons to accept such person as a client and to waive its usual minimum aggregate balance.
9. Most of the holders of the Primary Managed Accounts investing in units of one or more of the Pools will qualify as an accredited investor (as such term is defined in National Instrument 45-106 *Prospectus and Registration Exemptions (NI 45-106)*).
10. From time to time, the Filer may provide Managed Services to clients with less than \$500,000 under management, which would usually consist of family members, close friends and/or business associates of Primary Managed Account clients (each a **Secondary Managed Accounts**, and together with the Primary Managed Accounts, collectively, the **Managed Accounts** and individually, a **Managed Account**). The assets managed by the Filer for such family members, friends and/or business associates are incidental to the assets the Filer manages for the holder of the applicable Primary Managed Account.
11. The holders of Secondary Managed Accounts do not always qualify as an accredited investor. The Filer typically services the Secondary Managed Account clients as a courtesy to its Primary Managed Account clients.

12. Investments in individual securities may not be ideal for the Secondary Managed Account clients since they may not receive the same asset diversification benefits and may incur disproportionately higher brokerage commissions relative to the Primary Managed Account clients due to minimum commission charges.
13. NI 45-106 currently does not recognize a portfolio manager acting on behalf of a managed account in Ontario as being an accredited investor if that account is acquiring a security of an investment fund. In the absence of relief from the Prospectus Requirements, the Pools will be available only to clients that are accredited investors in their own right or are able to invest a minimum of \$150,000 in a Pool in accordance with the requirements of NI 45-106. These requirements either act as a barrier to Secondary Managed Account clients investing in a Pool, or may cause the Filer to invest more of a Secondary Managed Account client's portfolio in such Pool than it might otherwise prefer to allocate.
14. To improve the diversification and cost benefits to Secondary Managed Account clients, the Filer wishes to distribute units of the Pools to Secondary Managed Accounts without a minimum investment. The Secondary Managed Account client would thereby be able to receive the benefit of the Filer's investment management expertise, regarding both asset allocation and individual stock selection, as well as receive the benefits of lower costs and broader asset diversification associated with pooled investments relative to direct holdings of individual securities.
15. Managed Services provided by the Filer under a Managed Account Agreement are usually covered by a base management fee calculated as a fixed percentage of the assets under management in the Managed Account (the **Base Management Fee**). The Base Management Fee includes investment research, portfolio selection and management with respect to all securities or other assets in the Managed Account. The Base Management Fee is not intended to cover brokerage commissions and other transaction charges in respect of each transaction which occurs in a Managed Account, nor does it cover interest charges on funds borrowed or charges for standard administrative services provided in connection with the operation of the Managed Account, such as account transfers, withdrawals, safekeeping charges, service charges, wire transfer requests and recordkeeping. The terms of the Base Management Fee are detailed in the Managed Account Agreement.
16. When the Filer invests on behalf of a Managed Account in units of one or more of the Pools, which would otherwise pay a management fee to the Filer as manager, the Managed Account will purchase units of a class of the applicable Pool(s) without such fees. Accordingly, there will be no duplication of fees between a Managed Account and the Pools. The only management fees that are paid by a Managed Account that holds units of a Pool(s) are paid directly to the Filer, pursuant to the Managed Account Agreements.
17. There will be no commission payable by a client on the sale of units of a Pool(s) to a Secondary Managed Account, nor will referral fees be paid by the Filer to a person or company in connection with the referral to the Filer of Secondary Managed Account clients that invest in units of a Pool(s).

### Ruling

The Commission being satisfied that the relevant tests contained in Subsections 74(1) and 144(1) of the Act have been met, the Commission rules that relief from the Prospectus Requirements is granted in connection with the distribution of units of the Pools to Secondary Managed Accounts, provided that:

- (a) this Ruling will terminate upon the coming into force of any legislation or rule of the Commission exempting a trade in a security of a mutual fund to a fully managed account from the Prospectus Requirements;
- (b) this Ruling will only apply with respect to a Secondary Managed Account, where the holder of the Secondary Managed Account is, and in the case of clauses (iii) to (vi) remains:
  - (i) an individual (of the opposite sex or same sex) who is or has been married to the holder of a Primary Managed Account, or is living or has lived with the holder of a Primary Managed Account in a conjugal relationship outside of marriage;
  - (ii) a parent, grandparent, child, grandchild or sibling of either the holder of a Primary Managed Account or the individual referred to in clause (i) above;
  - (iii) a personal holding company controlled by an individual referred to in clause (i) or (ii) above;
  - (iv) a trust, other than a commercial trust, of which an individual referred to in clause (i) or (ii) above is a beneficiary;
  - (v) a private foundation controlled by an individual referred to in clause (i) or (ii) above; or

- (vi) a close business associate, employee, former employee or professional adviser to a holder of a Primary Managed Account provided that:
  - (A) there are exceptional factors that have persuaded the Filer for business reasons to accept such close business associate or colleague, close friend, employee, former employee, professional adviser or professional service provider as a Secondary Managed Account client, and a record is kept and maintained of the exceptional factors considered; and
  - (B) the Secondary Managed Account clients acquired through such relationships to holders of Primary Managed Accounts shall not at any time represent more than two percent (2%) of the Filer's total Managed Account assets under management; and
- (c) the Filer does not receive any compensation in respect of the sale or redemption of units of the Pools (other than redemption fees disclosed in an offering memorandum of a Pool) and the Filer does not pay a referral fee to any person or company who refers Secondary Managed Account clients who invest in units of the Pools.

"Vern Krishna"  
Commissioner  
Ontario Securities Commission

"Judith Robertson"  
Commissioner  
Ontario Securities Commission

## Chapter 4

# Cease Trading Orders

### 4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Acadian Energy Inc.	03 May 12	15 May 12	15 May 12	17 May 12
Royal Coal Corp	03 May 12	15 May 12	15 May 12	
Blutip Power Technologies Ltd.	03 May 12	15 May 12	15 May 12	
Win-Eldrich Mines Limited	09 May 12	22 May 12		
Northaven Resources Corp.	14 May 12	25 May 12		

### 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
Knightscope Media Corp.	04 May 12	16 May 12			

### 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
Knightscope Media Corp.	04 May 12	16 May 12			

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## Chapter 7

# Insider Reporting

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This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see [www.carswell.com](http://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](http://www.sedi.ca)).



## Chapter 8

# Notice of Exempt Financings

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### 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
04/19/2012	3	143 Avenue Road Limited Partnership - Units	6,007,000.00	1,000.00
04/04/2012	6	Aircastle Limited - Notes	4,636,314.80	6.00
04/16/2012	7	Arch Biopartners Inc.(Formerly Foccini International Inc.) - Common Shares	120,000.00	300,000.00
04/05/2012	2	Avidbiologics Inc. - Preferred Shares	200,000.00	122,699.00
02/29/2012	25	Banks Island Gold Ltd. - Flow-Through Shares	487,999.00	887,272.00
04/23/2012 to 04/25/2012	7	Big North Graphite Corp. - Common Shares	620,000.00	2,500,000.00
12/12/2011 to 12/19/2011	11	BridgePoint Global Litigation Services Limited Partnership I - Limited Partnership Units	1,025,000.00	1,025,000.00
05/01/2012	1	Broadview Dark Horse LP - Limited Partnership Units	25,000.00	477.68
03/20/2012	4	Capital One Financial Corporation - Common Shares	11,030,348.18	215,000.00
10/01/2011 to 12/01/2011	4	Capula Global Relative Fund Limited - Common Shares	32,217,626.00	173,146.85
05/03/2012	2	Citigroup Funding Inc. - Units	1,021,965.00	1,050.00
04/10/2012	1	Clovis Oncology, Inc. - Common Shares	200,000.00	10,000.00
04/10/2012	23	Critical Outcome Technologies Inc. - Units	1,000,000.00	6,250,000.00
04/12/2012	1	Crown William Mining Corporation - Common Shares	20,000.00	10,000.00
03/23/2012 to 03/30/2012	50	Darwin Resources Corp. - Units	3,350,000.00	8,375,000.00
04/11/2012	6	Eacom Timber Corporation - Debentures	40,000,000.00	40,000.00
03/30/2012	9	Enssolutions Group Inc. - Common Shares	1,941,753.08	38,835,059.00
03/27/2012	5	ExactTarget, Inc. - Common Shares	2,876,150.00	8,500,000.00
03/30/2012	1	Fluorinov Pharma Inc. - Common Shares	1,500,000.00	11,458.00
04/23/2012	3	Francesca's Holdings Corporation - Common Shares	26,049.00	950.00
04/05/2012	4	Genalta Power Inc. - Units	5,850,000.00	5,850.00
03/28/2012	13	Greenlight Resources Inc. - Common Shares	575,000.00	5,750,000.00
04/04/2012	9	Highbank Resources Ltd. - Common Shares	147,350.00	2,105,000.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b>No of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>No of Securities Distributed</b>
01/31/2012	17	Irving Oil Limited (a syndicate consisting of 9 entities) - Notes	167,467,600.00	17.00
04/30/2012	2	Kingwest Avenue Portfolio - Units	1,486.65	50.59
04/30/2012	1	Kingwest High Income Fund - Units	125,000.00	21,376.29
04/01/2011 to 03/31/2012	7	London Capital Canadian Diversified Equity Fund - Units	8,109,169.00	N/A
04/01/2011 to 03/31/2012	6	London Capital Canadian Dividend Fund - Units	7,399,231.00	755,891.00
04/01/2011 to 03/31/2012	1	London Capital Global Real Estate Fund - Units	326,756.00	29,443.00
04/01/2011 to 03/31/2012	2	London Capital U.S. Value Fund - Units	1,888,539.00	257,023.00
04/23/2012	1	Lowe's Companies Inc. - Notes	992,745.50	1.00
04/01/2011 to 03/31/2012	1	Mackenzie All-Sector Canadian Equity Fund - Units	274,034.00	25,468.00
04/01/2011 to 03/31/2012	1	Mackenzie Cundill Canadian Balanced Fund - Units	1,869,436.00	138,959.00
04/01/2011 to 03/31/2012	1	Mackenzie Cundill Canadian Security Class - Units	534,704.00	47,475.00
04/01/2011 to 03/31/2012	1	Mackenzie Cundill Canadian Security Fund - Units	1,085,332.00	73,405.00
04/01/2011 to 03/31/2012	2	Mackenzie Cundill Emerging Markets Value Class - Units	249,448.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Cundill Global Balanced Fund - Units	215,624.00	14,777.00
04/01/2011 to 03/31/2012	2	Mackenzie Cundill International Class - Units	1,330,845.00	142,702.00
04/01/2011 to 03/31/2012	7	Mackenzie Cundill Value Fund - Units	61,966,173.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Cundill World Fund - Units	7,782,687.00	730,645.00
04/01/2011 to 03/31/2012	1	Mackenzie Focus All-Canadian Class - Units	9,345.00	990.00
04/01/2011 to 03/31/2012	1	Mackenzie Focus Canada Fund - Units	3,729.00	261.00
04/01/2011 to 03/31/2012	3	Mackenzie Focus Fas East Class - Units	8,148,333.00	432,773.00
04/01/2011 to 03/31/2012	2	Mackenzie Focus Fund - Units	19,680,497.00	1,643,378.00
04/01/2011 to 03/31/2012	2	Mackenzie Focus Japan Class - Units	1,705,897.00	N/A
04/01/2011 to 03/31/2012	6	Mackenzie Maxxum All-Canadian Equity Class - Units	16,969,516.00	N/A

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b>No of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>No of Securities Distributed</b>
04/01/2011 to 03/31/2012	4	Mackenzie Maxxum Canadian Balanced Fund - Units	8,085,078.00	N/A
04/01/2011 to 03/31/2012	8	Mackenzie Maxxum Canadian Equity Growth Fund - Units	8,009,411.00	N/A
04/01/2011 to 03/31/2012	7	Mackenzie Maxxum Dividend Fund - Units	16,068,656.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Maxxum Dividend Growth Fund - Units	4,009,060.00	648,786.00
04/01/2011 to 03/31/2012	1	Mackenzie Maxxum Monthly Income Fund - Units	159,310.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Saxon Balanced Fund - Units	26,894,369.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Saxon Dividend Income Fund - Units	41,033,890.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Saxon Microcap Fund - Units	177,094.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Saxon Small Cap Class - Units	21,188.00	N/A
04/01/2011 to 03/31/2012	3	Mackenzie Saxon Small Cap Fund - Units	16,953,604.00	N/A
04/01/2011 to 03/31/2012	3	Mackenzie Saxon Stock Fund - Units	7,895,922.00	N/A
04/01/2011 to 03/31/2012	13	Mackenzie Sentinel Bond Fund - Units	45,856,395.00	N/A
04/01/2011 to 03/31/2012	13	Mackenzie Sentinel Canadian Short-Term Yield Corporate Class - Units	705,519,559.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Sentinel Cash Management Fund - Units	4,439,134.00	N/A
04/01/2011 to 03/31/2012	6	Mackenzie Sentinel Corporate Bond Fund - Units	24,567,531.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Sentinel Income Fund - Units	7,057,821.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Sentinel Money Market Fund - Units	1,663,748.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Sentinel Real Return Bond Fund - Units	551.00	48.00
04/01/2011 to 03/31/2012	1	Mackenzie Sentinel Registered North American Corporate Bond Fund - Units	82,998,116.00	N/A
04/01/2011 to 03/31/2012	3	Mackenzie Sentinel Registered Strategic Income Fund - Units	139,185,118.00	14,551,110.00
04/01/2011 to 03/31/2012	1	Mackenzie Sentinel U.S. Short-Term Yield Corporate Class - Units	4,947.00	494.00
04/01/2011 to 03/31/2012	1	Mackenzie Universal Canadian Balanced Fund - Units	10,775,199.00	N/A

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b>No of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>No of Securities Distributed</b>
04/01/2011 to 03/31/2012	1	Mackenzie Universal Canadian Growth Fund - Units	44,908.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal Canadian Resource Class - Units	10,876,504.00	857,944.00
04/01/2011 to 03/31/2012	10	Mackenzie Universal Canadian Resource Fund - Units	140,550,036.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal Canadian Shield Fund - Units	5,979,700.00	500,000.00
04/01/2011 to 03/31/2012	3	Mackenzie Universal Emerging Markets Class - Units	19,730,998.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal Global Growth Class - Units	25,947.00	N/A
04/01/2011 to 03/31/2012	9	Mackenzie Universal Global Growth Fund - Units	6,190,650.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Universal Global Infrastructure Fund - Units	168,133.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Universal Gold Bullion Class - Units	90,708.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Universal Health Sciences Class - Units	201,351.00	N/A
04/01/2011 to 03/31/2012	2	Mackenzie Universal International Stock Fund - Units	31,046,283.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal North American Growth Class - Units	19,596.00	1,369.00
04/01/2011 to 03/31/2012	4	Mackenzie Universal Precious Metals Fund - Units	96,166,408.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal Technology Class - Units	124,232.00	10,791.00
04/01/2011 to 03/31/2012	3	Mackenzie Universal U.S. Blue Chip Class - Units	812,217.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal U.S. Dividend Income Fund "Unhedged" - Units	1,018,483.00	129,311.00
04/01/2011 to 03/31/2012	2	Mackenzie Universal U.S. Emerging Growth Class - Units	273,660.00	19,460.00
04/01/2011 to 03/31/2012	7	Mackenzie Universal U.S. Growth Leaders Fund - Units	8,314,353.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal U.S. Growth Leaders (Hedged) Class - Units	1,308.00	116.00
04/01/2011 to 03/31/2012	2	Mackenzie Universal World real Estate Class - Units	437,743.00	N/A
04/01/2011 to 03/31/2012	1	Mackenzie Universal World Resource Class - Units	402,020.00	28,224.00
03/26/2012	1	Macquarie Bank Limited - Common Shares	24,750,000.00	1.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b>No of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>No of Securities Distributed</b>
04/20/2012	2	Mcron Finance Sub LLC and Mcron Finance Corp. - Notes	2,229,975.00	2,250.00
03/30/2012	2	Mill City Gold Corp. - Units	300,000.00	6,000,000.00
04/19/2012	36	Mobidia Technology Inc. - Preferred Shares	609,238.30	553,853.00
03/22/2012	3	Morgan Stanley - Notes	77,383,708.15	N/A
04/11/2012	1	MRC Global Inc. - Common Shares	2,100,000.00	100,000.00
05/03/2012	1	Mythen Ltd. - Notes	9,374,600.00	1.00
04/24/2012	73	NMI Holdings, Inc. - Common Shares	555,500,000.00	55,000,000.00
03/23/2012	23	Nomad Ventures Inc. - Units	350,000.00	4,666,666.00
04/26/2012	5	Nordic Oil and Gas Ltd. - Units	153,000.00	3,060,000.00
04/10/2012	3	Otis Gold Corp. - Investment Trust Interests	50,000.00	250,000.00
04/11/2012	4	Parker Drilling Company - Notes	6,100,000.00	4.00
04/27/2012	2	Placencia Capital Trust I - Units	15,500.00	15,500.00
06/27/2011 to 03/22/2012	59	Provisus Wealth Management Limited - Common Shares	5,312,046.81	530,132.25
04/01/2011 to 03/31/2012	6	Quadrus AIM Canadian Equity Growth Fund - Units	11,467,101.00	N/A
04/01/2011 to 03/31/2012	5	Quadrus Eaton Vance U.S. Value Corporate Class - Units	1,212,514.00	N/A
04/01/2011 to 03/31/2012	1	Quadrus Fixed Income Fund - Units	85,595,893.00	N/A
04/01/2011 to 03/31/2012	9	Quadrus Laketon Fixed Income Fund - Units	112,185,767.00	N/A
04/01/2011 to 03/31/2012	3	Quadrus Setanta Global Dividend Corporate Class Fund - Units	1,677,583.00	222,812.00
04/01/2011 to 03/31/2012	2	Quadrus Sionna Canadian Value Corporate Class - Units	1,240,636.00	115,545.00
04/01/2011 to 03/31/2012	7	Quadrus Templeton International Equity Fund - Units	10,016,979.00	N/A
04/01/2011 to 03/31/2012	1	Quadrus Trimark Balanced Fund - Units	5,277,465.00	469,535.00
04/17/2012	1	Rainy River Resources Ltd. - Common Shares	54,400.00	10,000.00
02/06/2012	2	Return On Innovation Capital Ltd. - Units	473,038.67	473,038.67
03/14/2012	2	Return on Innovation Capital Ltd. - Units	6,900,000.00	6,900,000.00
04/24/2012	2	Return On Innovation Capital Ltd. - Units	896,643.00	896,643.00
04/18/2012	1	Return On Innovation Capital Ltd. - Units	638,254.55	638,254.55
04/18/2012	1	Return On Innovation Capital Ltd. - Units	398,208.00	398,208.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b>No of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>No of Securities Distributed</b>
04/11/2012	2	Return On Innovation Capital Ltd. - Units	2,500,000.00	2,500,000.00
04/20/2012	2	Return On Innovation Capital Ltd. - Units	338,277.40	338,277.40
02/01/2012	3	Richmont Mines Inc. - Debentures	10,000,000.00	1.00
01/31/2011 to 12/30/2011	53	Rival North American Growth Fund L.P. - Units	4,239,420.13	323,997.06
01/31/2011 to 12/30/2011	58	Rival North American RRSP Growth Fund - Trust Units	1,762,970.31	149,770.49
04/02/2012	1	ROI Capital Ltd. - Units	350,000.00	350,000.00
04/02/2012	1	ROI Capital Ltd. - Units	216,200.32	216,200.32
04/10/2012	1	ROI Capital Ltd. - Units	6,454,400.00	6,454,400.00
04/10/2012	1	SGX Resources Inc. - Common Shares	8,000.00	17,778.00
03/14/2012	74	Solace Resources Corp. - Units	525,000.00	5,000,000.00
12/05/2011	17	Southern Silver Exploration Corp. - Common Shares	962,550.00	6,417,000.00
10/01/2011	2	Stacey Muirhead RSP Fund - Trust Units	22,450.00	2,713.94
04/01/2011 to 03/31/2012	13	Symmetry Equity Class - Units	913,550,283.00	N/A
04/01/2011 to 03/31/2012	9	Symmetry Equity Corporate Class - Units	91,688,262.00	5,961,612.00
04/01/2011 to 03/31/2012	10	Symmetry Fixed Income Corporate Class - Units	102,806,553.00	N/A
04/01/2011 to 03/31/2012	1	Symmetry One Registered Balanced Portfolio Fund - Units	1,723.00	172.00
04/01/2011 to 03/31/2012	1	Symmetry One Registered Growth Portfolio Fund - Units	42,222.00	4,366.00
04/01/2011 to 03/31/2012	1	Symmetry One Registered Moderate Growth Portfolio Fund - Units	100,360.00	10,193.00
04/01/2011 to 03/31/2012	11	Symmetry Registered Fixed Income Fund - Units	1,354,305,779.00	114,291,992.00
01/26/2012	3	Temex Resources Corp. - Common Shares	36,000.00	200,000.00
04/19/2012	1	The Goldman Sachs Group, Inc. - Notes	496,350.00	1.00
08/17/2011	1	The Goldman Sachs Group, Inc. - Notes	73,650.00	1.00
04/04/2012	237	Tourmaline Oil Corp. - Flow-Through Shares	40,377,600.00	1,402,000.00
04/24/2012	2	Tumi Holdings, Inc. - Common Shares	106,920.00	6,000.00
04/16/2012	47	UBS AG, Jersey Branch - Certificates	17,484,265.80	47.00
04/19/2012	1	UBS AG, Jersey Branch - Notes	320,667.98	1.00
04/18/2012	1	UBS AG, London Branch - Notes	99,802.00	100.00



**Notice of Exempt Financings**

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<b>Transaction Date</b>	<b>No of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Purchase Price (\$)</b>	<b>No of Securities Distributed</b>
05/04/2012	2	Valencia Ventures Inc. - Common Shares	500,000.00	10,000,000.00
05/01/2012	1	ValueAct Capital International I L.P. - Limited Partnership Interest	345,348.90	N/A
04/02/2012	5	Vocera Communications, Inc. - Common Shares	2,808,780.00	194,000.00
04/20/2012	20	Walton GA Crossroads Investment Corporation - Common Shares	368,650.00	36,865.00
03/31/2011 to 12/31/2011	30	Wolverine Opportunity Fund - Units	659,750.00	N/A

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## Chapter 11

# IPOs, New Issues and Secondary Financings

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**Issuer Name:**

Africa Hydrocarbons Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 10, 2012

**Offering Price and Description:**

\$10,008,000.00 - 55,600,000 Common Shares Price: \$0.18  
per Common Share

**Underwriter(s) or Distributor(s):**

Canaccord Genuity Corp.

**Promoter(s):**

-

**Project #1904746**

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**Issuer Name:**

Argent Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Long Form Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

\$ \* - \* Units Price: \$10.00 per Unit

**Underwriter(s) or Distributor(s):**

SCOTIA CAPITAL INC.  
CIBC WORLD MARKETS INC.  
RBC DOMINION SECURITIES INC.  
BMO NESBITT BURNS INC.  
TD SECURITIES INC.  
CANACCORD GENUITY CORP.  
NATIONAL BANK FINANCIAL INC.  
ACUMEN CAPITAL FINANCE PARTNERS LIMITED  
ALTACORP CAPITAL INC.  
CORMARK SECURITIES INC.  
DESJARDINS SECURITIES INC.  
DUNDEE SECURITIES LTD.  
FIRSTENERGY CAPITAL CORP.  
GMP SECURITIES L.P.

**Promoter(s):**

Aston Hill Financial Inc.

**Project #1905559**

**Issuer Name:**

Cenovus Energy Inc.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Base Shelf Prospectus dated May 11, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

\$1,500,000,000.00:  
Medium Term Notes  
(unsecured)

**Underwriter(s) or Distributor(s):**

BMO Nesbitt Burns Inc.  
CIBC World Markets Inc.  
Desjardins Securities Inc.  
RBC Dominion Securities Inc.  
Scotia Capital Inc.  
TD Securities Inc.

**Promoter(s):**

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**Project #1905837**

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**Issuer Name:**

Connor, Clark & Lunn Conservative Income & Growth Fund  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Simplified Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

Series A, Series F and Series C Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Connor, Clark & Lunn Capital Inc.

**Project #1905344**

**Issuer Name:**

Greenfields Petroleum Corporation  
Principal Regulator - Alberta

**Type and Date:**

Amended and Restated Preliminary Short Form Prospectus dated May 8, 2012

NP 11-202 Receipt dated May 9, 2012

**Offering Price and Description:**

\$20,000,000.00 - 9.0% Convertible Unsecured  
Subordinated Debentures due May 31, 2017

Price: \$1,000 per Debenture

**Underwriter(s) or Distributor(s):**

FIRSTENERGY CAPITAL CORP.  
CIBC WORLD MARKETS INC.  
CASIMIR CAPITAL LTD.  
STONECAP SECURITIES INC.  
CORMARK SECURITIES INC.  
HAYWOOD SECURITIES INC.  
RAYMOND JAMES LTD.

**Promoter(s):**

Richard E. MacDougal  
Alex T. Warmath  
John W. Harkins  
**Project #1902641**

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**Issuer Name:**

Harvest Canadian Income & Growth Fund  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Simplified Prospectus dated May 8, 2012

NP 11-202 Receipt dated May 8, 2012

**Offering Price and Description:**

Series A, Series F and Series R Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Harvest Portfolios Group Inc.  
**Project #1903276**

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**Issuer Name:**

John Deere Canada Funding Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Based Shelf Prospectus dated May 9, 2012

NP 11-202 Receipt dated May 9, 2012

**Offering Price and Description:**

\$2,500,000,000.00 - Medium Term Notes (Unsecured)  
Unconditionally guaranteed as to payment of principal,  
premium (if any), interest and certain other amounts by  
JOHN DEERE CAPITAL CORPORATION

**Underwriter(s) or Distributor(s):**

RBC DOMINION SECURITIES INC.  
TD SECURITIES INC.  
MERRILL LYNCH CANADA INC.

**Promoter(s):**

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**Project #1903986**

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**Issuer Name:**

Merus Labs International Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated May 9, 2012

NP 11-202 Receipt dated May 10, 2012

**Offering Price and Description:**

\$10,000,800.00 - 5,556,000 Common Shares Price: \$1.80  
per Common Share

**Underwriter(s) or Distributor(s):**

CANACCORD GENUITY CORP.  
CLARUS SECURITIES INC.  
PARADIGM CAPITAL INC.  
CORMARK SECURITIES INC.

**Promoter(s):**

-

**Project #1904433**

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**Issuer Name:**

Movarie Capital Ltd.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary CPC Prospectus dated May 9, 2012

NP 11-202 Receipt dated May 10, 2012

**Offering Price and Description:**

\$600,000.00 - 4,000,000 Common Shares Price: \$0.15 per  
Common Share

**Underwriter(s) or Distributor(s):**

Canaccord Genuity Corp.

**Promoter(s):**

Mark Orsmond  
**Project #1905516**

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**Issuer Name:**

Raging River Exploration Inc.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated May 8, 2012

NP 11-202 Receipt dated May 8, 2012

**Offering Price and Description:**

\$35,000,000.00 - 17,500,000 Common Shares issuable on  
exercise of 17,500,000 outstanding Special Warrants Price:  
\$2.00 per Special Warrant

**Underwriter(s) or Distributor(s):**

Peters & Co. Limited  
FirstEnergy Capital Corp.  
Desjardins Securities Inc.  
Dundee Securities Ltd.  
Paradigm Capital Inc.  
Cormark Securities Inc.  
National Bank Financial Inc.  
CIBC World Markets Inc.  
GMP Securities L.P.  
Scotia Capital Inc.

**Promoter(s):**

-

**Project #1903304**

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**Issuer Name:**

Shoreline Energy Corp.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary Short Form Prospectus dated May 10, 2012  
NP 11-202 Receipt dated

**Offering Price and Description:**

Up to \$10,000,000 - 9.25% Convertible Unsecured  
Subordinated Debentures  
Price: \$1,000.00 per Debenture

**Underwriter(s) or Distributor(s):**

Macquarie Private Wealth Inc.

**Promoter(s):**

-

**Project #1904765**

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**Issuer Name:**

Canadian Apartment Properties Real Estate Investment  
Trust

Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 10, 2012

**Offering Price and Description:**

\$155,837,500.00 - 6,850,000 Units Price: \$22.75 per Unit

**Underwriter(s) or Distributor(s):**

RBC DOMINION SECURITIES INC.  
SCOTIA CAPITAL INC.  
TD SECURITIES INC.  
BMO NESBITT BURNS INC.  
CIBC WORLD MARKETS INC.  
MACQUARIE CAPITAL MARKETS CANADA LTD.  
NATIONAL BANK FINANCIAL INC.  
CANACCORD GENUITY CORP.  
RAYMOND JAMES LTD.  
DUNDEE SECURITIES LTD.

**Promoter(s):**

-

**Project #1900913**

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**Issuer Name:**

Columbus Gold Corporation  
Principal Regulator - British Columbia

**Type and Date:**

Final Short Form Prospectus dated May 11, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

\$5,500,000.00 - 10,000,000 Units Price: \$0.55 per Unit

**Underwriter(s) or Distributor(s):**

CORMARK SECURITIES INC.  
CANACCORD GENUITY CORP.  
HAYWOOD SECURITIES INC.  
NATIONAL BANK FINANCIAL INC.

**Promoter(s):**

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**Project #1892124**

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**Issuer Name:**

Crest Petroleum Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Final CPC Prospectus dated May 8, 2012  
NP 11-202 Receipt dated May 10, 2012

**Offering Price and Description:**

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

**Underwriter(s) or Distributor(s):**

Haywood Securities Inc.

**Promoter(s):**

Adam Cegielski

**Project #1889344**

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**Issuer Name:**

Eagle Energy Trust  
Principal Regulator - Alberta

**Type and Date:**

Final Short Form Prospectus dated May 11, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

\$85,030,000.00 - 7,730,000 Units Price \$11.00 per Unit

**Underwriter(s) or Distributor(s):**

SCOTIA CAPITAL INC.  
CIBC WORLD MARKETS INC.  
NATIONAL BANK FINANCIAL INC.  
TD SECURITIES INC.  
BMO NESBITT BURNS INC.  
CANACCORD GENUITY CORP.  
MACQUARIE CAPITAL MARKETS CANADA LTD.  
ACUMEN CAPITAL FINANCE PARTNERS LIMITED  
DESJARDINS SECURITIES INC.  
GMP SECURITIES L.P.  
RAYMOND JAMES LTD.

**Promoter(s):**

-

**Project #1901570**

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**Issuer Name:**

Enbridge Inc.  
Principal Regulator - Alberta

**Type and Date:**

Final Based Shelf Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 10, 2012

**Offering Price and Description:**

US\$4,000,000,000.00:

DEBT SECURITIES  
COMMON SHARES  
PREFERENCE SHARES

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #1901769**

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**Issuer Name:**

First Asset Morningstar Emerging Markets Bond Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated May 4, 2012  
NP 11-202 Receipt dated May 9, 2012

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

FIRST ASSET INVESTMENT MANAGEMENT INC.  
Project #1890169

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**Issuer Name:**

Fortis Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Based Shelf Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

\$1,300,000,000.00:  
COMMON SHARES  
FIRST PREFERENCE SHARES  
SECOND PREFERENCE SHARES  
SUBSCRIPTION RECEIPTS  
DEBENTURES (UNSECURED)

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

Project #1902030

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**Issuer Name:**

Jov Canadian Equity Class  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectus dated May 9, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

Series A shares

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

Project #1885017

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**Issuer Name:**

Leisureworld Senior Care Corporation  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 10, 2012

**Offering Price and Description:**

\$49,043,500.00 - 4,070,000 Subscription Receipts each representing the right to receive one Common Share Price: \$12.05 per Subscription Receipt

**Underwriter(s) or Distributor(s):**

TD Securities Inc.  
BMO Nesbitt Burns Inc.  
RBC Dominion Securities Inc.  
CIBC World Markets Inc.  
Scotia Capital Inc.  
Macquarie Capital Markets Canada Ltd.  
Canaccord Genuity Corp.  
Raymond James Ltd.  
HSBC Securities (Canada) Inc.

**Promoter(s):**

-

Project #1900774

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**Issuer Name:**

Sprott Silver Bullion Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectus dated May 10, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

Series A, Series F and Series I Units

**Underwriter(s) or Distributor(s):**

**-Promoter(s):**

SPROTT ASSET MANAGEMENT LP  
Project #1889343

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**Issuer Name:**

West Melville Metals Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Final Long Form Prospectus dated May 9, 2012  
NP 11-202 Receipt dated May 11, 2012

**Offering Price and Description:**

Maximum Offering: \$10,000,000.00; and Minimum Offering: \$7,500,000.00 - Minimum 15,000,000 Common Shares Maximum 20,000,000 Common Shares @ \$0.50 per Common Share

**Underwriter(s) or Distributor(s):**

Haywood Securities Inc.  
Byron Capital Markets Ltd.

**Promoter(s):**

-

Project #1871452

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**Issuer Name:**

Lexaria Corp.

Principal Jurisdiction - British Columbia

**Type and Date:**

Preliminary Short Form Prospectus dated March 15, 2012

Withdrawn on May 10, 2012

**Offering Price and Description:**

Minimum: US\$500,000.00 Maximum: US\$5,000,000.00 to  
20,000,000 Units Price: US\$0.25 per Unit

**Underwriter(s) or Distributor(s):**

Leede Financial Markets Inc.

**Promoter(s):**

-

**Project #1872275**

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## Chapter 12

# Registrations

### 12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: First Defined Portfolio Management Co. To: FT Portfolios Canada Co./ Societe de gestion de portefeuilles FT Canada	Investment Fund Manager and Mutual Fund Dealer	May 3, 2012
New Registration	Grafton Asset Management Inc.	Exempt Market Dealer	May 8, 2012
Voluntary Surrender	Gryphon Partners Canada Inc.	Exempt Market Dealer	May 9, 2012
New Registration	Gain Capital – Forex.com Canada Ltd.	Investment Dealer	May 10, 2012
Suspension pursuant to Section 29(1) of the Securities Act	Commission Direct Inc.	Investment Dealer	May 10, 2012
Suspension pursuant to Section 29(1) of the Securities Act	Galiem Securities Canada Corp.	Investment Dealer	May 10, 2012

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## Chapter 13

# SROs, Marketplaces and Clearing Agencies

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### 13.2 Marketplaces

#### 13.2.1 CNSX Markets Inc. – Notice of Completion of Staff Review of Proposed Changes – Changes to Order Allocation Methodology for Jitney Trades

##### CNSX MARKETS INC.

##### NOTICE OF COMPLETION OF STAFF REVIEW OF PROPOSED CHANGES

##### CHANGES TO ORDER ALLOCATION METHODOLOGY FOR JITNEY TRADES

CNSX Markets Inc. (CNSX) has implemented changes to the CNSX Trading System to change the method by which trades are allocated to jitney orders.

In accordance with OSC Staff Notice 21-703 – *Transparency of the Operations of Stock Exchanges and Alternative Trading Systems*, a notice describing the change was published in the OSC Bulletin on November 25, 2011 at (2011) 34 OSCB 12001. The notice also requested that market participants provide the Commission with feedback on the change. The Commission received one comment letter in response to the request for feedback. The comment letter expressed concern with the impact of jitney preferencing on the principle of fair and equal access to trading on marketplaces.

Commission staff have completed their review of the change. As a result of its review, Staff have concerns with order allocation methodologies that allow for orders marked jitney to participate in firm priority. In particular, Staff are concerned that, by permitting two dealers to bypass committed orders in the book, jitney preferencing could lead to the formation of "liquidity consortiums", where dealers can make their order flow available to a select group of market participants through jitneying. In Staff's view, jitney preferencing negatively impacts fair access to trading on marketplaces and marketplaces should not facilitate this activity through their order allocation methodologies.

Staff note that jitney preferencing is presently supported on three marketplaces carrying on business in Ontario. Staff have directed these marketplaces to change their order allocation methodologies to no longer support jitney preferencing. Staff expect that the process of disabling this functionality on each marketplace will be completed by no later than the end of Q1 2013.

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## Chapter 25

# Other Information

### 25.1 Exemptions

#### 25.1.1 Horizons Morningstar Hedge Fund Index ETF – s. 19.1 of NI 41-101 General Prospectus Requirements

##### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – NI 41-101 – Relief to file a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

##### Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, ss. 2.3(1), 19.1.

April 19, 2012

Fasken Martineau DuMoulin LLP

##### Attention: Munier Saloojee

Dear Sirs/Mesdames:

**Re: Horizons Morningstar Hedge Fund Index ETF (the ETF)**

**Exemptive Relief Application under Section 19.1 of National Instrument 41-101 General Prospectus Requirements (“NI 41-101”)**

**Application No. 2012/0242, SEDAR Project No. 1748247**

By letter dated April 16, 2012 (the Application), the ETF applied to the Director of the Ontario Securities Commission (the Director) pursuant to section 19.1 of NI 41-101 for relief from the operation of subsection 2.3(1) of NI 41-101, which prohibits an issuer from filing a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

This letter confirms that, based on the information and representations made in the Application, and for the purposes described in the Application, the Director grants the requested exemption to be evidenced by the issuance of a receipt for the Partnership’s prospectus, provided the Partnership’s final prospectus is filed no later than May 25, 2012.

Yours very truly,

“Darren McKall”  
Manager, Investment Funds Branch

### 25.1.2 HAP Nexus Hedge Fund Replication Trust – s. 19.1 of NI 41-101 General Prospectus Requirements

##### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – NI 41-101 – Relief to file a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

##### Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, ss. 2.3(1), 19.1.

April 18, 2012

Fasken Martineau DuMoulin LLP

##### Attention: Munier Saloojee

Dear Sirs/Mesdames:

**Re: HAP Nexus Hedge Fund Replication Trust (the Fund)**

**Exemptive Relief Application under Section 19.1 of National Instrument 41-101 General Prospectus Requirements (“NI 41-101”)**

**Application No. 2012/0243, SEDAR Project No. 1752410**

By letter dated April 16, 2012 (the Application), the Fund applied to the Director of the Ontario Securities Commission (the Director) pursuant to section 19.1 of NI 41-101 for relief from the operation of subsection 2.3(1) of NI 41-101, which prohibits an issuer from filing a prospectus more than 90 days after the date of the receipt for the preliminary prospectus.

This letter confirms that, based on the information and representations made in the Application, and for the purposes described in the Application, the Director grants the requested exemption to be evidenced by the issuance of a receipt for the Partnership’s prospectus, provided the Partnership’s final prospectus is filed no later than May 25, 2012.

Yours very truly,

“Darren McKall”  
Manager, Investment Funds Branch

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# Index

<b>Acadian Energy Inc.</b>		<b>Allocation Methodology for Jitney Trades</b>	
Cease Trading Order .....	4695	Marketplaces .....	4779
<b>AGF Investments Inc.</b>		<b>Colonna, John</b>	
Decision .....	4670	Notice from the Office of the Secretary .....	4648
<b>Alpha Exchange Inc.</b>		<b>Cominar Real Estate Investment Trust</b>	
Notice of Correction .....	4646	Decision.....	4681
<b>AlphaPro Management Inc.</b>		<b>Commission Direct Inc.</b>	
Decision .....	4676	Suspension pursuant to s. 29(1) of the Securities Act.....	4777
<b>Atlantic Power Corporation</b>		<b>Connor, Clark &amp; Lunn Capital Markets Inc.</b>	
Decision .....	4664	Decision.....	4685
<b>Atlantic Power Limited Partnership</b>		<b>Da Silva, Abel</b>	
Decision .....	4664	Notice from the Office of the Secretary .....	4648
<b>Barometer Capital Management Inc.</b>		<b>Devcich, Frank Andrew</b>	
Ruling – ss. 74(1), 144(1).....	4691	Amended Notice of Hearing – ss. 127(1), 127(10) ...	4647
<b>Barometer Equity Pool</b>		Notice from the Office of the Secretary .....	4649
Ruling – ss. 74(1), 144(1).....	4691	<b>Driehaus Capital Management LLC</b>	
<b>Barometer Global Equity Pool</b>		Decision.....	4675
Ruling – ss. 74(1), 144(1).....	4691	<b>First Defined Portfolio Management Co.</b>	
<b>Barometer Global Tactical Balanced Pool</b>		Name Change .....	4777
Ruling – ss. 74(1), 144(1).....	4691	<b>Frontera Copper Corporation</b>	
<b>Barometer High Income Pool</b>		Decision.....	4668
Ruling – ss. 74(1), 144(1).....	4691	<b>FT Portfolios Canada Co./Societe de gestion de portefeuilles FT Canada</b>	
<b>Barometer Long Short Equity Pool</b>		Name Change .....	4777
Ruling – ss. 74(1), 144(1).....	4691	<b>Gain Capital – Forex.com Canada Ltd.</b>	
<b>Barometer Tactical Exchange Traded Fund Pool</b>		New Registration .....	4777
Ruling – ss. 74(1), 144(1).....	4691	<b>Galiem Securities Canada Corp.</b>	
<b>Blumenfeld, Howard</b>		Suspension pursuant to s. 29(1) of the Securities Act .....	4777
Notice from the Office of the Secretary .....	4648	<b>Grafton Asset Management Inc.</b>	
<b>Blutip Power Technologies Ltd.</b>		New Registration .....	4777
Cease Trading Order .....	4695	<b>Gryphon Partners Canada Inc.</b>	
<b>Canadian Depository for Securities Ltd.</b>		Voluntary Surrender .....	4777
News Release .....	4647	<b>HAP Nexus Hedge Fund Replication Trust</b>	
<b>Canso Investment Counsel Ltd.</b>		Exemption – s. 19.1 of NI 41-101 General Prospectus Requirements .....	4781
Decision .....	4687	<b>Hicks, Timothy John</b>	
<b>CDS Clearing and Depository Services Inc.</b>		Decision.....	4687
News Release.....	4647	<b>Horizons Auspice Managed Futures Index ETF</b>	
<b>CNSX Markets Inc. – Notice of Completion of Staff Review of Proposed Changes – Changes to Order</b>		Decision.....	4676

<b>Horizons Crude Oil Yield ETF</b>		<b>Maple Group Acquisition Corporation</b>	
Decision .....	4676	News Release .....	4647
<b>Horizons Diversified Commodity Yield ETF</b>		<b>Minefinders Corporation Ltd.</b>	
Decision .....	4676	Decision – s. 1(10) .....	4684
<b>Horizons Gold Yield ETF</b>		<b>Northaven Resources Corp.</b>	
Decision .....	4676	Cease Trading Order.....	4695
<b>Horizons Morningstar Hedge Fund Index ETF</b>		<b>Northern Precious Metals 2010 Limited Partnership</b>	
Decision .....	4676	Decision.....	4679
<b>Horizons Morningstar Hedge Fund Index ETF</b>		<b>Northern Precious Metals Management Inc.</b>	
Exemption – s. 19.1 of NI 41-101 General		Decision.....	4679
Prospectus Requirements.....	4781	<b>Phillips, David Charles</b>	
<b>Horizons Natural Gas Yield ETF</b>		Notice from the Office of the Secretary .....	4649
Decision .....	4676	Temporary Order – ss. 127(1), 127(5).....	4689
<b>Horizons Silver Yield ETF</b>		<b>Richvale Resource Corporation</b>	
Decision .....	4676	Notice from the Office of the Secretary .....	4648
<b>John Deere Canada Funding Inc.</b>		<b>Royal Coal Corp.</b>	
Decision .....	4651	Cease Trading Order.....	4695
<b>John Deere Capital Corporation</b>		<b>Schiavone, Pasquale</b>	
Decision .....	4651	Notice from the Office of the Secretary .....	4648
<b>John Deere Capital Corporation</b>		<b>Singh, Gobinder Kular</b>	
Decision .....	4657	Amended Notice of Hearing – ss. 127(1), 127(10) ...	4647
<b>John Deere Credit Inc.</b>		Notice from the Office of the Secretary .....	4649
Decision .....	4657	<b>TMX Group Inc.</b>	
<b>Khan, Shafi</b>		News Release .....	4647
Notice from the Office of the Secretary .....	4648	<b>TSX Inc.</b>	
<b>Knightscope Media Corp.</b>		News Release .....	4647
Cease Trading Order .....	4695	<b>Usher-Jones, Brian Richard</b>	
<b>Lysander Funds Limited</b>		Decision.....	4687
Decision .....	4687	<b>Win-Eldrich Mines Limited</b>	
<b>Macquarie Emerging Markets Infrastructure Income Fund</b>		Cease Trading Order.....	4695
Decision .....	4685	<b>Winick, Marvin</b>	
		Notice from the Office of the Secretary .....	4648