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OSC DIALOGUE 2012

Tuesday, October 30, 2012

8:00 a.m. – 2:30 p.m.
Toronto Board of Trade
1 First Canadian Place
Toronto, Ontario

Keynote Speakers

Howard Wetston, Chair
Ontario Securities Commission
Gary Gensler, Chairman
U.S. Commodity Futures Trading Commission

Join the OSC at this year's OSC Dialogue and hear from securities industry experts about the top issues affecting today's complex and interconnected capital markets.

OSC Dialogue will feature two plenary sessions as well as interactive break-outs. The agenda will include discussions on market quality and market integrity, capital formation, systemic risk, corporate governance, market structures, proactive enforcement and investor issues.

Visit the OSC website for more information and to register.
For questions contact Dialogue@osc.gov.on.ca.

ONTARIO SECURITIES COMMISSION

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COMMISSION

The Ontario Securities Commission

OSC Bulletin

October 18, 2012

Volume 35, Issue 42

(2012), 35 OSCB

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

The Ontario Securities Commission

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Published under the authority of the Commission by:

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Table of Contents

| | |
|--|---|
| <p>Chapter 1 Notices / News Releases 9379</p> <p>1.1 Notices 9379</p> <p>1.1.1 Current Proceedings before the Ontario Securities Commission 9379</p> <p>1.2 Notices of Hearing 9388</p> <p>1.2.1 Caroline Frayssignes Cotton – ss. 127, 127.1 9388</p> <p>1.2.2 New Hudson Television LLC, and Dmitry James Salganov – ss. 127, 127.1 9394</p> <p>1.2.3 Liberty Silver Corp. – ss. 127(1), 127(5), 127(10) 9398</p> <p>1.2.4 Mohinder Ahluwalia – ss. 37, 127 127.1 9399</p> <p>1.3 News Releases 9405</p> <p>1.3.1 Canadian Securities Regulators Release 2012 Investor Index 9405</p> <p>1.3.2 OSC Investor Alert: China International Capital Group 9407</p> <p>1.4 Notices from the Office of the Secretary 9408</p> <p>1.4.1 International Strategic Investments et al. 9408</p> <p>1.4.2 HEIR Home Equity Investment Rewards Inc. et al. 9408</p> <p>1.4.3 Sage Investment Group et al. 9409</p> <p>1.4.4 Caroline Frayssignes Cotton 9409</p> <p>1.4.5 Knowledge First Financial Inc. 9410</p> <p>1.4.6 Heritage Education Funds Inc. 9410</p> <p>1.4.7 New Hudson Television LLC, and Dmitry James Salganov 9411</p> <p>1.4.8 MBS Group (Canada) Ltd. et al. 9411</p> <p>1.4.9 Liberty Silver Corp. 9412</p> <p>1.4.10 Sino-Forest Corporation et al. 9412</p> <p>1.4.11 Sino-Forest Corporation et al. 9413</p> <p>1.4.12 Mohinder Ahluwalia 9413</p> <p>1.4.13 Liberty Silver Corp. 9414</p> <p>1.4.14 Colby Cooper Capital Inc. et al. 9414</p> <p>1.4.15 New Solutions Capital Inc. et al. 9415</p> <p>1.4.16 Jowdat Waheed and Bruce Walter 9415</p> <p>Chapter 2 Decisions, Orders and Rulings 9417</p> <p>2.1 Decisions 9417</p> <p>2.1.1 Frontenac Mortgage Investment Corporation 9417</p> <p>2.1.2 Enerkem Inc. 9419</p> <p>2.1.3 Piper Jaffray & Co. 9422</p> <p>2.1.4 Marquest Asset Management Inc. and Mineralfields Asset Management Inc. 9426</p> <p>2.1.5 ONE Financial Corporation 9428</p> <p>2.1.6 Petrobank Energy and Resources Ltd. 9430</p> <p>2.1.7 Caldwell Investment Management Ltd. et al. 9434</p> | <p>2.2 Orders 9436</p> <p>2.2.1 International Strategic Investments et al. – s. 127 of the Act and Rule 6.7 of the OSC Rules of Procedure 9436</p> <p>2.2.2 HEIR Home Equity Investment Rewards Inc. et al. – ss. 127(1), 127.1 9437</p> <p>2.2.3 Sage Investment Group et al. – s. 127 9437</p> <p>2.2.4 Knowledge First Financial Inc. 9438</p> <p>2.2.5 Heritage Education Funds Inc. 9440</p> <p>2.2.6 MBS Group (Canada) Ltd. et al. – ss. 127 of the Act and Rule 6.2(e) of the OSC Rules of Procedure 9441</p> <p>2.2.7 Sino-Forest Corporation et al. 9443</p> <p>2.2.8 Sino-Forest Corporation et al. – ss. 127(7), 127(8) 9443</p> <p>2.2.9 Liberty Silver Corp. 9445</p> <p>2.2.10 Liberty Silver Corp. – ss. 127(1), 127(5), 127(10) 9446</p> <p>2.2.11 OutdoorPartner Media Corporation – s. 144 9447</p> <p>2.2.12 Churchill 10 Real Estate Limited Partnership – s. 144 9451</p> <p>2.2.13 Colby Cooper Capital Inc. et al. – s. 127 9453</p> <p>2.2.14 New Solutions Capital Inc. et al. – s. 127(1), 127(7), 127(8) 9454</p> <p>2.2.15 Jowdat Waheed and Bruce Walter 9455</p> <p>2.3 Rulings (nil)</p> <p>Chapter 3 Reasons: Decisions, Orders and Rulings 9457</p> <p>3.1 OSC Decisions, Orders and Rulings 9457</p> <p>3.1.1 Eric Kaplan et al. 9457</p> <p>3.2 Court Decisions, Order and Rulings (nil)</p> <p>Chapter 4 Cease Trading Orders 9465</p> <p>4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders 9465</p> <p>4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders 9465</p> <p>4.2.2 Outstanding Management & Insider Cease Trading Orders 9465</p> <p>Chapter 5 Rules and Policies (nil)</p> <p>Chapter 6 Request for Comments (nil)</p> <p>Chapter 7 Insider Reporting 9467</p> <p>Chapter 8 Notice of Exempt Financings 9527</p> <p>Reports of Trades Submitted on Forms 45-106F1 and 45-501F1 9527</p> <p>Chapter 9 Legislation (nil)</p> <p>Chapter 11 IPOs, New Issues and Secondary Financings 9531</p> |
|--|---|

Table of Contents

Chapter 12 Registrations9541
12.1.1 Registrants9541

**Chapter 13 SROs, Marketplaces and
Clearing Agencies (nil)**
13.1 SROs..... (nil)
13.2 Marketplaces..... (nil)
13.3 Clearing Agencies (nil)

Chapter 25 Other Information9543
25.1.1 ONE Financial All-Weather Profit
Canada Fund et al. – s. 19.1 of NI 41-101
General Prospectus Requirements9543

Index9545

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

October 18, 2012

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

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

The Harry S. Bray Hearing Room
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| Judith N. Robertson | — | JNR |
| Charles Wesley Moore (Wes) Scott | — | CWMS |

SCHEDULED OSC HEARINGS

October 22 and
October 24 –
November 5,
2012

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

10:00 a.m.

s. 37, 127 and 127.1

C. Rossi in attendance for staff

Panel: CP

October 22 and
October 24-29,
2012

Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk

10:00 a.m.

s. 37, 127 and 127.1

C. Price in attendance for Staff

Panel: JDC/MCH

October 26,
2012

Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho and Simon Yeung

10:00 a.m.

s. 144

K. Manarin in attendance for Staff

Panel: MGC/JEAT/SA

October 29,
October 31 and
November 1,
2012

Shallow Oil & Gas Inc., Eric O'Brien, Abel Da Silva and Abraham Herbert Grossman aka Allen Grossman and Kevin Wash

10:00 a.m.

s. 127

H. Craig/S. Schumacher in attendance for Staff

Panel: JEAT

| | | | |
|---|--|---|---|
| <p>October 31 – November 5, November 7-9, December 3, December 5-17 and December 19, 2012</p> | <p>Rezwealth Financial Services Inc., Pamela Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc., Sylvan Blackett, 1778445 Ontario Inc. and Willoughby Smith</p> | <p>November 7, 2012 10:00 a.m.</p> | <p>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</p> |
| <p>10:00 a.m.</p> | <p>s. 127(1) and (5) A. Heydon in attendance for Staff Panel: EPK</p> | | |
| <p>November 2, 2012</p> | <p>Caroline Frayssignes Cotton</p> | <p>10:00 a.m.</p> | <p>s. 127 Y. Chisholm in attendance for Staff Panel: CP/PLK</p> |
| <p>10:00 a.m.</p> | <p>s. 127 C. Price in attendance for Staff Panel: JEAT</p> | | |
| <p>November 5, November 7-19, November 21-27 and November 29-30, 2012</p> | <p>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.</p> | <p>November 8, 2012 10:00 a.m.</p> | <p>Global RESP Corporation and Global Growth Assets Inc. s. 127 D. Ferris in attendance for Staff Panel: JEAT</p> |
| <p>10:00 a.m.</p> | | | |
| <p>November 28, 2012</p> | | <p>November 8, 2012 3:00 p.m.</p> | <p>Vincent Ciccone and Cabo Catoche Corp. (a.k.a. Medra Corp. and Medra Corporation) s. 127 M. Vaillancourt in attendance for Staff Panel: VK</p> |
| <p>10:30 a.m.</p> | <p>s. 127 B. Shulman in attendance for Staff Panel: MGC</p> | | |
| | | <p>November 12-19 and November 21, 2012 10:00 a.m.</p> | <p>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. s. 127 J. Feasby in attendance for Staff Panel: JDC</p> |

November 13, 2012
 10:00 a.m.
Knowledge First Financial Inc.
 s. 127
 M. Vaillancourt/D. Ferris in attendance for Staff
 Panel: JEAT

November 16, 2012
 10:00 a.m.
Roger Carl Schoer
 s. 21.7
 C. Johnson in attendance for Staff
 Panel: JEAT

November 21 – December 3 and December 5-14, 2012
 10:00 a.m.
Bernard Boily
 s. 127 and 127.1
 M. Vaillancourt/U. Sheikh in attendance for Staff
 Panel: TBA

November 22, 2012
 11:30 a.m.
Heritage Education Funds Inc.
 s. 127
 M. Vaillancourt/D. Ferris in attendance for Staff
 Panel: JEAT

November 23, 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/S. Horgan in attendance for Staff
 Panel: JDC

November 27-28, 2012
 10:00 a.m.
Simply Wealth Financial Group Inc., Naida Allarde, Bernardo Giangrosso, K&S Global Wealth Creative Strategies Inc., Kevin Persaud, Maxine Lobban and Wayne Lobban
 s. 127 and 127.1
 C. Johnson in attendance for Staff
 Panel: JDC

November 29-30, 2012
 10:00 a.m.
Mohinder Ahluwalia
 s. 37, 127 and 127.1
 C. Rossi in attendance for Staff
 Panel: JEAT

December 4, 2012
 3:30 p.m.
Global Consulting and Financial Services, Crown Capital Management Corporation, Canadian Private Audit Service, Executive Asset Management, Michael Chomica, Peter Siklos (Also Known As Peter Kuti), Jan Chomica, and Lorne Banks
 s. 127
 H. Craig/C. Rossi in attendance for Staff
 Panel: CP

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| <p>December 5, 2012 10:00 a.m.</p> | <p>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</p> <p>s. 127 and 127.1</p> <p>D. Campbell in attendance for Staff</p> <p>Panel: VK</p> | <p>January 7-14, January 16-28 and January 30 – February 5, 2013 10:00 a.m.</p> | <p>Jowdat Waheed and Bruce Walter</p> <p>s. 127</p> <p>J. Lynch in attendance for Staff</p> <p>Panel: TBA</p> |
| <p>December 6, 2012 10:00 a.m.</p> | <p>Children’s Education Funds Inc.</p> <p>s. 127</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: JEAT</p> | <p>January 17, 2013 10:00 a.m.</p> | <p>Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho, Simon Yeung and David Horsley</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p> |
| <p>December 11, 2012 9:00 a.m.</p> | <p>Systematech Solutions Inc., April Vuong and Hao Quach</p> <p>s. 127</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: EPK</p> | <p>January 18, 2013 10:00 a.m.</p> | <p>Oversea Chinese Fund Limited Partnership, Weizhen Tang and Associates Inc., Weizhen Tang Corp., and Weizhen Tang</p> <p>s. 127 and 127.1</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p> |
| <p>December 20, 2012 10:00 a.m.</p> | <p>New Hudson Television Corporation, New Hudson Television L.L.C. & James Dmitry Salganov</p> <p>s. 127</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p> | <p>January 21-28 and January 30 – February 1, 2013 10:00 a.m.</p> | <p>Moncasa Capital Corporation and John Frederick Collins</p> <p>s. 127</p> <p>T. Center in attendance for Staff</p> <p>Panel: TBA</p> |
| | | <p>January 23-25 and January 30-31, 2013 10:00 a.m.</p> | <p>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</p> <p>s. 127</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p> |

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| <p>February 1, 2013 10:00 a.m.</p> | <p>Ground Wealth Inc., Armadillo Energy Inc., Paul Schuett, Doug DeBoer, James Linde, Susan Lawson, Michelle Dunk, Adrion Smith, Bianca Soto and Terry Reichert</p> | <p>April 8, April 10-16, April 22, April 24, April 29-30, May 6 and May 8, 2013</p> | <p>Energy Syndications Inc., Green Syndications Inc., Syndications Canada Inc., Daniel Strumos, Michael Baum and Douglas William Chaddock</p> |
| | <p>s. 127 S. Schumacher in attendance for Staff</p> | <p>10:00 a.m.</p> | <p>s. 127 C. Johnson in attendance for Staff</p> |
| | <p>Panel: TBA</p> | | <p>Panel: TBA</p> |
| <p>February 4-11 and February 13, 2013 10:00 a.m.</p> | <p>Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) and Liberty Consulting Ltd.</p> | <p>April 11-22 and April 24, 2013</p> | <p>Morgan Dragon Development Corp., John Cheong (aka Kim Meng Cheong), Herman Tse, Devon Ricketts and Mark Griffiths</p> |
| | <p>s. 127 J. Feasby in attendance for Staff</p> | <p>10:00 a.m.</p> | <p>s. 127 J. Feasby in attendance for Staff</p> |
| | <p>Panel: TBA</p> | | <p>Panel: TBA</p> |
| <p>February 11, February 13-15, February 19-25 and February 27 – March 6, 2013 10:00 a.m.</p> | <p>David Charles Phillips and John Russell Wilson</p> | <p>April 29 – May 6 and May 8-10, 2013</p> | <p>North American Financial Group Inc., North American Capital Inc., Alexander Flavio Arconti, and Luigino Arconti</p> |
| | <p>s. 127 Y. Chisholm in attendance for Staff</p> | <p>10:00 a.m.</p> | <p>s. 127 M. Vaillancourt in attendance for Staff</p> |
| | <p>Panel: TBA</p> | | <p>Panel: TBA</p> |
| <p>March 18-25, March 27-28, April 1-5 and April 24-25, 2013 10:00 a.m.</p> | <p>Peter Sbaraglia s. 127 J. Lynch in attendance for Staff</p> | <p>May 9, 2013</p> | <p>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</p> |
| | <p>Panel: CP</p> | <p>10:00 a.m.</p> | <p>s. 127 Y. Chisholm in attendance for Staff</p> |
| <p>March 18-25 and March 27-28, 2013 10:00 a.m.</p> | <p>2196768 Ontario Ltd carrying on business as Rare Investments, Ramadhar Dookhie, Adil Sunderji and Evgueni Todorov</p> | | <p>Panel: TBA</p> |
| | <p>s. 127 D. Campbell in attendance for Staff</p> | | |
| | <p>Panel: TBA</p> | | |

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| <p>September 16-23, September 25 – October 7, October 9-21, October 23 – November 4, November 6-18, November 20 – December 2, December 4-16 and December 18-20, 2013</p> <p>10:00 a.m.</p> | <p>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</p> <p>s. 127</p> <p>J. Waechter/U. Sheikh in attendance for Staff</p> <p>Panel: TBA</p> | <p>TBA</p> | <p>Gold-Quest International, 1725587 Ontario Inc. carrying on business as Health and Harmony, Harmony Club Inc., Donald Iain Buchanan, Lisa Buchanan and Sandra Gale</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p> |
| <p>TBA</p> | <p>Yama Abdullah Yaqeen</p> <p>s. 8(2)</p> <p>J. Superina in attendance for Staff</p> <p>Panel: TBA</p> | <p>TBA</p> | <p>Gold-Quest International, Health and Harmony, Iain Buchanan and Lisa Buchanan</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p> |
| <p>TBA</p> | <p>Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell</p> <p>s. 127</p> <p>J. Waechter in attendance for Staff</p> <p>Panel: TBA</p> | <p>TBA</p> | <p>Brilliante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p> |
| <p>TBA</p> | <p>Frank Dunn, Douglas Beatty, Michael Gollogly</p> <p>s. 127</p> <p>K. Daniels in attendance for Staff</p> <p>Panel: TBA</p> | <p>TBA</p> | <p>Paul Azeff, Korin Bobrow, Mitchell Finkelstein, Howard Jeffrey Miller and Man Kin Cheng (a.k.a. Francis Cheng)</p> <p>s. 127</p> <p>T. Center/D. Campbell in attendance for Staff</p> <p>Panel: TBA</p> |
| <p>TBA</p> | <p>MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric</p> <p>s. 127 and 127(1)</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p> | <p>TBA</p> | <p>Uranium308 Resources Inc., Michael Friedman, George Schwartz, Peter Robinson, and Shafi Khan</p> <p>s. 127</p> <p>H. Craig/C.Rossi in attendance for Staff</p> <p>Panel: TBA</p> |

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| TBA | <p>FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun</p> <p>s. 127</p> <p>C. Price in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>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</p> <p>s. 127</p> <p>J. Feasby in attendance for Staff</p> <p>Panel: TBA</p> |
| TBA | <p>York Rio Resources Inc., Brilliante Brasilcan Resources Corp., Victor York, Robert Runic, George Schwartz, Peter Robinson, Adam Sherman, Ryan Demchuk, Matthew Oliver, Gordon Valde and Scott Bassingdale</p> <p>s. 127</p> <p>H. Craig/C. Watson in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>Bunting & Waddington Inc., Arvind Sanmugam, Julie Winget and Jenifer Brekelmans</p> <p>s. 127</p> <p>S. Schumacher in attendance for Staff</p> <p>Panel: TBA</p> |
| TBA | <p>Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt</p> <p>s. 127</p> <p>M. Vaillancourt in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>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</p> <p>s. 37, 127 and 127.1</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p> |
| TBA | <p>Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>Colby Cooper Capital Inc., Colby Cooper Inc., Pac West Minerals Limited John Douglas Lee Mason</p> <p>s. 127</p> <p>B. Shulman in attendance for Staff</p> <p>Panel: TBA</p> |
| TBA | <p>David M. O'Brien</p> <p>s. 37, 127 and 127.1</p> <p>B. Shulman in attendance for Staff</p> <p>Panel: TBA</p> | | |

| | | | |
|-----|---|-----|---|
| TBA | <p>Normand Gauthier, Gentree Asset Management Inc., R.E.A.L. Group Fund III (Canada) LP, and CanPro Income Fund I, LP</p> <p>s. 127</p> <p>B. Shulman in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>Majestic Supply Co. Inc., Suncastle Developments Corporation, Herbert Adams, Steve Bishop, Mary Kricfalusi, Kevin Loman and CBK Enterprises Inc.</p> <p>s. 37, 127 and 127.1</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p> |
| TBA | <p>Beryl Henderson</p> <p>s. 127</p> <p>S. Schumacher in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)</p> <p>s. 127 and 127.1</p> <p>D. Ferris in attendance for Staff</p> <p>Panel: TBA</p> |
| TBA | <p>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</p> <p>s. 127</p> <p>M. Vaillancourt in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>Crown Hill Capital Corporation and Wayne Lawrence Pushka</p> <p>s. 127</p> <p>A. Perschy/A. Pelletier in attendance for Staff</p> <p>Panel: TBA</p> |
| TBA | <p>International Strategic Investments, International Strategic Investments Inc., Somin Holdings Inc., Nazim Gillani and Ryan J. Driscoll.</p> <p>s. 127</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p> | TBA | <p>David Charles Phillips</p> <p>s. 127</p> <p>Y. Chisholm in attendance for Staff</p> <p>Panel: TBA</p> |
| | | TBA | <p>Energy Syndications Inc., Green Syndications Inc., Syndications Canada Inc., Land Syndications Inc. and Douglas Chaddock</p> <p>s. 127</p> <p>C. Johnson in attendance for Staff</p> <p>Panel: TBA</p> |

TBA **Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho and Simon Yeung**

s. 127

H. Craig in attendance for Staff

Panel: TBA

TBA **Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg**

s. 127

H Craig in attendance for Staff

Panel: TBA

TBA **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: 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

TBA **New Hudson Television LLC & Dmitry James Salganov**

s. 127

C. Watson in attendance for Staff

Panel: TBA

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

1.2 Notices of Hearing

1.2.1 Caroline Frayssignes Cotton – ss. 127, 127.1

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

AND

**IN THE MATTER OF
CAROLINE FRAYSSIGNES COTTON**

**NOTICE OF HEARING
(Sections 127 and 127.1)**

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), at the offices of the Commission at 20 Queen Street West, 17th Floor Hearing Room on Friday, November 2, 2012 at 10 a.m., or as soon thereafter as the hearing can be held,

TO CONSIDER whether, in the opinion of the Commission, it is in the public interest, pursuant to ss. 127 and 127.1 of the *Act* to order that:

- (a) trading in any securities by the respondent cease permanently or for such period as is specified by the Commission, pursuant to s. 127(1)2 of the *Act*;
- (b) the acquisition of any securities by the respondent is prohibited permanently or for such other period as is specified by the Commission, pursuant to s. 127(1)2.1 of the *Act*;
- (c) any exemptions contained in Ontario securities law do not apply to the respondent permanently or for such period as is specified by the Commission, pursuant to s. 127(1)3 of the *Act*;
- (d) the respondent be reprimanded, pursuant to s. 127(1)6 of the *Act*;
- (e) the respondent resign one or more positions that she holds as a director or officer of any issuer pursuant to s. 127(1)7 of the *Act*;
- (f) the respondent be prohibited from becoming or acting as a director or officer of any issuer permanently or for such period as is specified by the Commission, pursuant to s. 127(1)8 of the *Act*;
- (g) the respondent be prohibited from becoming or acting as a director or officer of a registrant permanently or for such period as is specified by the Commission, pursuant to ss. 127(1)8.2 of the *Act*;
- (h) the respondent be prohibited from becoming or acting as a director or officer of a registrant or investment fund manager permanently or for such period as is specified by the Commission, pursuant to s. 127(1)8.4 of the *Act*;
- (i) the respondent be prohibited from becoming or acting as a registrant, an investment fund manager, or promoter permanently or for such period as is specified by the Commission, pursuant to s. 127(1)8.5 of the *Act*;
- (j) the respondent pay an administrative penalty of not more than \$1 million for each failure by the respondent to comply with Ontario securities law, pursuant to s. 127(1)9 of the *Act*;
- (k) the respondent disgorge to the Commission any amounts obtained as a result of non-compliance by the respondent with Ontario securities law, pursuant to s. 127(1)10 of the *Act*;
- (l) the respondent be ordered to pay the costs of the Commission investigation and the hearing, pursuant to s. 127.1 of the *Act*; and
- (m) such other orders as the Commission may deem appropriate.

BY REASON OF the allegations as set out in the Statement of Allegations dated September 28, 2012 and such further additional allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 9th day of October 2012.

“John Stevenson”
Secretary to the Commission

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

AND

**IN THE MATTER OF
CAROLINE FRAYSSIGNES COTTON**

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission ("Staff" and the "Commission", respectively) make the following allegations:

I. OVERVIEW

1. This proceeding concerns the repeated breach by Caroline Frayssignes of a temporary cease trade order of the Commission issued on April 8, 2009 (the "TCTO"). The TCTO ordered that, pursuant to clause 2 of subsection 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), all trading in securities by Caroline Frayssignes shall cease.
2. Subsequently, Caroline Frayssignes changed her married name back to her maiden name of Caroline Cotton ("Cotton").
3. As detailed below, from approximately June 2010 to August 2011, Cotton sold securities in breach of the TCTO (the "Material Time").

II. BACKGROUND

A. The TCTO

4. The TCTO was made in connection with an investigation involving Caroline Frayssignes and others, including Nest Acquisitions and Mergers (the "Nest Matter"). The Commission extended the TCTO on April 22, 2009, May 21, 2009, June 16, 2009, October 6, 2009, December 9, 2009, and January 22, 2010. The Commission's order on January 22, 2010 extended the TCTO to the end of the hearing on the merits in the Nest proceeding, which was commenced on January 18, 2010. The hearing on the merits in the Nest proceeding began on May 16, 2012 and is still ongoing as of the within date.

B. Sillenger Exploration Corp.

5. Sillenger Exploration Corp. ("Sillenger") is a corporation incorporated in Nevada with a head office during the Material Time located in Oakville, Ontario at 277 Lakeshore Rd. East, Suite 206. Sillenger's shares traded on the Over-the-Counter Bulletin Board in the United States under the ticker symbol of SLGX.

6. During the Material Time, Sillenger had a business partnership with a company called FCMI Global Inc. ("FCMI") and shared office space at 277 Lakeshore Rd. Oakville, Ontario. Cotton's boyfriend, Robert Zuk ("Zuk"), also a resident of Oakville, Ontario, worked for FCMI. Howard Brodsky ("Brodsky") was also involved in the business of FCMI.

7. From April to May 2010, Brodsky transferred 3.0 million Sillenger shares to Cotton in compensation for Zuk's work with FCMI. The shares were transferred to Cotton because Zuk did not have a brokerage account. Zuk was also the subject of an order of the Commission to, among other things, cease trading in securities for a period of 15 years from March 1, 2007.

III. Trading During Period of TCTO

A. Cotton and Trading Accounts

8. Cotton is a resident of Oakville, Ontario. During the Material Time, Cotton controlled two securities trading accounts at Verdmont Capital S.A., a securities and investment management firm located in Panama City, Panama ("Verdmont"). The two accounts were:

- (a) a corporate account for a company Cotton incorporated in Panama and controlled named La Panalyon Capitale, Corp. ("Panalyon") (the "Panalyon Account"), and
- (b) a personal account in Cotton's name (the "Personal Account").

9. During the Material Time, Cotton placed orders to sell the Sillenger shares with Verdmont via the Internet and telephone from her residence in Oakville, Ontario. Specifically, from June 1, 2010 to May 12, 2011, in 30 separate transactions, Cotton sold securities of Sillenger in the Personal Account. Further, from February 15, 2011 to August 9, 2011, in 18 separate transactions, Cotton sold securities of Sillenger in the Panalyon Account. A detailed summary of Cotton's trading during the period of the TCTO is attached Schedule "A" hereto.

10. Cotton transferred the funds realized from the sale of the Sillenger shares to her bank account in Ontario at Scotiabank. This amounted to approximately \$150,000 (USD).

IV. CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND CONTRARY TO THE PUBLIC INTEREST

11. By engaging in the course of conduct described above, Cotton breached the TCTO and consequently contravened Ontario securities law, pursuant to section 122(1)(c) of the *Act*, and acted contrary to the public interest.

12. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

DATED AT TORONTO this 28th day of September 2012.

Schedule "A"

CAROLINE COTTON SILLINGER EXPLORATION CORP. (SLGX) TRADING

| Date | # of shares | Price | Total* | Details |
|--------------|-------------|--------|--------------|-------------------------|
| 8-Apr-10 | 1,150,000 | 0.0000 | \$0.00 | Internal stock transfer |
| 12-Apr-10 | 150,000 | 0.0000 | \$0.00 | Internal stock transfer |
| 13-Apr-10 | 200,000 | 0.0000 | \$0.00 | Internal stock transfer |
| 13-Apr-10 | 500,000 | 0.0000 | \$0.00 | Internal stock transfer |
| 12-May-10 | -63,500 | 0.0000 | \$0.00 | Internal stock transfer |
| 1-Jun-10 | -3,000 | 1.6000 | \$4,631.00 | Sold |
| 4-Jun-10 | -1,500 | 1.6500 | \$2,325.00 | Sold |
| 8-Jun-10 | -1,300 | 1.5392 | \$1,851.00 | Sold |
| 10-Jun-10 | -1,700 | 1.5300 | \$2,451.00 | Sold |
| 15-Jun-10 | -3,000 | 1.5300 | \$4,427.30 | Sold |
| 16-Jun-10 | -1,000 | 1.5800 | \$1,430.00 | Sold |
| 18-Jun-10 | -1,000 | 1.5800 | \$1,430.00 | Sold |
| 30-Jun-10 | -165 | 1.5700 | \$109.05 | Sold |
| 21-Jul-10 | -3,000 | 1.5000 | \$4,340.00 | Sold |
| 12-Aug-10 | 3,000 | 1.2000 | -\$3,750.00 | Purchased |
| 13-Aug-10 | 3,000 | 1.1600 | -\$3,630.00 | Purchased |
| 4-Mar-11 | -25,000 | 0.2220 | \$5,386.25 | Sold |
| 7-Mar-11 | -356 | 0.2200 | \$3.32 | Sold |
| 8-Mar-11 | -10,500 | 0.1600 | \$1,530.00 | Sold |
| 9-Mar-11 | -7,000 | 0.1600 | \$970.00 | Sold |
| 14-Mar-11 | -8,000 | 0.1200 | \$810.00 | Sold |
| 16-Mar-11 | -3,200 | 0.1600 | \$437.00 | Sold |
| 18-Mar-11 | -10,000 | 0.1400 | \$1,250.00 | Sold |
| 24-Mar-11 | -145,000 | 0.0530 | \$7,405.43 | Sold |
| 25-Mar-11 | -50,000 | 0.0600 | \$2,850.00 | Sold |
| 28-Mar-11 | -18,500 | 0.0504 | \$782.49 | Sold |
| 29-Mar-11 | -81,500 | 0.0500 | \$3,907.38 | Sold |
| 31-Mar-11 | -50,000 | 0.0500 | \$2,350.00 | Sold |
| 6-Apr-11 | -600,000 | 0.0363 | \$20,972.44 | Sold |
| 8-Apr-11 | -100,000 | 0.0450 | \$4,317.50 | Sold |
| 8-Apr-11 | -300,000 | 0.0467 | \$13,485.10 | Sold |
| 14-Apr-11 | -200,000 | 0.0400 | \$7,695.00 | Sold |
| 19-Apr-11 | -95,000 | 0.0450 | \$4,125.00 | Sold |
| 2-May-11 | -22,779 | 0.0500 | \$988.95 | Sold |
| 9-May-11 | -5,000 | 0.0500 | \$100.00 | Sold |
| 11-May-11 | -50,000 | 0.0400 | \$1,850.00 | Sold |
| 12-May-11 | -145,000 | 0.0400 | \$5,630.00 | Sold |
| TOTAL | 0 | | \$102,460.21 | |

* is per the statement

PANALYON SILLINGER EXPLORATION CORP. (SLGX) TRADING

| Date | # of shares | Price | Total* | Details |
|--------------|--------------------|--------------|--------------------|-------------------------|
| 12-Apr-10 | 1,000,000 | 0.0000 | \$0.00 | Internal stock transfer |
| 13-Apr-10 | 1,000,000 | 0.0000 | \$0.00 | Internal stock transfer |
| 15-Feb-11 | -5,000 | 0.3000 | \$1,350.00 | Sold |
| 1-Jun-11 | -7,000 | 0.0629 | \$289.99 | Sold |
| 2-Jun-11 | -335,000 | 0.0303 | \$9,768.95 | Sold |
| 6-Jun-11 | -66,000 | 0.0450 | \$2,820.00 | Sold |
| 8-Jun-11 | -55,000 | 0.0350 | \$1,775.00 | Sold |
| 15-Jun-11 | -120,000 | 0.0213 | \$2,405.04 | Sold |
| 16-Jun-11 | -200,000 | 0.0300 | \$5,825.00 | Sold |
| 17-Jun-11 | -5,000 | 0.0300 | \$0.00 | Sold |
| 21-Jun-11 | -290,000 | 0.0200 | \$5,630.00 | Sold |
| 21-Jun-11 | -250,000 | 0.0270 | \$6,556.25 | Sold |
| 21-Jun-11 | -212,000 | 0.0200 | \$4,090.00 | Sold |
| 19-Jul-11 | -44,000 | 0.0250 | \$950.00 | Sold |
| 20-Jul-11 | -150,000 | 0.0200 | \$2,850.00 | Sold |
| 26-Jul-11 | -35,000 | 0.0210 | \$585.00 | Sold |
| 28-Jul-11 | -125,000 | 0.0200 | \$2,350.00 | Sold |
| 29-Jul-11 | -18,600 | 0.0510 | \$798.00 | Sold |
| 5-Aug-11 | -49,956 | 0.0300 | \$1,348.68 | Sold |
| 9-Aug-11 | -32,444 | 0.0268 | \$721.08 | Sold |
| TOTAL | 0 | | \$50,112.99 | |

* is per the statement

1.2.2 New Hudson Television LLC, and Dmitry James Salganov – ss. 127, 127.1

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

AND

IN THE MATTER OF
NEW HUDSON TELEVISION LLC, AND
DMITRY JAMES SALGANOV

NOTICE OF HEARING
(Sections 127 and 127.1)

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127, and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") at the offices of the Commission at 20 Queen Street West, 17th Floor Hearing Room on October 19, 2012 at 10:00 a.m., or as soon thereafter as the hearing can be held, to consider:

- (i) whether, in the opinion of the Commission, it is in the public interest, pursuant to sections 127 and 127.1 of the Act to order that:
 - (a) trading by and in securities of New Hudson Television LLC, ("NHTV LLC"), and Dmitry James Salganov ("Salganov"), (collectively the "Respondents") cease permanently or for such period as is specified by the Commission;
 - (b) the acquisition of any securities by the Respondents is prohibited permanently or for such other period as is specified by the Commission;
 - (c) any exemptions contained in Ontario securities law do not apply to the Respondents permanently or for such period as is specified by the Commission;
 - (d) each of the Respondents disgorge to the Commission any amounts obtained as a result of non-compliance by that respondent with Ontario securities law;
 - (e) each of the Respondents be reprimanded;
 - (f) Salganov resigns one or more positions that he holds as a director or officer of any issuer, registrant, or investment fund manager;
 - (g) Salganov be prohibited from becoming or acting as a director or officer of any issuer, registrant, and investment fund manager;
 - (h) Salganov be prohibited from becoming or acting as a registrant, as an investment fund manager and as a promoter;
 - (i) the Respondents each pay an administrative penalty of not more than \$1 million for each failure by that respondent to comply with Ontario securities law; and,
 - (j) the Respondents be ordered to pay the costs of the Commission investigation and the hearing.
- (ii) to make such further orders as the Commission considers appropriate.

BY REASON OF the allegations as set out in the Statement of Allegations of Staff of the Commission dated October 9, 2012 and such further additional allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 9th day of October, 2012

"John Stevenson"
Secretary to the Commission

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

AND

**IN THE MATTER OF
NEW HUDSON TELEVISION LLC, AND
DMITRY JAMES SALGANOV**

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission ("Staff") make the following allegations:

I. OVERVIEW

1. This proceeding involves unregistered trading, advising, the making of prohibited representations, an illegal distribution and fraud in respect of the securities of New Hudson Television LLC, ("NHTV LLC") by the respondents between December 30, 2010 and November 30, 2011 (the "Material Time").
2. New Hudson Television Corp., was incorporated in Ontario on April 14, 2003 ("NHTV Corp."). On February 9, 2011, NHTV LLC filed an "Amendment to Articles of Organization" with the State of Wyoming in order to effect a "convergence" between NHTV LLC and NHTV Corp.
3. Between approximately September 2003 and December 2006 NHTV Corp., raised approximately CDN\$3.5 million from the sale of NHTV Corp., shares (the "NHTV Corp. Securities") to more than 400 investors, the majority of whom lived in Ontario (the "Original Distribution"). The Original Distribution was a private placement distribution in which NHTV Corp., purported to rely on the Accredited Investor exemption at that time, pursuant to section 2.3 of Ontario Securities Commission (the "Commission") Rule 45-501.
4. During the Material Time, Dmitry James Salganov ("Salganov") was the sole directing mind of NHTV Corp., and NHTV LLC
5. During the Material Time, at least 98 of the more than 400 investors from the Original Distribution (the "Investors"), were solicited by NHTV LLC representatives to convert their NHTV Corp. Securities into an NHTV LLC "Class A Offering" in "members interests" ("NHTV LLC Class A Offering") and/or a "Senior Debt Offering" in "secured promissory notes" (the "NHTV LLC Senior Debt Offering"), (collectively the "NHTV LLC Securities"), and/or purchase NHTV LLC Securities.
6. During the Material Time, NHTV LLC, was seeking to raise US\$5 million dollars via a private offering of the NHTV LLC Securities, again relying on the Accredited Investor Exemption, pursuant to section 2.3 of National Instrument 45-106 ("National Instrument 45-106").
7. NHTV LLC representatives made prohibited undertakings to the Investors about the future price of NHTV LLC Class A Offering and that NHTV LLC Class A Offering would be listed on a stock exchange, contrary to section 38 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act").
8. At least five of the Investors paid US\$235,800 for the purchase of NHTV LLC Securities (the "NHTV LLC Funds"), four of whom do not meet the definition of an Accredited Investor as defined in National Instrument 45-106.
9. Salganov controlled the NHTV LLC Funds that were deposited and subsequently disbursed to several bank account(s) of NHTV LLC held at a Wells Fargo Bank in Cheyenne, Wyoming (the "NHTV LLC Accounts").
10. NHTV LLC, has never filed a prospectus or preliminary prospectus with the Commission or obtained receipts for them from the Director as required by section 53 of the Act.
11. The trading of NHTV LLC Securities as set out herein constituted a distribution of NHTV LLC Securities by Salganov, NHTV LLC, and its representatives in circumstances where there were no exemptions available to them under the Act, contrary to section 53 of the Act.
12. Salganov and NHTV LLC representatives engaged in fraudulent conduct by making false, inaccurate and misleading statements to the Investors orally and in writing, contrary to s. 126.1(b) of the Act.

II. THE CORPORATE RESPONDENT

13. NHTV LLC, was registered in the State of Wyoming on December 30, 2010. The principal office for NHTV LLC is a “virtual office” in Tampa, Florida.
14. NHTV LLC is not a reporting issuer or registrant in Ontario.

III. THE INDIVIDUAL RESPONDENT

15. Salganov is the sole directing mind of NHTV Corp., and NHTV LLC. The Corporate Profile Report for NHTV Corp., lists Salganov as the sole director and officer of NHTV Corp. Salganov held himself out as the “Founder and Chairman of the Board” of NHTV LLC.
16. Salganov is a Canadian citizen, residing in Bradenton, Florida.
17. Salganov has not been registered with the Commission since November 1999.

Unregistered Trading and Advising in Securities Contrary to Section 25 of the Act

18. During the Material Time, NHTV LLC representatives contacted the Investors by telephone and/or email to convert their NHTV Corp. Securities into NHTV LLC Securities, and/or purchase NHTV LLC Securities.
19. The Investors were provided with an NHTV LLC private placement memorandum (the “PPM”) detailing the NHTV LLC Securities, (“The Offering”). The period of The Offering was January 5, 2011 to November 30, 2011.
20. The PPM specified that NHTV LLC, would use the proceeds raised through The Offering to market its services with “the eventual goal of going public in the United States, and Canadian Markets.”
21. Five of the Investors executed The Offering with NHTV LLC and paid the NHTV LLC Funds into a Wells Fargo bank account in Cheyenne, Wyoming in the name of NHTV LLC, (the “Wells Fargo Account”).
22. NHTV LLC was never listed on a United States or Canadian public market.
23. NHTV LLC and its representatives, including Salganov, traded in NHTV LLC Securities without the proper registration in circumstances in which no exemption was available, contrary to s. 25(1)(a) of the Act.
24. NHTV LLC and its representatives, including Salganov, advised in NHTV LLC Securities without the proper registration in circumstances in which no exemption was available, contrary to s. 25(3) of the Act.

Prohibited Representations Contrary to Section 38 of the Act

25. NHTV LLC’s representatives, including Salganov, made misleading oral representations to the Investors about the future value of the NHTV LLC Class A Offering, contrary to section 38(2) of the Act.
26. NHTV LLC and its representatives, including Salganov, made misleading oral and written representations to the Investors that the NHTV LLC Class A Offering would be listed on a United States or Canadian public market when the Director had not provided written permission to Salganov or NHTV LLC, to make these representations, contrary to section 38(3) of the Act.

Illegal Distribution of Securities of NHTV LLC Contrary to Section 53 of the Act

27. NHTV LLC has never filed a prospectus or preliminary prospectus with the Commission or obtained receipts for them from the Director as required by section 53(1) of the Act.

Fraudulent Conduct Contrary to Section 126.1 of the Act

28. Salganov and the NHTV LLC representatives provided information to the Investors that was false, inaccurate and misleading, including, but not limited to, the following:
 - (a) by copying substantial portions of text, statistics and projected financial results from a 2006 NHTV Corp., business plan into the NHTV LLC PPM;

- (b) that “New Hudson Broadband Corp.,” an Ontario Corporation, had relocated to the United States and was an operating LLC;
 - (c) that the NHTV LLC Funds would be deposited in the “Company’s UBS Financial Services brokerage account investing in UBS Short Term AAA rate insured instruments”;
 - (d) by copying text from other websites onto NHTV LLC’s website; and,
 - (e) by not advising Investors that approximately US\$150,000 of NHTV LLC Funds were withdrawn in cash from the NHTV LLC Accounts and not used as set out in the PPM.
29. Salganov, and NHTV LLC, on their own and through NHTV LLC representatives engaged in a course of conduct relating to the NHTV LLC Securities that they knew or reasonably ought to have known would result in a fraud on persons or companies contrary to s. 126.1(b) of the Act.

IV. CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND CONTRARY TO THE PUBLIC INTEREST

30. The specific allegations advanced by Staff relating to the trading in NHTV LLC Securities during the Material Time are as follows:
- (a) Salganov, NHTV LLC, and its representatives traded in NHTV LLC Securities without proper registration, in circumstances in which no exemption was available, contrary to section 25(1)(a) of the Act and contrary to the public interest;
 - (b) Salganov, NHTV LLC, and its representatives advised in NHTV LLC Securities without proper registration, in circumstances in which no exemption was available, contrary to section 25(3) of the Act and contrary to the public interest;
 - (c) Salganov, and NHTV LLC representatives made misleading oral undertakings to the Investors about the future value or price of the NHTV LLC Securities, contrary to section 38(2) of the Act and contrary to the public interest;
 - (d) Salganov, NHTV LLC, and its representatives made misleading oral and written representations to the Investors that NHTV LLC would be listed on a United States or Canadian public market, when the Director had not provided written permission to Salganov, or NHTV LLC to make these representations, contrary to section 38(3) of the Act and contrary to the public interest;
 - (e) NHTV LLC has never filed a prospectus or preliminary prospectus with the Commission or obtained receipts for them from the Director as required by section 53(1) of the Act. The trading of NHTV LLC Securities as set out above constituted a distribution of NHTV LLC Securities by Salganov and NHTV LLC in circumstances where there were no exemptions available to them under the Act, contrary to section 53(1) of the Act and contrary to the public interest;
 - (f) Salganov and NHTV LLC, engaged in or participated in acts, practices or courses of conduct relating to NHTV LLC Securities that Salganov and NHTV LLC knew or reasonably ought to have known perpetrated a fraud on persons or companies, contrary to section 126.1(b) of the Act and contrary to the public interest; and,
 - (g) Salganov did authorize, permit or acquiesce in the non-compliance with sections 25(1)(a), 25(3), 38(2), 38(3), 53(1) and 126.1(b) of the Act, as set out above, by NHTV LLC, and its representatives, contrary to section 129.2 of the Act and contrary to the public interest.
31. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

Dated at Toronto, October 9, 2012.

1.2.3 Liberty Silver Corp. – ss. 127(1), 127(5), 127(10)

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

AND

IN THE MATTER OF
LIBERTY SILVER CORP.

NOTICE OF HEARING
(Subsections 127(1), 127(5) and 127(10))

WHEREAS on October 5, 2012, the United States Securities and Exchange Commission (the “SEC”) ordered, pursuant to Section 12(k) of the *Securities and Exchange Act of 1934*, that trading in the securities of Liberty Silver Corp. (“Liberty Silver”) is suspended for the period from 9:30 a.m. EDT, on October 5, 2012 through 11:59 p.m. EDT, on October 18, 2012 (the “SEC Order”);

AND WHEREAS the SEC Order imposes sanctions, conditions, restrictions or requirements on Liberty Silver within the meaning of paragraph 4 of subsection 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”);

AND WHEREAS the securities of Liberty Silver are traded on the Toronto Stock Exchange;

AND WHEREAS counsel to Liberty Silver was given notice of the intention of Staff of the Ontario Securities Commission (the “Commission”) to seek an order pursuant to subsection 127(10) of the Act reciprocating the SEC Order, and that the proposed order is unopposed;

TAKE NOTICE THAT the Commission will hold a hearing pursuant to subsections 127(1) and 127(10) of the Act at the offices of the Commission, 20 Queen Street West, 17th Floor, Toronto, Ontario, commencing on October 12, 2012 at 9:00 a.m. 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 Rule 1.6(2) of the Ontario Securities Commission *Rules of Procedure* that the time for service be abridged;
2. to make an order pursuant to paragraph 2 of subsection 127(1) of the Act that trading in the securities of Liberty Silver Corp. shall cease until 11:59 p.m. on October 18, 2012 or such earlier time as the Commission may determine; and
3. to make such other order or orders as the Commission considers appropriate.

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

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

DATED at Toronto this 11th day of October, 2012.

“John Stevenson”
Secretary to the Commission

1.2.4 Mohinder Ahluwalia – ss. 37, 127 127.1

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

AND

**IN THE MATTER OF
MOHINDER AHLUWALIA**

**NOTICE OF HEARING
(Sections 37, 127 and 127.1)**

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 37, 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") at the offices of the Commission at 20 Queen Street West, 17th Floor Hearing Room on November 29 and 30, 2012 at 10:00 a.m., or as soon thereafter as the hearing can be held, to consider:

- (i) whether, in the opinion of the Commission, it is in the public interest pursuant to sections 37, 127 and 127.1 of the Act to order that:
 - (a) trading in any securities by Mohinder Ahluwalia ("Mohinder") cease permanently or for such period as is specified by the Commission;
 - (b) the acquisition of any securities by Mohinder is prohibited permanently or for such other period as is specified by the Commission;
 - (c) any exemptions contained in Ontario securities law do not apply to Mohinder permanently or for such period as is specified by the Commission;
 - (d) Mohinder disgorge to the Commission any amounts obtained as a result of his non-compliance with Ontario securities law;
 - (e) Mohinder be reprimanded;
 - (f) Mohinder resign one or more positions that he holds as a director or officer of any issuer, registrant, or investment fund manager;
 - (g) Mohinder be prohibited from becoming or acting as a director or officer of any issuer, registrant, and investment fund manager;
 - (h) Mohinder be prohibited from becoming or acting as a registrant, as an investment fund manager and as a promoter;
 - (i) Mohinder pay an administrative penalty of not more than \$1 million for each failure by Mohinder to comply with Ontario securities law; and
 - (j) Mohinder be ordered to pay the costs of the Commission investigation and the hearing;
- (ii) whether, in the opinion of the Commission, an order should be made pursuant to section 37 of the Act that Mohinder cease permanently from telephoning from within Ontario to any residence within or outside Ontario for the purpose of trading in any security or any class of securities; and
- (iii) whether to make such further orders as the Commission considers appropriate.

BY REASON OF the allegations as set out in the Statement of Allegations of Staff of the Commission dated September 21, 2012, the agreed statement of facts filed with the Commission by Mohinder and Staff and such further additional allegations as counsel may advise and the Commission may permit;

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

DATED at Toronto this 11th day of October, 2012

“John Stevenson”
Secretary to the Commission

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

AND

**IN THE MATTER OF
MOHINDER AHLUWALIA**

**STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION**

Staff of the Ontario Securities Commission ("Staff") make the following allegations:

I. OVERVIEW

1. This proceeding involves the unregistered trading and illegal distribution of securities of The Electrolinks Corporation ("Electrolinks") by Mohinder Ahluwalia ("Mohinder").
2. Electrolinks was incorporated in 2004 for the purpose of acquiring Q2 Media Inc. ("Q2 Media") – a privately held corporation that was involved in the development of broadband over powerline communications ("BPL") solutions - and financing the expansion of Q2 Media's business.
3. Electrolinks was marketed as "... the leading powerline communications solutions application developer ..." and purported to have rights in Canada to "the only commercially ready technology" to transmit data (both internet and voice) over existing electrical power lines, called "Power Line Communications" ("PLC").
4. From approximately June 2004 to June 2007 (the "Material Time"), Mohinder engaged in or held himself out as engaging in the business of trading in securities and Mohinder, directly and/or through representatives, sold Electrolinks shares to members of the public in Ontario and other jurisdictions.
5. MBS Group was a company started by brothers Mohinder and Balbir Ahluwalia.
6. According to an agreement dated April 12, 2004, Electrolinks engaged MBS Group as a consultant in connection with the "private offering of shares" of Electrolinks.
7. During the Material Time, the primary function of MBS Group was to sell shares in Electrolinks.
8. During the Material Time, over 89 investors in Ontario and other jurisdictions paid over \$1.5 million into accounts in the name of MBS Group for the purpose of acquiring shares in Electrolinks.
9. During the Material Time, Mohinder directly and/or through representatives, sold Electrolinks shares to investors in Ontario and other jurisdictions and raised over \$650,000 from these sales.
10. During the Material Time, Electrolinks was not a reporting issuer and the Electrolinks securities were not qualified by a prospectus.
11. Neither MBS Group nor Mohinder Ahluwalia were ever registered in any capacity with the Ontario Securities Commission (the "Commission").

II. THE RESPONDENTS

12. Mohinder Singh Ahluwalia is a resident of Ontario.
13. Mohinder has never been registered with the Commission in any capacity

IV. UNREGISTERED TRADING IN SECURITIES OF ELECTROLINKS CONTRARY TO SECTION 25(1) OF THE ACT

14. Staff allege that Mohinder engaged in or held himself out as engaging in the business of trading in securities of Electrolinks.
15. During the Material Time, Mohinder, directly and/or through representatives, sold shares in Electrolinks to members of the public in Ontario and other jurisdictions.

16. The actions of Mohinder in relation to the shares of Electrolinks constituted the trading of securities without registration contrary to section 25(1) of the *Securities Act*, R.S.O. 1990, c. S. 5, as amended (the "Act").

V. ILLEGAL DISTRIBUTION OF SECURITIES OF ELECTROLINKS CONTRARY TO SECTION 53(1) OF THE ACT

17. Electrolinks has never filed a preliminary prospectus or a prospectus with the Commission or obtained receipts for them from the Director as required by section 53(1) of the Act.

18. The trading of securities of Electrolinks as set out above constituted distributions of those securities by Mohinder in circumstances where there were no exemptions available to him under the Act contrary to section 53 of the Act.

VI. CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND CONTRARY TO THE PUBLIC INTEREST

19. The specific allegations advanced by Staff related to the trades in Electrolinks securities during the Material Time are as follows:

- (a) Mohinder traded in securities without being registered to trade in securities, contrary to section 25(1) of the Act and contrary to the public interest; and
- (b) The actions of Mohinder related to the sale of securities of Electrolinks constituted distributions of securities of Electrolinks where no preliminary prospectus and prospectus were filed nor received by the Director, contrary to section 53(1) of the Act and contrary to the public interest.

20. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

DATED at Toronto, September 21, 2012.

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

AND

**IN THE MATTER OF
MOHINDER AHLUWALIA**

AGREED STATEMENT OF FACTS

Overview

1. From approximately June 2004 to June 2007 (the "Material Time"), Mohinder Ahluwalia ("Mohinder") engaged in and held himself out as engaging in the business of trading in securities and Mohinder, directly and through representatives, sold Electrolinks shares to members of the public in Ontario and other jurisdictions.
2. Mohinder was not registered in any capacity with the Commission during the Material Time.
3. During the Material Time, Electrolinks was not a reporting issuer and the Electrolinks securities were not qualified by a prospectus.

Background

4. Q2 Media Inc. ("Q2 Media") was a privately held corporation involved in the development and delivery of broadband over powerline communications ("BPL") solutions. The principals of Q2 Media were Bir Flora ("Flora"), Neil Appalsamy ("Appalsamy") and Jagdish Awatramani ("Awatramani").
5. In or around late 2003 or early 2004, the principals of Q2 Media decided they required additional capital to continue to grow the company. Towards this end, Flora, Appalsamy and Awatramani met with Mohinder who introduced himself as someone experienced in the capital markets and, in particular, as someone that could assist Q2 Media in equity financing. Mohinder later brought Balbir Ahluwalia ("Balbir") to meet with Flora and Appalsamy.
6. Balbir recommended that a new company be incorporated to acquire Q2 Media and facilitate the raising of additional capital through the sale of shares.
7. In 2004, Electrolinks was incorporated and by agreement dated April 26, 2004 purchased the business of Q2 Media including all rights and licenses to BPL technology held by Q2 Media.
8. On July 9, 2004, Balbir incorporated MBS Group in the province of Ontario for the sole purpose of promoting, selling and distributing shares in Electrolinks (the "Electrolinks Securities").
9. According to an agreement dated April 12, 2004 (the "Offering Agreement"), Electrolinks engaged MBS Group as a consultant in connection with the "private offering of shares" of Electrolinks. Mohinder was not a signatory to the Offering Agreement.
10. The Offering Agreement provided for the following:
 - (a) Electrolinks would offer up to 15 million common shares of Electrolinks at a price per share of \$0.30 for gross proceeds of up to approximately \$4 million;
 - (b) MBS Group would receive \$12,500 for every \$250,000 raised, one million shares at the beginning of the contract and an additional one million shares for every one million dollars raised (to a maximum of five million shares); and
 - (c) Electrolinks would compensate MBS Group for all expenses incurred, which were to be reimbursed out of the initial gross proceeds of \$500,000 raised by the Company.
11. On September 28, 2004, Electrolinks filed a 45-501F1 Report of Exempt Distribution dated September 7, 2004 and reported the purchase of 1,199,500 shares by twelve purchasers.
12. The Commission received no additional filings in respect of the sale and/or distribution of the Electrolinks shares.

13. MBS Group maintained various bank accounts in Ontario (the "MBS Accounts") during the Material Time.
14. From July 2004 to May 2006, at least \$1.6 million was raised through the sale of the Electrolinks Securities and deposited into the MBS Accounts by 89 persons or companies.
15. Mohinder was not aware of the total number of investors or the total amount deposited in the MBS Accounts as a result of the sale of the Electrolinks Securities referred to in paragraph 14 above.

Trading in the Electrolinks Securities by Mohinder

16. Mohinder is a resident of Ontario.
17. Mohinder has never been registered with the Commission in any capacity.
18. During the initial period following the retention of MBS Group by Electrolinks, Mohinder invested \$35,000 in exchange for approximately four million Electrolinks shares. Mohinder later purchased an additional 1.5 million shares in 2006 for \$25,000.
19. During the Material Time, Mohinder sold approximately 1.5 million shares in Electrolinks to members of the public (the "Electrolinks Shareholders") directly and through various representatives.
20. Mohinder and his representatives sold the Electrolinks Securities for approximately \$0.65 to \$0.85 per share. This represented a substantial increase over the average price of \$0.01 per share that Mohinder paid to acquire the shares.
21. The Electrolinks Shareholders that purchased the Electrolinks Securities from Mohinder were not provided with a prospectus, offering memorandum or any other disclosure in respect of Electrolinks or the Electrolinks Securities.
22. Mohinder and his representatives told the Electrolinks Shareholders that Electrolinks was in the process of going public and that they could expect a substantial return on their investment once the process was complete.
23. Over \$650,000 was deposited into accounts controlled by Mohinder from the sale of Electrolinks Securities by his representatives. Mohinder transferred approximately \$155,000 of this amount to the MBS Accounts. None of the proceeds from these sales were provided to Electrolinks.
24. In exchange for their assistance, Mohinder compensated these representatives through commissions based on their sales of the Electrolinks Securities.
25. Electrolinks never became a public company nor did it make any distributions to the Electrolinks Shareholders. Electrolinks ceased business in or around 2008 and was dissolved on February 10, 2010. The Electrolinks Shareholders suffered a complete loss of their investment.

Conclusion

26. By engaging in the conduct described above, Mohinder admits and acknowledges that he contravened Ontario securities law during the Material Time in the following ways:
 - (a) Mohinder traded and engaged in, or held himself out as engaging in, the business of trading in securities, where no exemptions were available, and without being registered to trade in securities, contrary to subsection 25(1) of the Act and contrary to the public interest; and
 - (b) The actions of Mohinder related to the sale of securities constituted distributions of securities where no preliminary prospectus and prospectus were filed nor receipted by the Director, and where no exemptions were available, contrary to subsection 53(1) of the Act and contrary to the public interest.

1.3 News Releases

1.3.1 Canadian Securities Regulators Release 2012 Investor Index

FOR IMMEDIATE RELEASE
October 16, 2012

**CANADIAN SECURITIES REGULATORS
RELEASE 2012 INVESTOR INDEX**

Calgary – The Canadian Securities Administrators (CSA) today released the [2012 CSA Investor Index](#), the third survey on investment knowledge, investor behaviour and incidence of investment fraud among Canadians. The previous two surveys were conducted in 2006 and 2009.

Key findings this year show that almost 30 per cent of Canadians surveyed believe they have been approached with an investment fraud at some point in their life. Over half agreed they were just as likely to be a victim of investment fraud as anyone else. However, just 29 per cent of those who believe they have been approached with a fraudulent investment said they reported the most recent occurrence to the authorities.

“Our research shows that Canadians continue to be approached with fraudulent investments and aren’t reporting it,” says Bill Rice, Chair of the CSA. “As securities regulators, enforcement is always a top priority for us, and to help us investigate investment fraud, we need to hear from those who have been affected. We encourage investors to report suspected fraudulent investments and to protect themselves by recognizing the warning signs of fraud.”

The Investor Index also shows that the overall investment knowledge of Canadians is low, with 40 per cent of Canadians failing a general investment knowledge test. According to the findings, 57 per cent of Canadians say they are confident when it comes to making investment decisions. Yet most Canadians have unrealistic expectations of market returns. When asked what they think the annual rate of return on the average investment portfolio is today, only 12 per cent of Canadians gave a realistic estimate, while 29 per cent provided an unrealistic estimate and 59 per cent explicitly chose not to hazard a guess.

“Understanding key investment concepts, such as the relationship between risk and return, can help investors make suitable investment decisions,” explains Rice. “The CSA provides unbiased tools and resources to help investors learn more about investing and how to protect themselves from fraud.”

New to the *Investor Index* this year was a series of questions to determine the use of blogs and other social media tools as a source of investment information. The findings confirm that social media is emerging as an investment tool, with over one-third of Canadians saying they have used at least one social media platform as a source of information about investing. However, traditional channels still dominate: the most common source of information about investing is finance professionals, and face-to-face meetings were deemed to be the most reliable source when making investment decisions.

Other survey findings show that:

- At the time the survey was conducted, investors were more optimistic about achieving their investment targets in the next five years (52 per cent) than in the next 12 months (39 per cent). Just over half believed they would be able to maintain or increase their level of current income in the coming 12 months.
- Nearly half of Canadians (49 per cent) say they have a financial advisor, up from 46 per cent in 2009 and 42 per cent in 2006. However, 60 per cent of those with a financial advisor have not ever completed any form of background check on their advisor.
- Thirty-one per cent of Canadians say they have a formal written financial plan, up from 25 per cent in 2009. Although more Canadians have a financial plan, they are reviewing it less frequently (78 per cent say they reviewed their plan in the past 12 months, down from 83 per cent in 2009).

The *2012 CSA Investor Index* is a mixed methodology study combining a telephone study with an in-depth online study. Innovative Research Group interviewed 6,911 Canadian adults online between May 17 and 31, 2012. The online sample was weighted by age, gender, and province and territory using 2011 Statistics Canada Census data to reflect the actual demographic composition of the population. In addition, Innovative interviewed 2,006 Canadian adults via telephone in May 2012 to verify distributions from the online survey on key weighting variables, including incidence rates for particular investment behaviours.

A probability sample of this size would have an estimated margin of error of +/-1.4 percentage points, 19 times out of 20. The estimated margin of error would be larger within each sub-grouping of the sample.

The 2012 *CSA Investor Index* Executive Summary and full Report are available online in both English and French on the CSA website at: www.securities-administrators.ca.

The CSA, the council of securities regulators of Canada's provinces and territories, coordinates and harmonizes regulation for the Canadian capital markets. Its mandate is to provide investors with protection from unfair or fraudulent practices through regulation of the securities industry. Part of this protection is educating investors about the risk, responsibilities and rewards of investing.

For more information:

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1.3.2 OSC Investor Alert: China International Capital Group

For Investor Inquiries:

**FOR IMMEDIATE RELEASE
October 15, 2012**

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

**OSC INVESTOR ALERT:
CHINA INTERNATIONAL CAPITAL GROUP**

TORONTO – The Ontario Securities Commission (OSC) is warning Ontario investors not to invest with China International Capital Group or its representatives.

China International Capital Group claims to be located in Annex Helping District Tianjin, China and appears to be contacting shareholders in York-Rio Resources Ltd. (York-Rio) with an offer to buy their York Rio shares at a substantial premium. Once the investor agrees to sell their shares the representative may ask the investor to first pay a fee for the transaction or to exchange the shares.

China International Capital Group and representatives of China International Capital Group are not registered in Ontario to solicit investments from Ontario residents or to provide advice on investing in, buying or selling securities.

The British Columbia Securities Commission also has issued an investor alert regarding China International Capital Group targeting residents of British Columbia with the same offer.

Similar offers were made to York-Rio shareholders in 2009 and 2010 by entities identifying themselves as Penn Capital Management Ltd., Featherstone and Bellman Equity Exchange Group and Impact Finance.

The mandate of the OSC is to provide protection to investors from unfair, improper or fraudulent practices and to foster fair and efficient capital markets and confidence in capital markets. Investors are urged to check the registration of any person or company offering an investment opportunity and to review the OSC's investor materials available at www.osc.gov.on.ca.

If you have been approached to invest by representatives of China International Capital Group, please call the OSC Contact Centre at 1-877-785-1555 for assistance.

For Media Inquiries:
media_inquiries@osc.gov.on.ca

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Follow us on Twitter: [OSC_News](#)

1.4 Notices from the Office of the Secretary

1.4.1 International Strategic Investments et al.

FOR IMMEDIATE RELEASE
October 10, 2012

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

AND

IN THE MATTER OF
INTERNATIONAL STRATEGIC INVESTMENTS,
INTERNATIONAL STRATEGIC INVESTMENTS INC.,
SOMIN HOLDINGS INC., NAZIM GILLANI
AND RYAN J. DRISCOLL

TORONTO – The Commission issued an Order in the above named matter which provides that the confidential pre-hearing conference will continue on November 20, 2012 at 2:30 p.m. at which time the panel anticipates scheduling dates for a hearing on the merits in this matter.

The pre-hearing conference will be *in camera*.

A copy of the Order dated October 9, 2012 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

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1.4.2 HEIR Home Equity Investment Rewards Inc. et al.

FOR IMMEDIATE RELEASE
October 11, 2012

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

AND

IN THE MATTER OF
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.

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing on the merits in this matter will commence on November 5, 2012 and continue thereafter on November 7-9, 12-16, 19, 21-23, and 26-30 inclusive.

A copy of the Order dated October 5, 2012 is available at www.osc.gov.on.ca.

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1-877-785-1555 (Toll Free)

1.4.3 Sage Investment Group et al.

FOR IMMEDIATE RELEASE
October 11, 2012

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

AND

IN THE MATTER OF
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

TORONTO – The Commission issued an Order in the above named matter which provides the status hearing shall continue October 17, 2012 at 10:00 a.m.

A copy of the Order dated September 12, 2012 is available at www.osc.gov.on.ca.

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1.4.4 Caroline Frayssignes Cotton

FOR IMMEDIATE RELEASE
October 11, 2012

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

AND

IN THE MATTER OF
CAROLINE FRAYSSIGNES COTTON

TORONTO – The Office of the Secretary issued a Notice of Hearing on October 9, 2012 setting the matter down to be heard on November 2, 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 Notice of Hearing dated October 9, 2012 and Statement of Allegations of Staff of the Ontario Securities Commission dated September 28, 2012 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
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1.4.5 Knowledge First Financial Inc.

**FOR IMMEDIATE RELEASE
October 11, 2012**

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

AND

**IN THE MATTER OF
KNOWLEDGE FIRST FINANCIAL INC.**

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated October 10, 2012 is available at www.osc.gov.on.ca.

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1.4.6 Heritage Education Funds Inc.

**FOR IMMEDIATE RELEASE
October 11, 2012**

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

AND

**IN THE MATTER OF
HERITAGE EDUCATION FUNDS INC.**

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated October 10, 2012 is available at www.osc.gov.on.ca.

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1.4.7 New Hudson Television LLC, and Dmitry James Salganov

**FOR IMMEDIATE RELEASE
October 11, 2012**

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

AND

**IN THE MATTER OF
NEW HUDSON TELEVISION LLC, AND
DMITRY JAMES SALGANOV**

TORONTO – The Office of the Secretary issued a Notice of Hearing on October 9, 2012 setting the matter down to be heard on October 19, 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 Notice of Hearing dated October 9, 2012 and Statement of Allegations of Staff of the Ontario Securities Commission dated October 9, 2012 are available at www.osc.gov.on.ca.

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1.4.8 MBS Group (Canada) Ltd. et al.

**FOR IMMEDIATE RELEASE
October 11, 2012**

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

AND

**IN THE MATTER OF
MBS GROUP (CANADA) LTD., BALBIR AHLUWALIA
AND MOHINDER AHLUWALIA**

TORONTO – The Commission issued an Order in the above named matter which provides that:

1. Mohinder is severed from this proceeding;
2. a hearing to consider whether it is in the public interest for the Commission to make certain orders against Mohinder, on the basis of the agreed statement of facts filed with the Commission, will commence on November 29, 2012 at 10:00 a.m. at the offices of the Commission and continue on November 30, 2012; and
3. the Temporary Order in respect of Mohinder is extended until the Commission releases its decision on sanctions and costs with respect to Mohinder.

A copy of the Order dated October 10, 2012 is available at www.osc.gov.on.ca.

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1.4.9 Liberty Silver Corp.

FOR IMMEDIATE RELEASE
October 11, 2012

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

AND

IN THE MATTER OF
LIBERTY SILVER CORP.

TORONTO – The Office of the Secretary issued a Notice of Hearing on October 11, 2012 setting the matter down to be heard on October 12, 2012 at 9:00 a.m. to consider whether it is in the public interest for the Commission:

1. to make an order, pursuant to Rule 1.6(2) of the Ontario Securities Commission *Rules of Procedure* that the time for service be abridged;
2. to make an order pursuant to paragraph 2 of subsection 127(1) of the Act that trading in the securities of Liberty Silver Corp. shall cease until 11:59 p.m. on October 18, 2012 or such earlier time as the Commission may determine; and
3. to make such other order or orders as the Commission considers appropriate.

A copy of the Notice of Hearing dated October 11, 2012 is available at www.osc.gov.on.ca.

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1.4.10 Sino-Forest Corporation et al.

FOR IMMEDIATE RELEASE
October 12, 2012

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

AND

IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG,
GEORGE HO, SIMON YEUNG AND DAVID HORSLEY

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing in this matter is adjourned to January 17, 2013 at 10:00 a.m.

A copy of the Order dated October 10, 2012 is available at www.osc.gov.on.ca.

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1.4.11 Sino-Forest Corporation et al.

FOR IMMEDIATE RELEASE
October 12, 2012

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

AND

**IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG, GEORGE HO
AND SIMON YEUNG**

TORONTO – The Commission issued an Order in the above named matter which provides that pursuant to subsections 127(7) and (8) of the Act the General Cease Trade Order is extended until October 29, 2012; and that the hearing in this matter is adjourned to October 26, 2012, at 10:00 a.m. or such other time as agreed to by the parties and set by the Office of the Secretary.

A copy of the Order dated October 10, 2012 is available at www.osc.gov.on.ca.

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1.4.12 Mohinder Ahluwalia

FOR IMMEDIATE RELEASE
October 12, 2012

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

AND

**IN THE MATTER OF
MOHINDER AHLUWALIA**

TORONTO – The Office of the Secretary issued a Notice of Hearing on October 11, 2012 setting the matter down to be heard on November 29 and 30, 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 Notice of Hearing dated October 11, 2012, Statement of Allegations of Staff of the Ontario Securities Commission dated September 21, 2012 and Agreed Statement of Facts are available at www.osc.gov.on.ca.

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1.4.13 Liberty Silver Corp.

**FOR IMMEDIATE RELEASE
October 12, 2012**

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

AND

**IN THE MATTER OF
LIBERTY SILVER CORP.**

TORONTO – The Commission issued a Temporary Order and an Endorsement following a hearing held today in the above named matter.

The Temporary Order provides that, pursuant to Rule 1.6(2) of the Ontario Securities Commission *Rules of Procedure* that the time for service is abridged; pursuant to paragraph 2 of subsection 127(1) of the Act that trading in the securities of Liberty Silver shall cease, with the exception of the issuance from treasury of securities of Liberty Silver; and, this order shall take effect immediately and shall expire at 11:59 p.m. on October 18, 2012, or at such earlier time as the SEC Order is lifted.

A copy of the Temporary Order dated October 12, 2012 and the Endorsement dated October 12, 2012 are available at www.osc.gov.on.ca.

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1.4.14 Colby Cooper Capital Inc. et al.

**FOR IMMEDIATE RELEASE
October 15, 2012**

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

AND

**IN THE MATTER OF
COLBY COOPER CAPITAL INC.
COLBY COOPER INC.,
PAC WEST MINERALS LIMITED
JOHN DOUGLAS LEE MASON**

TORONTO – The Commission issued an Order in the above named matter which provides that a confidential pre-hearing conference shall take place on December 19, 2012 at 9:00 a.m. or on such other date or at such other time as set by the Office of the Secretary and agreed to by the parties.

The pre-hearing conference will be *in camera*.

A copy of the Order dated October 12, 2012 is available at www.osc.gov.on.ca.

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1.4.15 New Solutions Capital Inc. et al.

**FOR IMMEDIATE RELEASE
October 15, 2012**

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

AND

**IN THE MATTER OF
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**

TORONTO – The Commission issued an Order in the above named matter which provides that the hearing in this matter is adjourned to May 9, 2013 at 10:00 a.m. or to such other date or time as set by the Office of the Secretary and agreed to by the parties and that the Temporary Order shall be extended until May 10, 2013.

A copy of the Order dated October 11, 2012 is available at www.osc.gov.on.ca.

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1.4.16 Jowdat Waheed and Bruce Walter

**FOR IMMEDIATE RELEASE
October 15, 2012**

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

AND

**IN THE MATTER OF
JOWDAT WAHEED AND BRUCE WALTER**

TORONTO – Following the hearing held on September 19, 2012, the Commission issued an Order, with certain provisions, in the above named matter.

A copy of the Order dated September 19, 2012 is available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

Manitoba (together with Ontario, the “Jurisdictions”).

2.1.1 Frontenac Mortgage Investment Corporation

Interpretation

Headnote

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

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to mutual funds for extension of lapse date of prospectus for 20 days – Extension of lapse date will not affect the currency or accuracy of the information contained in the prospectus – Securities Act (Ontario).

Representations

Applicable Legislative Provisions

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

Securities Act, R.S.O. 1990, c. S.5, as am., s. 62(5).

September 14, 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
FRONTENAC MORTGAGE INVESTMENT
CORPORATION (the “Filer”)

DECISION

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 (“**Legislation**”) that the time limits pertaining to filing the renewal prospectus of the Filer be extended as if the lapse date of the prospectus of the Filer dated August 25, 2011 (the “**Current Prospectus**”) was September 14, 2012 (the “**Requested Relief**”).

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) The Filer has provided notice that Section 4.7(1) of Multilateral Instrument 11-102 – *Passport System* is intended to be relied upon in each of British Columbia, Alberta, Saskatchewan and

1. Pursuant to the Legislation, the lapse date of the Current Prospectus was August 25, 2012 (the “**Lapse Date**”). Accordingly, under the Legislation, in order to continue distributions of securities of the Filer after the Lapse Date, the Filer is required to (i) file a pro forma prospectus on or before July 26, 2012, (ii) file a final prospectus on or before September 4, 2012, and (iii) obtain a receipt for such final prospectus on or before September 14, 2012.
2. The Filer, through a third-party filing agent, filed its pro forma prospectus with the principal regulator and the other Jurisdictions via SEDAR on July 25, 2012. The Filer and its counsel relied on the third party filing agent to effect the filing in accordance with all applicable requirements for SEDAR filing.
3. Due to an inadvertent filing error which resulted in the Filer’s pro forma prospectus being filed under an incorrect SEDAR file number, staff of the principal regulator remained unaware of the filing of the pro forma prospectus made on July 25, 2012 until August 14, 2012, on which date the filing error was uncovered.
4. As requested by staff of the principal regulator, the Filer re-filed the pro forma prospectus on August 15, 2012, on which date the principal regulator initiated its review process of the Filer’s pro forma prospectus.
5. On August 30, 2012 the Filer received, via SEDAR, the principal regulator’s initial comment letter dated August 29, 2012.
6. The Filer is requesting additional time, by means of an extension of the Lapse Date, to permit the Filer to respond to the principal regulator’s initial comment letter and any subsequent comments, and file a final prospectus which satisfactorily addresses all the comments. The requested extension of the Lapse Date is equal in time (20

days) to the amount of time that passed between the date of the original filing of the pro forma prospectus (July 25, 2012) and the date on which the principal regulator advised that it had previously been unaware of the filing of the pro forma prospectus due to the use of the incorrect SEDAR file number (August 14, 2012). The Filer submits that such 20-day extension of the Lapse Date would place the Filer in the same position with regard to the schedule for review of the re-filed pro forma prospectus as it would have been in if the principal regulator had been aware of the original filing of the pro forma prospectus on July 25, 2012.

7. The Filer submits that this application is the result of an administrative error and would not be necessary except for the fact that the pro forma prospectus was filed using an incorrect SEDAR file number, over which the Filer had no knowledge or control. Furthermore, the extension requested will not affect the currency or accuracy of the information contained in the Current Prospectus as there have been no material changes in the affairs of the Filer other than those for which amendments to the Current Prospectus have been filed. Accordingly, the Requested Relief would not be prejudicial to the public interest.

Decision

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

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

“Raymond Chan”
Manager, Investment Funds
Ontario Securities Commission

2.1.2 Enerkem Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from registration and prospectus requirements in connection with the use of electronic roadshow materials – cross-border offering of securities – conducting offer in typical U.S. manner leads to non-compliance with Canadian securities laws – relief granted in connection with a cross-border offering – decision subject to conditions.

Applicable Legislative Provisions

Securities Act (Ontario), s. 74(1).

National Policy 47-201 Trading Securities Using the Internet and Other Electronic Means, s. 2.7.

February 22, 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
ENERKEM INC.
(the “Filer”)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each a “**Decision Maker**”) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the “**Legislation**”), granting relief from the prospectus and the registration requirements under the Legislation in order to post, without restrictions, certain electronic roadshow materials on the website of one or more commercial services, such as www.retailroadshow.com and/or www.netroadshow.com, during the Waiting Period (as hereinafter defined) (collectively, the “**Exemption Sought**”).

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

- a) the Autorité des marchés financiers is the principal regulator for the application,
- b) the Filer 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, Newfoundland and Labrador, New Brunswick, Nova Scotia, Prince Edward Island, 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

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

In this decision:

“**base PREP prospectus**” and “**supplemented PREP prospectus**” have the meaning attributed to such term under *Regulation 44-103 respecting Post-Receipt Pricing*; and

“**Notice 47-201**” means *Notice 47-201 relating to Trading Securities Using the Internet and Other Electronic Means*.

Representations

This decision is based on the following facts and representations made by the Filer:

1. The Filer is a business corporation governed by the *Canada Business Corporation Act* and its head office is located at 1130 Sherbrooke Street West, suite 1400, Montreal, Quebec, H3A 2M8.
2. The Filer is a waste-to-biofuels and advanced chemicals company.
3. On February 3, 2012, the Filer filed a registration statement on Form F-1 (the “**Form F-1**”) with the SEC relating to the distribution of common shares of the Filer (the “**Offering**”) and filed a preliminary base PREP prospectus (the “**Preliminary Prospectus**”) relating to the Offering with the securities regulatory authority of each of the jurisdictions of Canada.
4. The Filer has applied to have its common shares approved for listing on the NASDAQ Market under the symbol “NRKM” and on the Toronto Stock Exchange under the symbol “NKM.”
5. During the period between the date of the receipt for the Preliminary Prospectus and the date of the receipt for the final base PREP prospectus in respect of the Offering (the “**Waiting Period**”), the Filer intends to use electronic roadshow materials (the “**Website Materials**”) as part of the marketing of the Offering, as is now typical for initial public offerings in the United States.
6. Compliance with applicable United States securities laws requires the Filer to either make the Website Materials “available without restriction” or file the Website Materials on the SEC’s Electronic Data-Gathering Analysis and Retrieval System (known under its acronym, EDGAR), which will have the same effect as making them “available without restriction”. The Filer understands that, in practice, making documents “available without restriction” means that no restrictions on access or viewing may be imposed, such as password protection, both with respect to persons inside and outside of the United States.
7. The Filer and its underwriters wish to market the Offering in a manner that is typical for public offerings in the United States by posting the Website Materials on the website of one or more commercial services, such as www.retailroadshow.com and/or www.netroadshow.com, without any restriction thereon.
8. The prospectus and registration requirements of the Legislation, as well as the guidelines in Notice 47-201 regarding marketing and solicitation activities that are permissible during the Waiting Period, require that access to the Website Materials be controlled by the Filer or the underwriters, using such means as password protection.
9. Absent the Exemption Sought, the Filer could not use the Website Materials during the Waiting Period as part of the marketing of the Offering in a manner that complies with both United States securities laws and the Legislation.
10. The Website Materials will contain a statement that information conveyed through the Website Materials does not contain all of the information in the Preliminary Prospectus, the final base PREP prospectus relating to the Offering or the supplemented PREP prospectus relating thereto, including any amendments thereof (collectively the “**Prospectuses**”), and that prospective purchasers should review all of such Prospectuses for complete information regarding the shares offered pursuant to the Offering.
11. The Website Materials will also contain a hyperlink to the Prospectuses providing access to such documents as soon as they are filed.
12. The information contained in the Website Materials will be fair and balanced and will not contradict or distort information contained in the Prospectuses.
13. The Filer will state in the Website Materials and the Prospectuses that purchasers of the shares offered pursuant to the Offering in the jurisdictions of Canada will have a contractual right of action against the Filer and the Canadian underwriters in connection with the information contained in the Website Materials. To this end, these documents will include language substantially in the following form:

“The company may make available certain materials describing the offering (the “Website Materials”) on the website of one or more commercial services, such as www.retailroadshow.com and/or www.netroadshow.com under the heading “Enerkem Inc.” in accordance with U.S. federal securities laws during the period prior to obtaining a receipt for the final base PREP prospectus relating to the

offering (the "Final Prospectus") from the securities regulatory authorities in each of the provinces and territories of Canada. In order to give purchasers in each of the provinces and territories of Canada the same unrestricted access to the Website Materials as provided to U.S. purchasers, the company has applied for and obtained exemptive relief in a decision dated February 22, 2012 from the securities regulatory authorities in each of the provinces and territories of Canada. Under the terms of that exemptive relief, the company and each of the Canadian underwriters signing the certificate contained in the Final Prospectus agreed that, if the Website Materials contained any untrue statement of a material fact or omitted to state a material fact required to be stated or necessary in order to make any statement therein not misleading in light of the circumstances in which it was made (a "misrepresentation"), a purchaser resident in a province or territory of Canada who purchases common shares offered under the Final Prospectus during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, rights against the company and each of the Canadian underwriters for the misrepresentation that are equivalent to the rights under sections 217 and 218 of the Securities Act (Québec) or the comparable provision of the securities legislation in each of the other provinces and territories of Canada, as if that misrepresentation was contained in the Final Prospectus."

14. The Filer and the Canadian underwriters will otherwise comply with all other provisions of Notice 47-201.
15. Purchasers in each of the jurisdictions of Canada will only be able to purchase shares under the Offering through an underwriter that is registered, or that is otherwise exempt from the registration requirement, in their jurisdiction.
16. At least one underwriter that will sign the Prospectuses will be registered in each of the jurisdictions of Canada.

Decision

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

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

- a) the Filer complies with the representations in paragraphs 10 to 14 of this decision, and
- b) the Website Materials will not include comparables unless the comparables are also included in the Prospectuses.

"Jean Daigle"
Director, Corporate Finance

2.1.3 Piper Jaffray & Co.

Headnote

Multilateral Instrument 11-102 subsection 4.7(1) – US broker-dealer applied as or registered as restricted dealer – Variation of prior relief granted to filer permitting it to file SEC Form X-17a-5 (FOCUS Report) in lieu of Form 31-103F1 – Condition that the filer not guarantee any debt of a third party removed – Representation that the filer will, in the event that it provides a guarantee of any debt of a third party, deduct the total amount of the guarantee from its excess net capital on the FOCUS Report, consistent with the requirements of SEC Rule 15c3-1 – Exemption granted from requirement to prepare financial statements on an audited unconsolidated basis – Exemption granted from requirements to provide annual financial statements on a comparative basis and that at least one director sign the statement of financial position – Filer to deliver the annual financial statements that it files with the SEC and FINRA – Filer must append audited supplemental information to annual audited financial statements that corresponds with line 3480 through to and including line 3910 “Computation of Net Capital” in the FOCUS Report and the auditor’s report relating to the Filer’s financial statements expresses an unmodified opinion on the supplemental information – Exemption Sought shall expire when Filer’s registration as a restricted dealer is terminated or revoked or on December 31, 2013.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7.

National Instrument 14-101 Definitions.

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 12.1, 12.10, 15.1.

National Instrument 52-107 Acceptable Accounting Principles and Accounting Standards, ss. 3.15, 5.1.

October 9, 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
PIPER JAFFRAY & CO.
(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**):

- (a) to vary the decision (the **Previous Decision**) it granted to the Filer on November 4, 2011 (the **FOCUS Relief**) which permits the Filer to deliver the Form X-17a-5 (the **FOCUS Report**) that it files with the United States (**U.S.**) Securities and Exchange Commission (**SEC**) and the Financial Industry Regulatory Authority (**FINRA**) regarding the calculation of its net capital in lieu of delivering Form 31-103F1 *Calculation of Net Working Capital* (**Form 31-103F1**) as required by NI 31-103 by removing condition (e) which reads “the Filer does not guarantee any debt of a third party” and, instead, adding the following representation:

“SEC Rule 15c3-1 requires that the Filer account for any guarantee or debt of a third party in calculating its excess net capital. Accordingly, the Filer will, in the event that it provides a guarantee of any debt of a third party, deduct the total amount of the guarantee from its excess net capital on the FOCUS Report, consistent with the requirements of SEC Rule 15c3-1.”

(the **FOCUS Variation Relief**)

- (b) exempting the Filer from:
- (i) the requirements of subsection 3.15(b) *Acceptable Accounting Principles for Foreign Registrants of National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards (NI 52-107)* that financial statements be prepared in accordance with U.S. GAAP, except that any investments in subsidiaries, jointly controlled entities and associates must be accounted for as specified for separate financial statements in International Accounting Standard 27 *Consolidated and Separate Financial Statements (IAS 27)*; and
 - (ii) the requirements of section 12.10 *Annual financial statements* of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* that the Filer prepare a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and a statement of financial position for the financial year immediately preceding the most recently completed financial year and that at least one director of the Filer sign the Filer's statement of financial position;

so long as the Filer delivers to the regulator the annual audited financial statements that it files with the SEC and FINRA (the **Financial Statements Relief**)

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

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the 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 Ontario, Quebec, British Columbia and Manitoba (the **Passport Jurisdictions**, and together with the Jurisdiction, the **Jurisdictions**).

INTERPRETATION

Terms defined in National Instrument 14-101 *Definitions*, National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

REPRESENTATIONS

This decision is based on the facts set out in paragraphs 1 to 10 under "Representations" in the Previous Decision, as well as the following additional facts represented by the Filer:

Financial Statements Relief

1. The Filer is a corporation formed under the laws of the State of Delaware. Its head office is located at 800 Nicollet Mall Minneapolis, MN 55402-7020.
2. The Filer is a direct wholly-owned subsidiary of the Piper Jaffray Companies.
3. The Filer is registered as a broker-dealer with the SEC, and is a member of the FINRA. The Filer is a member of a number of major U.S. securities exchanges, including the New York Stock Exchange (NYSE) and NASDAQ.
4. The Filer is relying on the international dealer exemption under s. 8.18 of NI 31-103 (**International Dealer Exemption**) in Manitoba, Quebec, Ontario and British Columbia.
5. The Filer is registered as a restricted dealer, with terms and conditions, in Ontario and Quebec. The Filer has applied to be registered as a restricted dealer, with terms and conditions, in British Columbia and Manitoba, and if registered will no longer rely on the International Dealer Exemption in British Columbia and Manitoba if so required.
6. The Filer provides a variety of capital raising, investment banking, market making, brokerage, and advisory services, including fixed income and equity sales and research, investment banking and derivatives dealing for governments, corporate, financial institutions and retail customers. The Filer also conducts proprietary trading activities.
7. The Filer has obtained relief from the principal regulator on October 29, 2010 exempting it from the requirement contained in section 13.12 of NI 31-103 that a registrant must not lend money, extend credit or provide margin to a client (the **Margin Relief**).

8. The Filer has also obtained the FOCUS Relief on November 4, 2011.
9. The Filer is subject to certain U.S. reporting requirements under Rule 17a-5 *Reports to Be Made by Certain Brokers and Dealers of the Securities and Exchange Act, 1934 (SEA Rule 17a-5)*, including the requirement to prepare and file annual audited financial statements. SEA Rule 17a-5 requires that the annual audited financial statements of the Filer be filed with the SEC and FINRA.
10. The SEC currently permits the Filer to file audited consolidated annual financial statements that are prepared in accordance with U.S. GAAP.
11. Section 12.10 of NI 31-103 provides that annual financial statements delivered to the regulator must include a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and a statement of financial position for the most recently completed financial year and the financial year immediately preceding the most recently completed financial year, along with notes thereto. Further, section 12.10 of NI 31-103 also requires that the statement of financial position be signed by at least one director of the registered firm.
12. The annual audited financial statements that the Filer prepares and files with the SEC and FINRA are not required to include the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the statement of financial position for the financial year immediately preceding the most recently completed financial year, nor is a signature of at least one director of the Filer for the statement of financial position required. These are requirements under section 12.10 of NI 31-103.
13. The accounting principles and methods used to prepare the FOCUS Reports that the Filer delivers in lieu of Form 31-103F1 are consistent with the accounting principles and methods used to prepare the annual audited financial statements that the Filer files with the SEC and FINRA.
14. Audited supplemental information to the Filer's annual audited financial statements, as required by SEA Rule 17a-5, which includes supplemental information that corresponds with line 3480 through to and including line 3910 "Computation of Net Capital" in the FOCUS Report, along with the auditor's report which expresses an unmodified opinion on this supplemental information, would allow the regulator to assess the capital position of the Filer and, therefore, achieve the same regulatory outcomes as the requirements for annual audited financial statements prepared in accordance with subsection 3.15(b) of NI 52-107 and section 12.10 of NI 31-103. Accordingly, it would be burdensome and costly for the Filer, if it were required to prepare and file unconsolidated annual audited financial statements.

Focus Variation Relief

15. The Filer guarantees an account (the **Guarantee**) for the benefit of Piper Jaffray Financial Products II (**PJFP**) at R.J. O'Brien (**RJO**). PJFP is a wholly-owned subsidiary of the Piper Jaffray Companies, that is utilized for certain derivative products used to hedge certain of the Filer's fixed income inventories and houses certain customer swap transactions. The Guarantee supports the trading account that PJFP maintains with RJO, a derivatives dealer, in the case of any failure to pay by PJFP.
16. The Filer obtained relief from the principal regulator on November 4, 2011 permitting it to deliver the Form X-17a-5 (the **FOCUS Report**) that it files with the SEC and FINRA regarding the calculation of its net capital in lieu of delivering Form 31-103F1 *Calculation of Net Working Capital (Form 31-103F1)* as required by NI 31-103.
17. The Previous Decision was granted with the condition that the Filer not guarantee any debt of a third party. It was an oversight of the Filer not to have raised the Guarantee at the time.
18. Such Guarantee is not currently reflected in the FOCUS Report but would be reflected in the FOCUS Report if there were any amount that the Filer had to pay on behalf of PJFP. This is a contingent arrangement that only arises if PJFP is unable to pay for its trades. If there were an amount that the Filer had to pay to RJO, an unsecured receivable from PJFP would be reflected on the Filer's balance sheet (and therefore would appear on the FOCUS Report). As of the date hereof, there has been no requirement to reflect this on the Filer's balance sheet and therefore nothing to record in the FOCUS Report.
19. SEC Rule 15c3-1 *Net Capital Requirements for Brokers or Dealers* requires that the Filer account for any guarantee or debt of a third party in calculating its excess net capital. Accordingly, the Filer will, in the event that it provides a guarantee of any debt of a third party, deduct the total amount of the guarantee from its excess net capital on the FOCUS Report, consistent with the required treatment of such guarantee under Form 31-103F1.

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 Exemptions Sought are granted provided that:

- (a) the Filer will, in the event that it provides a guarantee of any debt of a third party, deduct the total amount of the guarantee from its excess net capital on the FOCUS Report, consistent with the requirements of SEC Rule 15c3-1.
- (b) the Filer is registered, and in good standing, under the securities legislation of the United States in a category of registration that permits it to carry on the activities in the United States that registration as an investment dealer would permit it to carry on in the Jurisdictions;
- (c) by virtue of the registration referred to in paragraph (b), including required membership in one or more self-regulatory organizations, the Filer is subject to SEA Rule 17a-5 for the preparation of annual financial statements;
- (d) the Filer delivers to the principal regulator no later than the 90th day after the end of its respective financial year its annual financial statements prepared in accordance with U.S. GAAP as permitted by SEA Rule 17a-5;
- (e) the Filer gives prompt written notice to the principal regulator if the Filer has received written notice from the SEC or FINRA of any material non-compliance in the preparation and filing of its annual financial statements pursuant to the requirements of SEA Rule 17a-5;
- (f) the Filer continues to be able to rely on the relief previously obtained permitting it to deliver the unconsolidated FOCUS Report that it files with the SEC and FINRA regarding the calculation of its net capital in lieu of delivering Form 31-103F1 as required by NI 31-103 and the Filer selects Box 199 ("Unconsolidated") on the FOCUS Report;
- (g) the Filer appends audited supplemental information to its annual audited financial statements, as required by SEA Rule 17a-5, which includes supplemental information that corresponds with line 3480 through to and including line 3910 "Computation of Net Capital" in the FOCUS Report; and
- (h) the auditor's report relating to the Filer's financial statements expresses an unmodified opinion on the supplemental information referred to in (g).

It is further the decision of the principal regulator that the Margin Relief, the FOCUS Relief and the Exemptions Sought shall expire on the date that is the earlier of:

- (i) the date that the Filer's registration as a restricted dealer is terminated or revoked; and
- (j) December 31, 2013.

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

2.1.4 Marquest Asset Management Inc. and Mineralfields Asset Management Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval granted for change of manager of a mutual fund – unitholders have received timely and adequate disclosure regarding the change of manager – change of manager is not detrimental to unitholders or the public interest.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(a), 5.7, 19.1.

October 9, 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
MARQUEST ASSET MANAGEMENT INC. AND
MINERALFIELDS ASSET MANAGEMENT INC.
(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 the approval (the **Approval Sought**):

- (a) of the change of manager of Pathway Multi-Series Fund Inc. – Explorer Series Fund, Pathway Multi-Series Fund Inc. – Canadian Flex Series Fund, Pathway Multi-Series Fund Inc. – Energy Series Fund, Pathway Multi-Series Fund Inc. – Resource Flex Series Fund and Pathway Multi-Series Fund Inc. – Flex Dividend and Income Growth Series Fund (the **Funds**), each a series of shares of Pathway Multi Series Fund Inc., a multi-series mutual fund corporation (**PMSFI**), from the current manager of the Funds, Mineralfields Asset Management Inc. (**Mineralfields**), to Marquest Asset Management Inc. (**Marquest**); and
- (b) for Marquest to act as the manager of the Funds;

in accordance with the requirements of paragraph 5.5(1)(a) and subsection 5.5(2) of National Instrument 81-102 *Mutual Funds* (**NI 81-102**), respectively.

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

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

Interpretation

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

Representations

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

1. The head office of Marquest is located at Suite 4420, 161 Bay Street, TD Canada Trust Tower, Toronto, Ontario, M5J 2S1. The head office of Mineralfields is located at 1110 Finch Avenue West, Toronto, Ontario, M3J 2T2. Accordingly, the Principal Regulator is the principal regulator for this Application under National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.
2. Marquest, a corporation incorporated under the laws of Ontario, is registered as a dealer in the category of exempt market dealer, as an adviser in the category of portfolio manager and as an investment fund manager with the Principal Regulator and with the securities regulatory authorities of each of British Columbia, Alberta, Saskatchewan, Quebec and New Brunswick (collectively, the **Marquest Regulators**). Marquest is not in default of the securities legislation in any of the jurisdictions of Canada.
3. Mineralfields, a corporation incorporated under the laws of Ontario, is registered as an investment fund manager with the Principal Regulator.
4. Each of the Funds is a series of shares of PMSFI, and is considered to be a separate mutual fund pursuant to section 1.3(1) of NI 81-102. The share capital of the Funds consists of mutual funds shares (the **Mutual Fund Shares**), owned by the public (the **Shareholders**), and voting securities of PMSFI (the **PMSFI Voting Equity**), which are

owned by Mineralfields. The Mutual Fund Shares are offered for sale in each of the jurisdictions of Canada pursuant to a simplified prospectus, annual information form and fund facts documents dated December 22, 2011. Accordingly, the Funds are reporting issuers in the Principal Jurisdiction and in each of the other provinces and territories of Canada. None of the Funds is in default of the securities legislation in any of the jurisdictions of Canada.

5. On July 18, 2012, Marquest signed a letter of intent (the LOI) with Joe Dwek Management Consulting Group of Companies with respect to the purchase (the **Proposed Transaction**) all or substantially all of the assets (the **Acquired Assets**) of MineralFields, Pathway Investment Counsel Inc. (**Pathway**) and Limited Market Dealer Inc. (**LMDI**). The Acquired Assets include the agreements pursuant to which Mineralfields acts as the manager (within the meaning of such term in NI 81-102) of the Funds; thus the consummation of the Proposed Transaction would result in a change of the manager of the Funds from Mineralfields to Marquest. In addition, the PMSIF Voting Equity also form part of the Acquired Assets, and will be transferred to Marquest on the consummation of the Proposed Transaction.
6. The LOI contemplated that the relevant parties would enter into a formal agreement of purchase and sale with respect to the Acquired Assets and the Proposed Transaction. On September 14, 2012, Marquest and Marquest Acquisition Limited Partnership, as purchasers (the **Purchasers**), entered into an agreement (the **Purchase Agreement**) with Mineralfields, Pathway, LMDI, Consolidated International Investment Holdings Inc., Joe Dwek Management Consultants Inc. and 2311442 Ontario Inc., as vendors (**Vendors**), relating to the purchase by the Purchasers of the Acquired Assets.
7. Pursuant to section 5.1(b) of NI 81-102, the approval of the Shareholders of the Funds is required to the change of manager of the Funds from Mineralfields to Marquest. Such approval is being sought at a meeting of the Shareholders in this regard to be held on September 21, 2012.
8. A press release, material change report and prospectus amendment for the Funds will be filed immediately following closing of the Proposed Transaction.
9. Marquest is a Canadian investment management firm incorporated in 1986 that offers a diverse range of investment products covering a variety of equity and fixed income products. The management team at Marquest is highly experienced, with over 100 years of combined investment management and financial services

expertise, as well as experience in founding, building and managing many asset management firms. Marquest is currently the manager and portfolio manager of the Marquest Canadian Equity Income Fund, a closed end investment fund whose units are listed on the Toronto Stock Exchange. It also manages a family of six pooled funds, the securities of which are offered on a prospectus-exempt basis in Canada, and also provides portfolio management to a flow-through limited partnership, the Terra 2012 Flow-Through LP, managed by Terra Fund Management Ltd. (**Terra**), and has previously advised similar flow-through offerings by Terra in 2010 and 2011. As at September 17, 2012, Marquest had assets under management of approximately \$100 million.

10. Other than a reconstitution of the IRC for the Funds, required by NI 81-107, there is no current intention to change of the operations of the Funds, including, in particular, no current intention to change investment objectives or strategies (including provisions relating to use of derivatives or securities lending) of any Fund, fee structures, sub-advisors, auditor or custodian.

Decision

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

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

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

2.1.5 ONE Financial Corporation

Edward Island, Québec, Saskatchewan and the Yukon.

Headnote

NP 11-203 – Process for Exemptive Relief Application in Multiple Jurisdictions – Relief granted to commodity pools from s. 3.2(2)(a) of NI 81-104 – manager permitted to redeem seed capital investment in pool under conditions including that pool has received subscriptions from investors totalling at least \$5 million.

Applicable Legislative Provisions

National Instrument 81-104 Commodity Pools, ss. 3.2(2)(a), 10.1.

October 10, 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
ONE FINANCIAL CORPORATION
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of each open-end commodity pool hereafter created and managed by the Filer (the **Funds**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Funds from the requirements of section 3.2(2)(a) of National Instrument 81-104 – *Commodity Pools (NI 81-104)* to permit a Fund to redeem the required initial investment of \$50,000 (the **Requested Relief**).

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

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

Interpretation

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

Representations

2. The Filer has launched the Funds, each of which is a class of shares of ONE Financial All-Weather Profit Family Inc. (the **Mutual Fund Corporation**), a mutual fund corporation incorporated pursuant to the laws of the province of Ontario, pursuant to a preliminary long form prospectus dated December 29, 2011 as amended and restated on July 13, 2012 (the **Prospectus**).
3. The Filer will be appointed manager of the Funds pursuant to a management agreement between the Filer and the Mutual Fund Corporation. The Filer is a corporation incorporated under the laws of the province of Ontario having its head office in Toronto, Ontario. The Filer is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager under applicable Ontario securities laws. The Filer is not a reporting issuer in any province or territory of Canada.
4. None of the Filer, the Mutual Fund Corporation, any of the Funds or any of the Investment Pools (as defined below) is in default under any applicable securities legislation in any of the provinces or territories of Canada.
5. The Filer has filed the Prospectus in all of the provinces and territories of Canada pursuant to which it will offer various series (each, a **Series**) of shares of the Funds (the **Offering**). No securities of the Mutual Fund Corporation, the Funds or the Investment Pools will be listed for trading on a stock exchange.
6. The Funds will be mutual funds subject to the requirements of National Instrument 81-102 – *Mutual Funds (NI 81-102)*. As the respective investment objectives and strategies of each of the Funds will permit it to use or invest in specified derivatives in a manner not permitted by NI 81-102, each Fund will be a commodity pool under applicable securities legislation.
7. With the exception of certain other requested relief, the investment practices of each of the Funds will comply with the requirements of Part 2 of NI 81-102, as modified by NI 81-104.
8. It is proposed that each Fund will initially seek to achieve its investment objectives by investing in the units of an investment pool trust (each, an

- Investment Pool** and collectively, the **Investment Pools**), but may in the future seek exposure to the Investment Pools by way of a forward agreement (each, a **Forward Agreement**). Each Investment Pool will invest either:
- (a) directly in a portfolio of securities; or
 - (b) in the case of the ONE Financial All-Weather Profit Growth & Income Balanced Investment Pool (the **Growth & Income Balanced Investment Pool**) and the ONE Financial All-Weather Conservative Growth 2022 Protected Investment Pool and the ONE Financial All-Weather Profit Monthly ROC Income 2022 Protected Investment Pool (together, the **Protected Investment Pools**), in the units of certain other Investment Pools.
9. The Funds and, where applicable the Investment Pools, will subscribe for units of the applicable Investment Pools on a private placement basis. Each Investment Pool will file a non-offering prospectus and as a result will be a reporting issuer in Ontario and Québec. As a result of this structure, each Fund would gain direct or indirect exposure to the investment return of one or more Investment Pools.
 10. In addition, each Fund may use a portion of its assets to enter into one or more Forward Agreements with a Canadian chartered bank (each, a **Counterparty**). The Counterparty under each Forward Agreement may use the amount received from the Fund to subscribe for units of an Investment Pool. As a result of this structure, each Fund would gain indirect exposure to the investment return of one or more Investment Pools.
 11. Each of the Investment Pools will be a trust established pursuant to a declaration of trust governed by the laws of the province of Ontario (the **Declaration of Trust**) and the Filer will be the trustee of each of the Investment Pools. The Filer will also be the manager of the Investment Pools pursuant to the Declaration of Trust. Except as described below, each of the Investment Pools will invest the proceeds from its sale of units in accordance with the investment objectives and strategies of the applicable Investment Pool or Investment Pools, as will be described in the final Prospectus. Certain of the Investment Pools, namely the Growth & Income Balanced Investment Pool and the Protected Investment Pools, will invest, in part, in units of certain other Investment Pools in accordance with the investment objectives and strategies of the applicable Investment Pool, as will be described in the final Prospectus.
 12. Although the Investment Pools are not subject to NI 81-104, each Investment Pool will be a commodity pool as such term is defined in s. 1.1 of NI 81-104 in that each Investment Pool has adopted fundamental investment objectives that permit it to use specified derivatives in a manner that is not permitted under NI 81-102.
 13. With the exception of certain other requested relief, the investment practices of each of the Investment Pools will comply with the requirements of Part 2 of NI 81-102, as modified by NI 81-104, other than, in respect of the Growth & Income Balanced Investment Pool and the Protected Investment Pools, sections 2.1(1), 2.2(1)(a), and 2.5(2)(a) to (c).
 14. The Filer understands that when NI 81-104 came into force and replaced OSC Policy 11.4 – *Commodity Pool Programs* the requirements with respect to seed capital were designed to “encourage promoters to ensure that the commodity pool is properly run for the benefit of investors by requiring that the promoter or a related party will be an investor”. The Filer is able to ensure that the Funds will be properly managed for the benefit of investors for the following reasons:
 - (a) as the manager of the Funds, the Filer will be obliged in accordance with applicable law to at all times act honestly and in good faith, and in the best interests of the Funds, and exercise the degree of care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances; and
 - (b) as discussed above, the Filer is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager under applicable Ontario securities laws.
 15. Having regard to the Filer’s fiduciary obligation as set out in the paragraphs above, not having \$50,000 invested in a Fund at all times will not change how the Filer manages the Fund. The Filer will manage the Fund in accordance with all applicable legal and contractual requirements.
 16. If the Funds were governed exclusively by the provisions of NI 81-102, the Filer would be allowed to redeem its seed capital investment in a Fund upon the Fund having received subscriptions totalling not less than \$500,000 from investors other than the persons or companies referred to in section 3.1(1)(a) of NI 81-102.
 17. Although the Funds are commodity pools and can be differentiated from conventional mutual funds

by the investment strategies that can be used, it would not be prejudicial to the public interest or to investors to permit the Filer to redeem its initial investment of \$50,000 from a Fund in the same manner as a manager may redeem its initial investment in a conventional mutual fund pursuant to section 3.1(2) of NI 81-102.

18. The Filer wishes to redeem the seed capital invested in the Funds subject to the conditions set out in this decision.

Decision

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

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

- (a) the Filer may not redeem any of its initial investment of \$50,000 in any Fund until \$5 million has been received by the Fund from persons or companies other than the persons and companies referred to in section 3.2(l)(a) of NI 81-104;
- (b) the basis on which the Filer may redeem any of its initial investment of \$50,000 in any Fund will be disclosed in the Prospectus;
- (c) if, after the Filer redeems its initial investment of \$50,000 in a Fund in accordance with condition (a) above, the value of the securities subscribed for by investors other than the persons and companies referred to in section 3.2(l)(a) of NI 81-104 drops below \$5 million for more than 30 consecutive days, the Filer will, unless the Fund is in the process of being dissolved or terminated, invest \$50,000 in the Fund and maintain that investment until condition (a) is again satisfied; and
- (d) the Filer, as investment fund manager, will at all times maintain excess working capital of a minimum of \$100,000 or any higher amount that may be required in compliance with National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

“Sonny Randhawa”
Manager, Investment Funds
Ontario Securities Commission

2.1.6 Petrobank Energy and Resources Ltd.

Headnote

National Policy 11-102 Process for Exemptive Relief Applications – Insider reporting and resale of securities relief – Filer conducting a normal course issuer bid (NCIB) and funding its NCIB by selling shares of a subsidiary, under an automatic plan, which constitute control distributions – Filer to provide required disclosure of sales and proposed sales of subsidiary’s shares on an alternative timeline.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74(1), 107, 121(2)(a)(ii).
National Instrument 45-102 Resale of Securities, ss. 2.8, 3.1.

Citation: Petrobank Energy and Resources Ltd., Re, 2012 ABASC 424

October 3, 2012

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

AND

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

AND

**IN THE MATTER OF
PETROBANK ENERGY AND RESOURCES LTD.
(the Filer)**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) granting exemptions (together, the **Requested Relief**):

- (a) from the requirement under section 3.3 of National Instrument 55-104 *Insider Reporting Requirements and Exemptions (NI 55-104)* and the requirement under subsection 107(2) of the *Securities Act* (Ontario) to file an insider report disclosing certain proposed sales of common shares (**PetroBakken Shares**) of PetroBakken Energy Ltd. (**PetroBakken**) by the Filer within 5 days of the completion of each such sale;

Decisions, Orders and Rulings

- (b) from the requirement under subsection 2.8(3)(iii) of National Instrument 45-102 *Resale of Securities (NI 45-102)* to file a notice disclosing certain proposed sales of PetroBakken Shares by the Filer within 3 days of the completion of each such sale; and
- (c) from the prospectus requirement under the Legislation respecting certain proposed sales of PetroBakken Shares by the Filer (the **Prospectus Relief**).

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

- (a) the Alberta Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in British Columbia, Saskatchewan, Manitoba, Québec, New Brunswick, Prince Edward Island, Nova Scotia, and Newfoundland and Labrador; and
- (c) this decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* 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:

1. The Filer is a corporation incorporated under the laws of Alberta.
2. The Filer is a reporting issuer or has equivalent status in each of the provinces and territories of Canada and is not in default of any of the requirements of securities legislation applicable to it.
3. The Filer's common shares are listed and posted for trading on the Toronto Stock Exchange (the **TSX**).
4. PetroBakken is a corporation incorporated under the laws of Alberta.
5. PetroBakken is a reporting issuer or has equivalent status in each of the provinces and territories of Canada.
6. The PetroBakken Shares are listed and posted for trading on the TSX.
7. PetroBakken was incorporated on 30 July 2009, becoming a wholly-owned subsidiary of the Filer.
8. On 30 September 2009, the Filer conveyed certain of its assets and liabilities to PetroBakken in exchange for 109,800,000 PetroBakken Shares.
9. The Filer currently holds 108,410,372 PetroBakken Shares, representing approximately 57% of the issued and outstanding shares of PetroBakken.
10. On 12 September 2012, the Filer announced that its board of directors had approved, and the TSX had accepted, the implementation of a normal course issuer bid by the Filer (the **Filer NCIB**).
11. Pursuant to the Filer NCIB, the Filer may repurchase up to 7,784,304 of its common shares (**Filer Shares**) during the period from 14 September 2012 to 13 September 2013 or until such earlier time as the Filer NCIB is completed or terminated at the option of the Filer.
12. On 17 September 2012, PetroBakken announced that its board of directors had approved, and the TSX had accepted, the implementation of a normal course issuer bid by PetroBakken (the **PetroBakken NCIB**).
13. Pursuant to the PetroBakken NCIB, PetroBakken may repurchase up to 8,672,729 PetroBakken Shares during the period from 19 September 2012 to 18 September 2013 or until such earlier time as the PetroBakken NCIB is completed or terminated at the option of PetroBakken.
14. The Filer has commenced the purchase of Filer Shares under the Filer NCIB in accordance with the rules of the TSX.
15. The Filer intends to fund purchases of Filer Shares under the Filer NCIB by selling up to 7,784,304 PetroBakken Shares.
16. The Filer and Scotia Capital Inc. (**Scotia**) entered into an automatic purchase and sale plan dated 12 September 2012 (the **Automatic Plan**), which plan governs all sales of PetroBakken Shares by the Filer and all purchases by the Filer of Filer Shares under the Filer NCIB.
17. Pursuant to the Automatic Plan:
 - (a) all sales of PetroBakken Shares are conducted by Scotia on behalf of the Filer;

- (b) all sales of PetroBakken Shares are made through the facilities of the TSX and other marketplaces, including ALPHA, OMEGA, PURE, Chi-X and Match Now, at prevailing market prices, with Scotia routing each sell order through a "best market-server" that allocates the order to whichever market or markets provides the most favourable corresponding bids;
 - (c) a target number of Filer Shares to be repurchased under the Filer NCIB on each trading day has been established based on the prevailing price difference between the PetroBakken Shares and Filer Shares and one PetroBakken Share is sold for each Filer Share repurchased under the Filer NCIB;
 - (d) no sales of PetroBakken Shares are made where the purchaser would be PetroBakken pursuant to the PetroBakken NCIB;
 - (e) all sales of PetroBakken Shares will be conducted over a period commencing on 14 September 2012 and ending on 13 September 2013, subject to the earlier termination of the Automatic Plan in accordance with its terms as described in paragraphs 19 and 20 (the **Sales Period**);
 - (f) all sales of PetroBakken Shares are made by Scotia with no participation by or direction or advice from the Filer; and
 - (g) the number of PetroBakken Shares sold on any particular trading day shall not exceed the lesser of a specified fixed limit and a limit determined as a percentage of daily trading volume, which latter limit varies depending on the prevailing price difference between the PetroBakken Shares and Filer Shares.
18. At the time of the implementation of the Automatic Plan, the Filer did not have knowledge of any material fact or material change respecting PetroBakken that had not been generally disclosed.
19. The Automatic Plan will be deemed to terminate on the first to occur of (i) 13 September 2013; (ii) the purchase of the maximum number of Filer Shares under the Filer NCIB; (iii) receipt by Scotia of the early termination notice referenced in paragraph 20; (iv) the commencement of any voluntary or involuntary proceeding seeking liquidation, reorganization or other relief under any bankruptcy, insolvency or similar law or seeking the appointment of a trustee, receiver or other similar official, or the taking of any corporate action by the Filer to authorize or commence any of the foregoing; (v) the public announcement of a take-over bid for the Filer Shares or of a merger, amalgamation, acquisition, recapitalization or other similar business combination or transaction as a result of which the Filer Shares would be exchanged for or converted into cash, securities or other property, other than a transaction the purpose of which is to directly or indirectly distribute the PetroBakken Shares held by the Filer to the shareholders of the Filer; or (vi) the public announcement of a public offering of Filer Shares by the Filer.
20. The Filer may terminate the Automatic Plan by providing Scotia with a notice of early termination certifying to Scotia that: (i) it is terminating the plan in good faith and not as part of a plan or scheme to evade the prohibitions of subsection 147(2) of the *Securities Act* (Alberta), subsection 76(1) of the *Securities Act* (Ontario) or equivalent provisions in other jurisdictions; and (ii) it does not possess any material fact or material change about itself or its securities which has not been generally disclosed. The Filer may only deliver such notice of early termination at a time when it is not aware of any material fact or material change with respect to the Filer or PetroBakken or any of their securities that has not been generally disclosed. Promptly upon the delivery of such notice, the Filer must issue a news release advising of the early termination and confirming that, at the time of termination, the Filer was not aware of any material fact or material change with respect to the Filer or PetroBakken or any of their securities that had not been generally disclosed. Other than as provided in paragraphs 19 and 20, the Automatic Plan does not provide for any ability of the Filer to vary, suspend or terminate the Automatic Plan.
21. The Filer is a control person of PetroBakken, as that term is defined in the Legislation.
22. Any sale by the Filer of PetroBakken Shares as described above would constitute a control distribution as defined in NI 45-102.
23. On 6 September 2012, the Filer filed a Form 45-102F1 (the **Initial Form 45-102F1**) respecting the proposed sales of PetroBakken Shares under the Automatic Plan and has relied on the prospectus exemption provided for in section 2.8 of NI 45-102 in effecting the sales of PetroBakken Shares conducted to date.
24. On 12 September 2012, the Filer issued a news release announcing its intention to conduct the proposed sales of PetroBakken Shares and describing the material terms of the proposed sales, including the Sales Period and the

Decisions, Orders and Rulings

- maximum number of PetroBakken Shares that may be sold.
25. In the absence of the Requested Relief:
- (a) the Filer would be required to complete and file an insider report for each sale of PetroBakken Shares within three days of the completion of such sale; and
 - (b) the Filer would be required to refile a Form 45-102F1 respecting proposed sales of PetroBakken Shares every 30 days over the course of the Sales Period and, for a period of seven days following each refiling, refrain from selling any PetroBakken Shares.
26. If the Requested Relief is granted, the Filer will file, within 10 days of the end of each month in which it has sold PetroBakken Shares, an insider report disclosing each such sale.
27. The grant of the Requested Relief would relieve the Filer of the administrative burden of repeated insider trade and Form 45-102F1 filings, while still providing timely and meaningful disclosure to market participants of the intended and completed control distributions by the Filer of PetroBakken Shares.
- (ii) the Filer has held such PetroBakken Shares for at least four months;
 - (iii) no unusual effort is made to prepare the market or to create a demand for the PetroBakken Shares;
 - (iv) no extraordinary commission or consideration is paid to a person or company in respect of the trade; and
 - (v) the Filer has no reasonable grounds to believe that PetroBakken is in default of securities legislation.

For the Commission:

"Glenda Campbell", QC
Vice-Chair

"Stephen Murison"
Vice-Chair

Decision

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

The Decision of the Decision Makers under the Legislation is that the Requested Relief is granted to the Filer provided that:

- (a) the Filer complies with the representation in paragraph 26;
- (b) the Initial Form 45-102F1 shall be deemed to expire at the end of the Sales Period and the Filer shall conduct no further sales of PetroBakken Shares under the Automatic Plan following its expiry; and
- (c) the Prospectus Relief with respect to each sale of PetroBakken Shares under the Automatic Plan is subject to the following conditions:
 - (i) PetroBakken is and has been a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade;

2.1.7 Caldwell Investment Management Ltd. et al.

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).

October 15, 2012

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

AND

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

AND

IN THE MATTER OF
CALDWELL INVESTMENT MANAGEMENT LTD.

(the “Filer”)

AND

IN THE MATTER OF
CALDWELL GLOBAL FINANCIAL SERVICES FUND
CALDWELL MEISELS CANADA FUND
(each, a “Fund”, or collectively, the “Funds”)

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 each of the Funds is not a reporting issuer in each of the Jurisdictions (the “Exemptive Relief Sought”).

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

- (a) the 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. Each Fund is a mutual fund trust established under the laws of Ontario by a declaration of trust pursuant to which the Filer is the investment fund manager and trustee of each Fund.
2. Each Fund is a reporting issuer as defined in the securities legislation of each of the Jurisdictions.
3. Effective June 25, 2012, the Filer completed the merger of each Fund as follows:
 - a. the merger of Caldwell Global Financial Services Fund into Caldwell Balanced Fund, and
 - b. the merger of Caldwell Meisels Canada Fund into Caldwell High Income Equity Fund

(collectively, the “Mergers”).

The Mergers received unanimous unitholder approval at the duly called unitholder special meetings of June 12, 2012. The OSC approved the Mergers on its own behalf and on behalf of the Canadian securities regulatory authorities in an order dated June 15, 2012 (the “OSC Merger Order”).

4. Upon completion of the Mergers, investors in the Funds ceased to be unitholders of that Fund and became unitholders of the applicable continuing fund. The only remaining unitholder of the Funds is the Filer who owns 100 units of each Fund (collectively, the “Manager’s Units”).
5. In accordance with the OSC Merger Order, to preserve the value of certain tax losses of the Funds (the “Tax Losses”), the Funds were not wound-up following the Mergers. As of December 31, 2011, the Tax Losses were valued at approximately \$7,110,004 for Caldwell Global Financial Services Fund and \$3,194,390 for Caldwell Meisels Canada Fund. Representation 28 of the OSC Merger Order provides the Filer’s representations regarding the future use of the Tax Losses.

6. The Funds have no liabilities. The only assets of the Funds are the Tax Losses and small cash amounts held by the Funds in respect of the Manager's Units.
7. Since the effective date of the Mergers, the Funds have not distributed securities.
8. Technically, both Funds are still reporting issuers in the Jurisdictions and have continuous disclosure obligations pursuant to National Instrument 81-106 – *Investment Fund Continuous Disclosure* (“**NI 81-106**”). Specifically, pursuant to NI 81-106, the Funds were required to file interim financial statements and management reports of fund performance by August 29, 2012 (the “**Interim Reports**”).
9. The Filer, as the only unitholder of the Funds, had waived all rights to receive the Interim Reports.
10. As envisioned by paragraph 28(a) of the OSC Merger Order, and in light of the fact that the Filer is the only unitholder of the Funds and has waived all rights to receive the Interim Reports, the Funds have applied to cease to be reporting issuers in the Jurisdictions in order to avoid the expense of preparing and filing the Interim Reports. Specifically, the Funds:
 - (a) on August 15, 2012, applied to voluntarily surrender their reporting issuer status in British Columbia (the “**B.C. Surrender**”);
 - (b) on August 27, 2012, filed a Change in Legal Structure (together with the B.C. Surrender, the “**B.C. Application**”); and
 - (c) on August 27, 2012, under the simplified procedure set out in CSA Notice 12-307 – *Applications for a Decision that an Issuer is not a Reporting Issuer*, applied to cease to be a reporting issuer in the remaining Jurisdictions (together with the B.C. Surrender, the “**Simplified Procedure Application**”).
11. As a result of the B.C. Application, the Funds ceased to be reporting issuers in British Columbia effective June 25, 2012 and were removed from the reporting issuers list in British Columbia on August 28, 2012.
12. Despite best efforts on the part of the OSC, there was insufficient time for the OSC, as principal regulator, to review the Simplified Procedure Application and grant the relief requested therein by August 29, 2012, the date by which the Interim Reports were to be filed. As such, as of August 29, 2012, the Funds are in default of their continuous disclosure obligations with respect to the Interim Reports.
13. Except to the extent described in paragraph 12 immediately above, as of the date hereof, the Filer and the Funds are not in default of applicable securities legislation in any of the Jurisdictions or in British Columbia.
14. The Filer submits that the Exemptive Relief Sought is not prejudicial to the public interest for the following reasons:
 - (a) The Filer is the only unitholder of the Funds;
 - (b) The Filer has waived all rights to receive financial statements and management reports of fund performance;
 - (c) The OSC Merger Order clearly anticipated, at paragraph 28(a), that Caldwell will apply for the Exemptive Relief Sought;
 - (d) An unqualified auditors' report was filed in respect of each Fund for the most recently completed financial year; and
 - (e) Except to the extent described in paragraph 12 above, as of the date hereof, the Filer and the Funds are not in default of applicable securities legislation in any of the Jurisdictions or in British Columbia.

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.

“Mary Condon”
Vice-Chair
Ontario Securities Commission

“Vern Krishna”
Commissioner
Ontario Securities Commission

2.2 Orders

2.2.1 International Strategic Investments et al. – s. 127 of the Act and Rule 6.7 of the OSC Rules of Procedure

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

AND

**IN THE MATTER OF
INTERNATIONAL STRATEGIC INVESTMENTS,
INTERNATIONAL STRATEGIC INVESTMENTS INC.,
SOMIN HOLDINGS INC., NAZIM GILLANI
AND RYAN J. DRISCOLL**

ORDER

**(Section 127 of the Securities Act and Rule 6.7
of Ontario Securities Commission
Rules of Procedure (2010), 33 O.S.C.B. 8017)**

WHEREAS on March 6, 2012, the Ontario Securities Commission (the “Commission”) issued a Notice of Hearing, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) (the “Notice of Hearing”) in connection with a Statement of Allegations filed by Staff of the Commission (“Staff”) on March 5, 2012, to consider whether it is in the public interest to make certain orders as against International Strategic Investments, International Strategic Investments Inc., (collectively, “ISI”), Nazim Gillani (“Gillani”), Ryan J. Driscoll (“Driscoll”) and Somin Holdings Inc. (“Somin”);

AND WHEREAS on April 3, 2012, a hearing was held before the Commission and Staff appeared and filed the Affidavit of Peaches A. Barnaby, sworn on March 29, 2012, evidencing service of the Notice of Hearing and the Statement of Allegations on ISI, Gillani and Driscoll;

AND WHEREAS counsel for ISI and Gillani and counsel for Driscoll appeared and made submissions;

AND WHEREAS on April 3, 2012, the Commission ordered that a status hearing take place on April 13, 2012, for Staff to update the Commission on the status of service on Somin (the “Status Hearing”) and that a pre-hearing conference is scheduled for Wednesday, June 6, 2012 at 10:00 a.m.;

AND WHEREAS on April 13, 2012, the Status Hearing was held and Staff provided the Commission with the Affidavit of Peaches A. Barnaby, sworn April 10, 2012, outlining efforts of service on Somin;

AND WHEREAS on April 13, 2012, Staff and counsel for Gillani appeared and made submissions;

AND WHEREAS on April 13, 2012, the Status Hearing was adjourned to April 30, 2012 at 10:00 a.m. to determine whether service had been effected on Somin

pursuant to Rule 1.5.1 of the Commission’s *Rules of Procedure* (2010), 33 O.S.C.B. 8017;

AND WHEREAS on April 30, 2012, Staff and counsel for Gillani appeared and made submissions and no one appeared on behalf of Somin or ISI;

AND WHEREAS on April 30, 2012, Staff provided the Commission with the Affidavit of Peaches A. Barnaby, sworn April 27, 2012;

AND WHEREAS on April 30, 2012, Staff undertook to continue to serve Somin through David F. Munro and Nazim Gillani;

AND WHEREAS the Commission is satisfied that Somin has been served and accepts Staff’s undertaking for future service;

AND WHEREAS on June 6, 2012, a confidential pre-hearing conference was held and Staff, counsel for Gillani and counsel for Driscoll appeared and made submissions and no one appeared on behalf of Somin or ISI;

AND WHEREAS on June 6, 2012, Staff agreed to continue to serve Somin through David F. Munro and Nazim Gillani personally;

AND WHEREAS on June 6, 2012, the Commission ordered that the confidential pre-hearing conference be adjourned to August 20, 2012;

AND WHEREAS on August 20, 2012, a confidential pre-hearing conference was held and Staff, counsel for Gillani and counsel for Driscoll appeared and made submissions and no one appeared on behalf of Somin or ISI;

AND WHEREAS on August 20, 2012, the Commission ordered that the confidential pre-hearing conference be adjourned to October 9, 2012;

AND WHEREAS on October 9, 2012, Staff, counsel for Gillani and counsel for Driscoll appeared before the Commission and made submissions and no one appeared on behalf of Somin or ISI;

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

IT IS ORDERED that the confidential pre-hearing conference will continue on November 20, 2012 at 2:30 p.m. at which time the panel anticipates scheduling dates for a hearing on the merits in this matter.

DATED at Toronto this 9th day of October, 2012.

“Edward P. Kerwin”

2.2.2 HEIR Home Equity Investment Rewards Inc. et al. – ss. 127(1), 127.1

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

AND

IN THE MATTER OF
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.

ORDER
(Sections 127(1) and 127.1)

WHEREAS on October 5, 2012 a confidential pre-hearing conference was held in this proceeding and attended in person by Staff of the Commission. Also in attendance by telephone were Brent Borland, on behalf of himself and Canyon Acquisitions, LLC, Canyon Acquisitions International, LLC, 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., counsel for Eric Deschamps, and counsel for HEIR Home Equity Investment Rewards Inc., FFI First Fruit Investments Inc., Wealth Building Mortgages Inc. and Archibald Robertson.

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

IT IS ORDERED THAT the hearing on the merits in this matter will commence on November 5, 2012 and continue thereafter on November 7-9, 12-16, 19, 21-23, and 26-30 inclusive.

DATED at Toronto this 5th day of October, 2012.

“Christopher Portner”

2.2.3 Sage Investment Group et al. - s. 127

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

AND

IN THE MATTER OF
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

ORDER
(Section 127 of the Securities Act)

WHEREAS on February 1, 2012, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) accompanied by a Statement of Allegations dated January 27, 2012, issued by Staff of the Commission (“Staff”) with respect to Sage Investment Group (“Sage”), C.A.D.E. Resources Group Inc. (“C.A.D.E.”), Greenstone Financial Group (“Greenstone”), Fidelity Financial Group (“Fidelity”), Antonio Carlos Neto David Oliveira (“Oliveira”), and Anne Marie Ridley (“Ridley”), (collectively, the “Respondents”);

AND WHEREAS the Notice of Hearing stated that a hearing would be held at the offices of the Commission on February 9, 2012;

AND WHEREAS on February 9, 2012, Staff confirmed that the Commission had received the affidavit of Charlene Rochman affirmed February 9, 2012, which indicated that the Notice of Hearing and Statement of Allegations were served on all Respondents personally, or through their counsel;

AND WHEREAS on February 9, 2012, Staff and Ridley attended the hearing and made submissions, and Staff requested that a pre-hearing conference be scheduled in this matter;

AND WHEREAS on February 9, 2012, the Commission ordered that a pre-hearing conference be scheduled for April 26, 2012 at 2:00 p.m.;

AND WHEREAS on April 26, 2012, Staff and counsel for Oliveira, Greenstone and Fidelity attended before the Commission and no-one appeared on behalf of the remaining Respondents;

AND WHEREAS on April 27, 2012, the Commission ordered that the hearing on the merits shall commence on January 23, 2013 and shall continue on January 24, 25, 30 and 31, 2013 from 10:00 a.m. to 4:00 p.m. or on such further or other dates as may be agreed to by the parties and fixed by the Office of the Secretary;

AND WHEREAS on April 27, 2012, the Commission further ordered that a status hearing take place on June 13, 2012 at 10:00 a.m.;

AND WHEREAS on June 13, 2012, Staff and Ridley attended before the Commission for a status hearing and no-one appeared on behalf of the remaining Respondents;

AND WHEREAS the Commission ordered that the status hearing continue on September 12, 2012 at 9:00 a.m.;

AND WHEREAS on September 12, 2012, Staff and counsel for Oliveira, Greenstone and Fidelity attended before the Commission and no-one appeared on behalf of the remaining Respondents;

AND WHEREAS Staff advised the Commission that Ridley recently retained counsel and that counsel had requested that the status hearing be adjourned to permit him to familiarize himself with the matter;

AND WHEREAS the parties in attendance consented to the adjournment of the status hearing;

IT IS HEREBY ORDERED that the status hearing shall continue October 17, 2012 at 10:00 a.m.

DATED at Toronto this 12th day of September, 2012.

“Edward P. Kerwin”

2.2.4 Knowledge First Financial Inc.

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

AND

**IN THE MATTER OF
KNOWLEDGE FIRST FINANCIAL INC.**

ORDER

WHEREAS on August 10, 2012, the Ontario Securities Commission (the “Commission”) ordered pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the “Act”), on consent, that the terms and conditions set out in Schedule “A” to the Commission orders (the “Terms and Conditions”) be imposed on Knowledge First Financial Inc. (“KFFI”) (the “Temporary Order”);

AND WHEREAS on August 21, 2012, the Commission extended the Temporary Order against KFFI until November 14, 2012;

AND WHEREAS the Terms and Conditions required KFFI to retain a consultant (the “Consultant”) to prepare and assist KFFI in implementing plans to strengthen their compliance systems and to retain a monitor (the “Monitor”) to review all applications of New Clients and to contact New Clients as defined and set out in the Terms and Conditions;

AND WHEREAS KFFI retained Deloitte & Touche LLP (“Deloitte”) as its Monitor;

AND WHEREAS KFFI brought an application for directions seeking interpretation of paragraphs 5 and 6 of the Terms and Conditions;

AND WHEREAS the parties and Deloitte filed materials and made submissions on the interpretation of the Terms and Conditions at a hearing on September 24, 2012;

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

IT IS HEREBY ORDERED that:

1. The Monitor is required to call only those New Clients (as defined in the Terms and Conditions) pursuant to paragraph 5(a) of the Terms and Conditions:
 - (a) whose applications are missing information required on KFFI’s current enrolment application or contain inconsistent information; or
 - (b) whose applications appear to give rise to suitability concerns using KFFI’s current

suitability guidelines as documented in the New Enrolment Suitability Checklist (Version 1.0) and Enrolment Policy & Procedure Changes (dated August 16, 2012) or any subsequent version approved by the Consultant and Staff provided that: (i) the Monitor and Staff are given two weeks notice of any changes to such documents; and (ii) the Monitor is able to implement the changes.

2. For purposes of the telephone calls contemplated in paragraph 6 of the Terms and Conditions, the Monitor shall conduct the call in accordance with the script exchanged among the Monitor, Staff and KFFI (as may be revised from time to time with the approval of KFFI and the Monitor) and is not required to ask new interim Know Your Client ("KYC") questions or impose new suitability criteria and shall use the KYC information required on KFFI's current application form and make its suitability determination as Monitor without specifically eliciting any additional information provided that:

- (a) the Monitor may also ask New Clients with incomes indicated to be in the range of \$0-\$25,000 per year for their specific income;
- (b) the Monitor may also take into account any information volunteered by the New Client or elicited from the New Client in its answers to questions flowing from information volunteered on the call; and
- (c) if there is any inconsistency between the information on the application form and the information the New Client gives the Monitor during the call, the Monitor may also ask questions to resolve the inconsistency and take the answers to the questions into account.

3. As part of the requirement for the Monitor to provide bi-weekly reports of its findings pursuant to paragraph 9 of the Terms and Conditions, the Monitor shall also report on the number of calls it has made, the number of applications accepted and rejected and the reasons for any rejections. The Monitor may also report on any deficiencies, potential deficiencies or concerns that arise as a result of its activities under paragraphs 5 and 6 of the Terms and Conditions. For greater certainty, this paragraph shall not require the Monitor to provide any conclusions or recommendations with respect to KYC or suitability issues.

4. The Monitor shall have an additional 30 days to complete any calls under paragraph 6 of the Terms and Conditions for any New Clients who

subscribed for plans between August 24, 2012 and September 24, 2012.

- 5. If, as a result of that extension, a New Client becomes aware that he has not properly understood the fee structure, and the call was made to the New Client more than 45 days after the New Client applied for a plan, then that New Client shall have 15 days from the call with the Monitor to unwind the plan.
- 6. Staff shall have unrestricted access to the Monitor and the Monitor is free to speak to both KFFI and Staff with respect to the information that the Monitor has and is reporting. For greater certainty, the foregoing shall not restrict KFFI's access to the Monitor.
- 7. The Monitor, Staff and KFFI may seek further directions from the Commission if such directions become necessary.

DATED at Toronto this 10th day of October, 2012.

"James E. A. Turner"

2.2.5 Heritage Education Funds Inc.

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

AND

**IN THE MATTER OF
HERITAGE EDUCATION FUNDS INC.**

ORDER

WHEREAS on August 13, 2012, the Ontario Securities Commission (the "Commission") ordered pursuant to subsections 127(1) and (5) of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the "Act"), on consent, that the terms and conditions set out in Schedule "A" to the Commission orders (the "Terms and Conditions") be imposed on Heritage Education Funds Inc. ("HEFI") (the "Temporary Order");

AND WHEREAS on August 21, 2012, the Commission extended the Temporary Order against HEFI until November 23, 2012;

AND WHEREAS the Terms and Conditions required HEFI to retain a consultant (the "Consultant") to prepare and assist HEFI in implementing plans to strengthen their compliance systems and to retain a monitor (the "Monitor") to review all applications of New Clients and to contact New Clients as defined and set out in the Terms and Conditions;

AND WHEREAS HEFI retained Deloitte & Touche LLP ("Deloitte") as its Monitor;

AND WHEREAS HEFI brought an application for directions seeking interpretation of paragraphs 5 and 6 of the Terms and Conditions;

AND WHEREAS the parties and Deloitte filed materials and made submissions on the interpretation of the Terms and Conditions at a hearing on September 24, 2012;

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

IT IS HEREBY ORDERED that:

1. The Monitor is required to call only those New Clients (as defined in the Terms and Conditions) pursuant to paragraph 5(a) of the Terms and Conditions:
 - (a) whose applications are missing information required on HEFI's current enrolment application or contain inconsistent information; or
 - (b) whose applications appear to give rise to suitability concerns using HEFI's current

suitability guidelines version HEFI DIS 1/11 or any subsequent version approved by the Consultant and Staff provided that: (i) the Monitor and Staff are given two weeks notice of any changes to such documents; and (ii) the Monitor is able to implement the changes.

2. For purposes of the telephone calls contemplated in paragraph 6 of the Terms and Conditions, the Monitor shall conduct the call in accordance with the script exchanged among the Monitor, Staff and HEFI (as may be revised from time to time with the approval of HEFI and the Monitor) and is not required to ask new interim Know Your Client ("KYC") questions or impose new suitability criteria and shall use the KYC information required on HEFI's current application form and make its suitability determination as Monitor without specifically eliciting any additional information provided that:
 - (a) the Monitor may also ask New Clients with incomes indicated to be in the range of \$0-\$25,000 per year for their specific income;
 - (b) the Monitor may also take into account any information volunteered by the New Client or elicited from the New Client in its answers to questions flowing from information volunteered on the call; and
 - (c) if there is any inconsistency between the information on the application form and the information the New Client gives the Monitor during the call, the Monitor may also ask questions to resolve the inconsistency and take the answers to the questions into account.
3. As part of the requirement for the Monitor to provide bi-weekly reports of its findings pursuant to paragraph 9 of the Terms and Conditions, the Monitor shall also report on the number of calls it has made, the number of applications accepted and rejected and the reasons for any rejections. The Monitor may also report on any deficiencies, potential deficiencies or concerns that arise as a result of its activities under paragraphs 5 and 6 of the Terms and Conditions. For greater certainty, this paragraph shall not require the Monitor to provide any conclusions or recommendations with respect to KYC or suitability issues.
4. The Monitor shall have an additional 30 days to complete any calls under paragraph 6 of the Terms and Conditions for any New Clients who subscribed for plans between August 27, 2012 and September 24, 2012.

5. If, as a result of that extension, a New Client becomes aware that he has not properly understood the fee structure, and the call was made to the New Client more than 45 days after the New Client applied for a plan, then that New Client shall have 15 days from the call with the Monitor to unwind the plan.
6. Staff shall have unrestricted access to the Monitor and the Monitor is free to speak to both HEFI and Staff with respect to the information that the Monitor has and is reporting. For greater certainty, the foregoing shall not restrict HEFI's access to the Monitor.
7. The Monitor, Staff and HEFI may seek further directions from the Commission if such directions become necessary.

DATED at Toronto this 10th day of October, 2012.

"James E. A. Turner"

2.2.6 MBS Group (Canada) Ltd. et al. – ss. 127 of the Act and Rule 6.2(e) of the OSC Rules of Procedure

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

AND

**IN THE MATTER OF
MBS GROUP (CANADA) LTD., BALBIR AHLUWALIA
AND MOHINDER AHLUWALIA**

ORDER

**(Section 127 of the Securities Act; and
Rule 6.2(e) of the Commission's
Rules of Procedure (2010), 33 O.S.C.B. 8017)**

WHEREAS on June 30, 2011, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") accompanied by a Statement of Allegations dated June 30, 2011, issued by Staff of the Commission ("Staff") with respect to MBS Group (Canada) Ltd. ("MBS Group"), Mohinder Ahluwalia ("Mohinder") and Balbir Ahluwalia ("Balbir") (collectively, the "Respondents");

AND WHEREAS On July 21, 2011, Staff attended before the Commission and no one appeared on behalf of the Respondents, and the Commission ordered that the hearing be adjourned to August 17, 2011;

AND WHEREAS by Notice of Motion dated August 5, 2011, Staff brought a motion for a temporary order on notice to the Respondents;

AND WHEREAS on August 17, 2011, Staff, Balbir and Mohinder attended before the Commission and Balbir and Mohinder consented to the making of a temporary order;

AND WHEREAS on August 17, 2011, the Commission made a temporary order pursuant to subsections 127(1) and 127(5) of the Act, which ordered that: (i) pursuant to clause 2 of subsection 127(1) of the Act, that MBS Group, Mohinder and Balbir cease trading in all securities, with the exception that Mohinder and Balbir are permitted to trade securities in mutual funds that are reporting issuers through a registered dealer (to whom a copy of this order is delivered in advance of any such trading) and for the account only of their own respective registered retirement savings plans (as defined in the *Income Tax Act* (Canada)); and (ii) pursuant to clause 3 of subsection 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to MBS Group, Mohinder or Balbir (the "Temporary Order");

AND WHEREAS the Commission ordered that the Temporary Order take effect immediately and expire on September 2, 2011, unless extended by order of the

Commission, and that a hearing to consider an extension of the Temporary Order be scheduled for September 1, 2011;

AND WHEREAS Staff and the Respondents attended before the Commission on September 1, 2011 and November 29, 2011 to consider the temporary order;

AND WHEREAS on September 1, 2011, the Commission extended the Temporary Order until December 2, 2011, with the exception that Mohinder may direct Mackie Research Capital Corporation to sell securities held in his accounts with them as of September 1, 2011 in order to liquidate those accounts;

AND WHEREAS on November 29, 2011, the Commission ordered that the Temporary Order be extended until the conclusion of the hearing on the merits with the exception that Balbir and Mohinder are, individually, permitted to trade for their own account, solely through a registered dealer or, as appropriate, a registered dealer in a foreign jurisdiction (which dealer must be given a copy of this Order) in (a) any "exchange-traded security" or "foreign exchange-traded security" within the meaning of National Instrument 21-101 provided that they do not own beneficially or exercise control or direction over more than 5 percent of the voting or equity securities of the issuer(s) of any such securities; or (b) any security issued by a mutual fund that is a reporting issuer;

AND WHEREAS on November 29, 2011, the Commission ordered that a prehearing conference be scheduled for January 13, 2012;

AND WHEREAS Staff, Balbir and Mohinder attended before the Commission for a continuing pre-hearing conference on January 13, 2012, August 27, 2012 and September 17, 2012;

AND WHEREAS on January 13, 2012, the Commission ordered that the hearing on the merits commence on October 22, 2012 at 10:00 a.m. and continue on October 24, 25, 26, 29, 30 and November 1, 2, 3 and 5, 2012, or such further or other dates as may be agreed to by the parties and fixed by the Office of the Secretary;

AND WHEREAS on September 17, 2012, Staff and Mohinder presented an agreed statement of facts to the Commission;

AND WHEREAS Mohinder acknowledged in the agreed statement of facts that he breached subsections 25(1) and 53(1) of the Act as alleged in Staff's Statement of Allegations dated June 30, 2011;

AND WHEREAS on the basis of the agreed statement of facts and Mohinder's admissions contained therein, Staff and Mohinder jointly requested that Mohinder be severed from this proceeding and that a separate sanctions hearing be scheduled to determine whether it is in the public interest for the Commission to make certain orders against Mohinder;

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

IT IS HEREBY ORDERED that:

1. Mohinder is severed from this proceeding;
2. a hearing to consider whether it is in the public interest for the Commission to make certain orders against Mohinder, on the basis of the agreed statement of facts filed with the Commission, will commence on November 29, 2012 at 10:00 a.m. at the offices of the Commission and continue on November 30, 2012; and
3. the Temporary Order in respect of Mohinder is extended until the Commission releases its decision on sanctions and costs with respect to Mohinder.

Dated at Toronto this 10th day of October, 2012.

"James E. A. Turner"

2.2.7 Sino-Forest Corporation et al.

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

AND

IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG,
GEORGE HO, SIMON YEUNG AND DAVID HORSLEY

ORDER

WHEREAS the Ontario Securities Commission (“the Commission”) issued a Notice of Hearing (the “Notice of Hearing”) and Statement of Allegations in this matter dated May 22, 2012 pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990 c. S.5, as amended in respect of Sino-Forest Corporation (“Sino-Forest”), Allen Chan (“Chan”), Albert Ip (“Ip”), Alfred C.T. Hung (“Hung”), George Ho (“Ho”), Simon Yeung (“Yeung”) and David Horsley (“Horsley”);

AND WHEREAS on May 22, 2012, the Notice of Hearing gave notice that a hearing would be held on July 12, 2012 at 10:00 a.m. before the Commission;

AND WHEREAS on July 12, 2012, counsel for Staff, counsel for Sino-Forest, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared before the Commission and consented to the hearing being adjourned to October 10, 2012;

AND WHEREAS on July 12, 2012 the hearing in this matter was adjourned to October 10, 2012 at 10:00 a.m.;

AND WHEREAS on October 10, 2012 counsel for Staff, counsel for Sino-Forest, counsel for Chan, counsel for Ip, Hung, Ho and Yeung and counsel for Horsley appeared before the Commission and consented to the hearing being adjourned to January 17, 2013;

IT IS HEREBY ORDERED that the hearing in this matter is adjourned to January 17, 2013 at 10:00 a.m.

Dated at Toronto this 10th day of October, 2012.

“Mary G. Condon”

2.2.8 Sino-Forest Corporation et al. – ss. 127(7), 127(8)

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

AND

IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG, GEORGE HO
AND SIMON YEUNG

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

WHEREAS on August 26, 2011, the Ontario Securities Commission (the “Commission”) issued a temporary cease trade order pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), subsequently varied by the Commission pursuant to an order under section 144(1) of the Act on the same day (together, the “Temporary Order”), with respect to Sino-Forest Corporation (“Sino-Forest”), Allen Chan (“Chan”), Albert Ip (“Ip”), Alfred C.T. Hung (“Hung”), George Ho (“Ho”) and Simon Yeung (“Yeung”), (collectively the “Respondents”) ordering:

- 1) pursuant to paragraph 2 of section 127(1) of the Act that all trading in the securities of Sino-Forest shall cease (the “General Cease Trade Order”);
- 2) pursuant to paragraph 2 of section 127(1) of the Act that all trading in securities by Chan, Ip, Hung, Ho and Yeung (collectively, the “Individual Respondents”) shall cease (the “Individual Respondents’ Cease Trade Order”); and
- 3) pursuant to section 127(6) of the Act that this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS on September 8, 2011, the Temporary Order was extended by order of the Commission until January 25, 2012;

AND WHEREAS on September 15, 2011, the Temporary Order was further varied by order of the Commission pursuant to section 144(1) of the Act in the matter of Canadian Derivatives Clearing Corporation (the “CDCC Order”) but otherwise remained in effect, unamended except as expressly provided in the CDCC Order;

AND WHEREAS on January 23, 2012, the Temporary Order was extended by order of the Commission until April 16, 2012;

AND WHEREAS on April 13, 2012, the Temporary Order was extended by order of the Commission until July 16, 2012 and the hearing in this matter was adjourned to July 12, 2012, at 10:00 a.m.;

AND WHEREAS on May 22, 2012, Staff of the Commission issued a Statement of Allegations against the Respondents and David Horsley, the former Chief Financial Officer of Sino-Forest (the "Statement of Allegations");

AND WHEREAS on July 12, 2012, the General Cease Trade Order was extended by order of the Commission until October 15, 2012 and the Individual Respondents' Cease Trade Order was extended until the final disposition of the matter related to the Statement of Allegations, including, if appropriate, any final determination with respect to sanctions and costs;

AND WHEREAS on July 12, 2012, the hearing in this matter was adjourned to October 10, 2012 at 10:00 a.m.;

AND WHEREAS on October 10, 2012, counsel for Staff and counsel for the Respondents appeared before the Commission;

AND WHEREAS on October 10, 2012, counsel for Staff submitted to the Commission that the General Cease Trade Order should be extended, and counsel for Sino-Forest consented to the extension of the General Cease Trade Order until October 29, 2012;

AND WHEREAS Sino-Forest remains in default of its continuous disclosure requirements under National Instrument 51-102;

AND WHEREAS the lack of disclosure by Sino-Forest does not provide satisfactory assurance that an orderly market in the securities of Sino-Forest can be maintained;

AND WHEREAS Staff's investigation is on-going;

AND WHEREAS counsel for Staff and counsel for Sino-Forest provided information with respect to the status of a Sino-Forest proceeding before the Ontario Superior Court of Justice pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36;

AND WHEREAS satisfactory information that the Temporary Order should not be extended has not been provided to the Commission pursuant to subsection 127(8) of the Act;

AND WHEREAS the Commission, having considered the evidence and submissions before it, is of the opinion that it is in the public interest to extend the General Cease Trade Order;

IT IS HEREBY ORDERED that pursuant to subsections 127(7) and (8) of the Act the General Cease Trade Order is extended until October 29, 2012;

IT IS FURTHER ORDERED that the hearing in this matter is adjourned to October 26, 2012, at 10:00 a.m. or such other time as agreed to by the parties and set by the Office of the Secretary.

Dated at Toronto this 10th day of October, 2012.

"Mary G. Condon"

2.2.9 Liberty Silver Corp.

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

AND

IN THE MATTER OF
LIBERTY SILVER CORP.

Hearing: October 12, 2012

Panel: Edward P. Kerwin – Commissioner and Chair of the Panel
James D. Carnwath – Commissioner

Appearances: Matthew Britton – for Staff of the Ontario Securities Commission
Sylvia Schumacher
Nigel Campbell – for Liberty Silver Corp.

ENDORSEMENT

[1] On the assurance of counsel for both parties that the Securities and Exchange Commission (“SEC”) order in question does not apply to the issuance of treasury shares, we conclude on the evidence and the submissions of counsel that it is in the public interest to grant the order as requested. We come to this conclusion independent of the SEC order, primarily based on the representations of counsel.

Dated at Toronto this 12th day of October, 2012.

“Edward P. Kerwin”

“James D. Carnwath”

2.2.10 Liberty Silver Corp. – ss. 127(1), 127(5), 127(10)

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

AND

**IN THE MATTER OF
LIBERTY SILVER CORP.**

**TEMPORARY ORDER
(Subsections 127(1), 127(5) & 127(10))**

WHEREAS on October 5, 2012, the United States Securities and Exchange Commission (the “SEC”) ordered, pursuant to Section 12(k) of the *Securities Exchange Act of 1934*, that trading in the securities of Liberty Silver Corp. (“Liberty Silver”) is suspended for the period from 9:30 a.m. EDT, on October 5, 2012 through 11:59 p.m. EDT, on October 18, 2012 (the “SEC Order”);

AND WHEREAS Liberty Silver is subject to an order made by the SEC, which is a securities regulatory authority in the United States of America, that imposes sanctions, conditions, restrictions or requirements on Liberty Silver within the meaning of paragraph 4 of subsection 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”);

AND WHEREAS the securities of Liberty Silver are traded on the Toronto Stock Exchange;

AND WHEREAS a hearing was held on October 12, 2012, pursuant to a Notice of Hearing issued on October 11, 2012;

AND WHEREAS counsel to Liberty Silver was given notice of the intention of Staff of the Ontario Securities Commission (the “Commission”) to seek this order, counsel to Liberty Silver did attend the hearing, and this order is unopposed;

AND WHEREAS the Commission is authorized to make public interest orders under subsections 127(1) and 127(10) of the Act;

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 subsection 127(5) of the Act;

AND WHEREAS the Commission considered the submissions and material provided by Staff counsel and counsel to Liberty Silver and is of the opinion that it is in the public interest to make this order, pursuant to subsections 127(1) and 127(10) of the Act;

IT IS ORDERED pursuant to Rule 1.6(2) of the Ontario Securities Commission *Rules of Procedure* that the time for service is abridged;

IT IS FURTHER ORDERED pursuant to paragraph 2 of subsection 127(1) of the Act that trading in the securities of Liberty Silver shall cease, with the exception of the issuance from treasury of securities of Liberty Silver; and

IT IS FURTHER ORDERED that this order shall take effect immediately and shall expire at 11:59 p.m. on October 18, 2012, or at such earlier time as the SEC Order is lifted.

Dated at Toronto this 12th day of October, 2012.

“Edward P. Kerwin”

“James D. Carnwath”

2.2.11 OutdoorPartner Media Corporation – s. 144

Headnote

Application by an issuer for a revocation of a cease trade order issued by the Commission – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law – defaults subsequently remedied by bringing continuous disclosure filings up-to-date – cease trade order revoked.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127, 144.

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

AND

**IN THE MATTER OF
OUTDOORPARTNER MEDIA CORPORATION**

**ORDER
(Section 144)**

WHEREAS the securities of OutdoorPartner Media Corporation (the "**Applicant**") are subject to a temporary cease trade order made by the Director dated July 8, 2011 pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act directing that all trading in the securities of the Applicant cease until the order is revoked by the Director, and such order was extended by a further order made by the Director dated July 20, 2011 pursuant to paragraph 2 of subsection 127(8) of the Act (together, the "**Cease Trade Order**");

AND WHEREAS the Cease Trade Order was made on the basis that the Applicant was in default of certain filing requirements under Ontario securities law as described in the Cease Trade Order and outlined below;

AND WHEREAS the Applicant has made an application to the Ontario Securities Commission (the "**Commission**") for a revocation of the Cease Trade Order pursuant to subsection 144(1) of the Act;

AND UPON the Applicant representing to the Commission that:

1. The Applicant is a corporation incorporated on September 28, 2004 under the *Business Corporations Act* (Ontario). The head office of the Applicant is located at 296 Richmond Street West, Toronto, Ontario, Canada, M5V 1X2.
2. The Applicant is a reporting issuer or the equivalent under the securities legislation of the provinces of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "**Reporting Jurisdictions**"). The Applicant is not a reporting issuer in any other jurisdiction in Canada.
3. The Applicant is authorized to issue an unlimited number of common shares (the "**Common Shares**") of which 47,963,671 are issued and outstanding.
4. Other than the Common Shares, the Applicant has no securities (including debt securities) issued and outstanding.
5. The Applicant's Common Shares are listed for trading on the TSX Venture Exchange Inc. ("**TSX-V**") under the symbol "OPX.H". The TSX-V halted trading of the Applicant's shares on July 8, 2011. The Applicant's securities are not listed or quoted on any other exchange or market in Canada or elsewhere.
6. The Cease Trade Order was issued as a result of the Applicant's failure to file audited annual financial statements for the year ended February 28, 2011, management's discussion and analysis ("**MD&A**") relating to the audited annual financial statements for the year ended February 28, 2011 and certificates of the foregoing filings (collectively, the "**Annual Financial Statements**") as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**").

7. The Applicant is also subject to a cease trade order issued by the Alberta Securities Commission on October 18, 2011, the Manitoba Securities Commission on September 20, 2011, the Autorité des marchés financiers on July 11, 2011 and the British Columbia Securities Commission on July 8, 2011 (the "**Additional CTOs**") for failure to file the Annual Financial Statements. The cease trade order issued by the Manitoba Securities Commission was revoked on February 9, 2012.
8. The Applicant subsequently failed to file the following disclosure documents with the Commission in accordance with the requirements of Ontario securities law:
 - (a) unaudited interim financial statements for the periods ended May 31, 2011, August 31, 2011 and November 30, 2011 together with the corresponding MD&As and certificates as required by NI 52-109;
 - (b) audited financial statements for the for the year ended February 29, 2012, together with the corresponding MD&A and certificates as required by NI 52-109; and
 - (c) unaudited interim financial statements for the period ended May 31, 2012 together with the corresponding MD&As and certificates as required by NI 52-109.
9. The Applicant further failed to pay participation fees for the year ended February 28, 2011, as required by OSC Rule 13-502 – Fees ("**Rule 13-502**").
10. Other than the Cease Trade Order and the Additional CTOs, the Applicant has not previously been subject to a cease trade order in any jurisdiction.
11. The Applicant has concurrently applied for revocations of the Additional CTOs.
12. Since the issuance of the Cease Trade Order and the Additional CTOs, the Applicant has filed the following continuous disclosure documents with the Commission:
 - (a) on February 7, 2012, audited annual financial statements for the year ended February 28, 2011, together with the corresponding MD&A and certificates as required by NI 52-109;
 - (b) on February 7, 2012, unaudited interim financial statements for the periods ended May 31, 2011, August 31, 2011 and November 30, 2011 together with the corresponding MD&As and certificates as required by NI 52-109;
 - (c) on June 29, 2012, audited annual financial statements for the year ended February 29, 2012, together with the corresponding MD&A and certificates as required by NI 52-109;
 - (d) on July 26, 2012, amended unaudited interim financial statements for the periods ended May 31, 2011, August 31, 2011 and November 30, 2011 together with the corresponding MD&As and certificates as required by NI 52-109;
 - (e) on July 27, 2012, unaudited interim financial statements for the period ended May 31, 2012 together with the corresponding MD&As and certificates as required by NI 52-109; and
 - (f) on August 14, 2012, amended unaudited interim financial statements for the period ended May 31, 2012 together with the corresponding MD&As and certificates as required by NI 52-109.
13. As a result, the Applicant has filed all outstanding continuous disclosure documents that are required to be filed under Ontario securities law.
14. The Applicant is not in default of any requirements of the Cease Trade Order or the Act or the rules and regulations made pursuant thereto.
15. There have been no material changes to the Applicant's business or operations since the date of the Cease Trade Order or the Additional CTOs, and there are currently no such material changes planned.
16. The Applicant has filed all applicable forms under Rule 13-502 and paid all applicable participation and late filing fees in accordance with, as follows:
 - (a) a participation fee for the year ended February 28, 2011;

- (b) late document fees for the late filing of audited annual financial statements for the year ended February 28, 2011 and unaudited interim financial statements for the periods ended May 31, 2011, August 31, 2011 and November 30, 2011; and
 - (c) fees for the filing of the audited annual financial statements for the year ended February 29, 2012.
17. Effective July 27, 2012, the Applicant accepted resignations from Nolan Bederman and Mark Brodtkin as directors of the Applicant. Other than these resignations, the Applicant has had no changes to its directors, officers or insiders since the date of the Cease Trade Order or the Additional CTOs.
18. The Applicant's SEDAR and SEDI profiles are current and accurate.
19. The Applicant is currently inactive and following the revocation of the Cease Trade Order and Additional CTOs, the Applicant intends to reactivate itself. The Applicant does not have any definitive plans in place for the operation of the business going forward. In particular, the Applicant is not presently considering, nor is it involved in any discussions relating to, an acquisition, a reverse takeover or similar transaction. However, it is the intention of management of the Applicant to investigate opportunities going forward.
20. The Applicant has given the Commission a written undertaking (the "**Undertaking**") that:
- (a) the Applicant will hold an annual meeting of shareholders within three months after the date on which the Cease Trade Order is revoked; and
 - (b) the Applicant will not complete
 - (i) a restructuring transaction involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada,
 - (ii) a reverse takeover with a reverse takeover acquirer that has a direct or indirect, existing or proposed, material underlying business which is not located in Canada, or
 - (iii) a significant acquisition involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada,
- unless
- (i) the Applicant files a preliminary prospectus and a final prospectus with the Ontario Securities Commission and obtains receipts for the preliminary prospectus and the final prospectus from the Director under the *Securities Act* (Ontario),
 - (ii) the Applicant files or delivers with the preliminary prospectus and the final prospectus the documents required by Part 9 of National Instrument 41-101 *General Prospectus Requirements* ("**NI 41-101**") including a completed personal information form and authorization in the form set out in Appendix A of NI 41-101 for each current and incoming director, executive officer and promoter of the Issuer, and
 - (iii) the preliminary prospectus and final prospectus contain the information required by applicable securities legislation, including the information required for a probable restructuring transaction, reverse takeover or significant acquisition (as applicable).
21. The Applicant has filed a completed personal information form and authorization form for each director and officer of the Applicant in the form of Appendix A of NI 41-101 or in such other form as permitted by NI 44-101.
22. Upon the issuance of this revocation order, the Applicant will issue a news release and a material change report announcing the revocation of the Cease Trade Order. The material change report will also include disclosure regarding the continuous disclosure materials filed on SEDAR, and a description of the Undertaking. The Applicant will concurrently file the news release and material change report on SEDAR.

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

AND UPON the Director being satisfied that it would not be prejudicial to the public interest to revoke the Cease Trade Order;

IT IS ORDERED, pursuant to section 144 of the Act, that the Cease Trade Order is revoked.

DATED at Toronto this 15th day of October, 2012.

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

2.2.12 Churchill 10 Real Estate Limited Partnership – s. 144

Headnote

Application by an issuer for a revocation of a cease trade order issued by the Commission – Cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law – Defaults subsequently remedied by bringing continuous disclosure filings up-to-date – Cease trade order revoked.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127(1), 127(5), 144.

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

AND

**IN THE MATTER OF
CHURCHILL 10 REAL ESTATE
LIMITED PARTNERSHIP
(the Reporting Issuer)**

**ORDER
(Section 144)**

Background

On May 12, 2011, the Director made an order pursuant to subsection 127(1) and subsection 127(5) of the Act (the Temporary Cease Trade Order) that all trading in the securities of the Reporting Issuer cease for a period of fifteen days from the date of the Temporary Cease Trade Order.

On May 24, 2011, the Director made a further order under paragraph 2 of subsection 127(1) of the Act (the Cease Trade Order) directing that all trading in the securities of the Reporting Issuer, whether direct or indirect, shall cease until further order by the Director.

The Temporary Cease Trade Order and the Cease Trade Order were made because the Reporting Issuer was in default of certain filing requirements under Ontario securities law as described in each such order.

The Reporting Issuer has applied to the Ontario Securities Commission (the Commission) under section 144 of the Act for a revocation of the Cease Trade Order.

Representations

This order is based on the following facts represented by the Reporting Issuer:

1. The Reporting Issuer was formed on March 8, 2010, pursuant to the *Partnership Act* (British Columbia). The head office and mailing address of the Reporting Issuer is located in Vancouver, British Columbia.
2. The Reporting Issuer's registered and records office and is located at Suite 2610, 1066 West Hastings Street, Vancouver, British Columbia, V6E 3X1.
3. The Reporting Issuer is a reporting issuer or the equivalent under the securities legislation of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario (the Reporting Jurisdictions). The Reporting Issuer is not a reporting issuer in any other jurisdiction in Canada.
4. The Reporting Issuer is authorized to issue 50,000 limited partnership units (the LP Units), one founding limited partner unit and one general partner unit. As of the date hereof, the Filer has 21,211 LP Units issued and outstanding and one general partner unit issued and outstanding.
5. The Reporting Issuer's securities are not currently listed for trading on any exchange or marketplace.
6. The Reporting Issuer has complied with the annual meeting requirement under National Policy 12-202 – *Revocation of Compliance Related Cease Trade Order*.
7. The Cease Trade Order was issued as a result of the Reporting Issuer's failure to file its annual financial statements along with associated management discussion and analysis (MD&A) and applicable executive officers' certificates required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (the Annual Filings) for the year ending December 31, 2010.
8. Since the issuance of the Cease Trade Order, the Reporting Issuer has filed, among other things, the following continuous disclosure documents with the Reporting Jurisdictions:
 - (a) on June 10, 2011, Form 13-502F1 *Class 1 Reporting Issuers – Participation Fee* for the year ended December 31, 2010;
 - (b) on June 10, 2011, annual audited financial statements and MD&A for the year ended December 31, 2010;
 - (c) on June 10, 2011 certifications pursuant to NI 52-109 for the year ended December 31, 2010; and

(d) all other continuous disclosure documents required to be filed for the periods subsequent to December 31, 2010.

DATED: October 12, 2012

“Shannon O’Hearn”
Manager
Corporate Finance

9. The Reporting Issuer is not in default of any requirements of the Cease Trade Order or the Act or the rules and regulations made pursuant thereto.
10. Other than the Cease Trade Order, the Reporting Issuer is not subject to any cease trade orders in any of the Reporting Jurisdictions.
11. The Reporting Issuer has filed all outstanding continuous disclosure documents that are required to be filed under Ontario securities law.
12. Completed personal information forms and authorizations in the form of Appendix A of National Instrument 41-101 *General Prospectus Requirements* for each director and executive officer of Churchill 10 Partners Inc., the general partner of the Reporting Issuer (the General Partner) and Churchill Real Estate Inc., the promoter of the Reporting Issuer, have accompanied the application.
13. The General Partner was incorporated on January 27, 2010 under the *Canada Business Corporations Act* (the CBCA).
14. The General Partner has complied with the annual meeting requirements of the CBCA.
15. The Reporting Issuer has paid all outstanding activity, participation and late filing fees that are required to be paid.
16. The Reporting Issuer’s SEDAR profile and SEDI issuer profile supplement are current and accurate.
17. The Reporting Issuer is not considering, nor is it involved in any discussions relating to, a reverse takeover, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.
18. Upon the issuance of this revocation order, the Reporting Issuer will issue a news release announcing the revocation of the Cease Trade Order. The Reporting Issuer will concurrently file the news release and material change report on SEDAR.

Order

The Director is of the opinion that it would not be prejudicial to the public interest to revoke the Cease Trade Order.

It is ordered under section 144 of the Act that the Cease Trade Order is revoked.

2.2.13 Colby Cooper Capital Inc. et al. – s. 127

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

AND

**IN THE MATTER OF
COLBY COOPER CAPITAL INC.
COLBY COOPER INC.,
PAC WEST MINERALS LIMITED
JOHN DOUGLAS LEE MASON**

**ORDER
(Section 127 of the Securities Act)**

WHEREAS on March 27, 2012, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 37, 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in connection with a Statement of Allegations filed by Staff of the Commission ("Staff") on March 27, 2012 in respect of Colby Cooper Capital Inc. ("CCCI"), Colby Cooper Inc. ("CCI"), Pac West Minerals Limited ("Pac West") and John Douglas Lee Mason ("Mason") (collectively, the "Respondents");

AND WHEREAS the Respondents were served with the Notice of Hearing and Statement of Allegations on March 28, 2012;

AND WHEREAS at the first attendance hearing on April 23, 2012, Staff and counsel for CCCI and Mason appeared, and counsel for CCCI and Mason advised the Commission that it had instructions to also appear on behalf of CCI and Pac West for that attendance;

AND WHEREAS on April 23, 2012, Staff requested that a confidential pre-hearing conference be scheduled, and counsel for the Respondents agreed, and the Commission ordered that a confidential pre-hearing conference take place on June 26, 2012;

AND WHEREAS on June 26, 2012, Staff and counsel for the Respondents appeared before the Commission, and at the request of Staff and with the agreement of counsel for the Respondents, the Commission ordered that a further confidential pre-hearing conference take place on August 16, 2012;

AND WHEREAS on August 16, 2012, Staff and counsel for the Respondents appeared before the Commission, and at the request of Staff and with the agreement of counsel for the Respondents, the Commission ordered that a further confidential pre-hearing conference take place on October 12, 2012;

AND WHEREAS on October 12, 2012, Staff and counsel for the Respondents appeared before the Commission, and Staff requested that a further confidential pre-hearing conference be scheduled, and counsel for the Respondents agreed;

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

IT IS ORDERED that a confidential pre-hearing conference shall take place on December 19, 2012 at 9:00 a.m. or on such other date or at such other time as set by the Office of the Secretary and agreed to by the parties.

DATED at Toronto this 12th day of October, 2012.

"Edward P. Kerwin"

2.2.14 New Solutions Capital Inc. et al. – s. 127(1), 127(7), 127(8)

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

AND

**IN THE MATTER OF
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**

ORDER

(Subsections 127(1), 127(7) and 127(8))

WHEREAS on April 11, 2012, the Ontario Securities Commission (the “Commission”) issued an order (the “Temporary Order”) pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990 c. S.5, as amended (the “Act”) that:

1. all trading in the securities of New Solutions Financial Corporation (“NSFC”), New Solutions Financial (II) Corporation (“NSF2”), New Solutions Financial (III) Corporation (“NSF3”) and New Solutions Financial (VI) Corporation (“NSF6”) shall cease immediately;
2. New Solutions Capital Inc. (“NSCI”), NSFC, NSF2, NSF3, NSF6, their employees, representatives and Ron Ovenden (“Ovenden”) shall cease trading in all securities of NSFC, NSF2, NSF3 and NSF6 immediately; and
3. any exemptions contained in Ontario securities law do not apply to NSCI, NSFC, NSF2, NSF3, NSF6, their employees and representatives and Ovenden;

AND WHEREAS on April 18, 2012, the Commission issued a Notice of Hearing to consider, among other things, the extension of the Temporary Order, to be held on April 25, 2012 at 2:00 p.m.;

AND WHEREAS Staff of the Commission (“Staff”) served NSCI, NSFC, NSF2, NSF3, NSF6 and Ovenden with copies of the Temporary Order, the Notice of Hearing, the Affidavit of Stratis Kourous sworn April 19, 2012 and Staff’s factum as evidenced by the Affidavit of Service of Lee Crann sworn April 23, 2012 and the Affidavit of Service of Levy Goldberg-Gilis sworn April 24, 2012;

AND WHEREAS on April 25, 2012, Staff appeared before the Commission and no one appeared on behalf of any of the respondents;

AND WHEREAS on April 25, 2012, upon hearing submissions from Staff and upon being advised by Staff that NSFC, NSF2, NSF3 and NSF6 did not oppose the extension of the Temporary Order and Ovenden took no position on the extension of the Temporary Order, the Commission ordered that the hearing in this matter be adjourned to October 11, 2012 at 9:00 a.m. or to such other date or time as set by the Office of the Secretary and agreed to by the parties and that the Temporary Order be extended for a period of 6 months, until October 12, 2012;

AND WHEREAS on September 28, 2012, as evidenced by the Affidavit of Service of Tia Faerber sworn October 9, 2012, Staff served NSCI, NSFC, NSF2, NSF3, NSF6 and Ovenden with the Affidavit of Fred Fitzsimmons sworn September 28, 2012, in which Staff indicated a further extension of the Temporary Order to May 10, 2013 was sought;

AND WHEREAS on October 11, 2012, Staff and counsel to NSFC, NSF2, NSF3 and NSF6 appeared and no one appeared on behalf of NSCI and Ovenden;

AND WHEREAS Staff noted that paragraph 8 of the Temporary Order should have provided that only NSCI and Ovenden, as registrants, may have failed to deal fairly, honestly and in good faith with their clients, contrary to section 2.1 of Ontario Securities Commission Rule 31-505 and NSCI, NSFC, NSF2, NSF3, NSF6 and Ovenden may have engaged in conduct that is contrary to subsections 44(2) and 126.1 of the Act;

AND WHEREAS on hearing submissions from Staff and counsel to NSFC, NSF2, NSF3 and NSF6 and on being advised by Staff that NSCI and Ovenden do not oppose the extension of the Temporary Order;

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

IT IS HEREBY ORDERED that the hearing in this matter is adjourned to May 9, 2013 at 10:00 a.m. or to such other date or time as set by the Office of the Secretary and agreed to by the parties and that the Temporary Order shall be extended until May 10, 2013.

DATED at Toronto this 11th day of October, 2012.

“Christopher Portner”

2.2.15 Jowdat Waheed and Bruce Walter

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

AND

**IN THE MATTER OF
JOWDAT WAHEED AND BRUCE WALTER**

ORDER

WHEREAS on January 9, 2012, the Ontario Securities Commission (“the Commission”) issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990 c.S.5, as amended (the “Act”) in connection with a Statement of Allegations filed by Staff of the Commission (“Staff”) on January 9, 2012 with respect to Jowdat Waheed and Bruce Walter (collectively, the “Respondents”);

AND WHEREAS Staff and the Respondents are in the process of completing documentary disclosure;

AND WHEREAS the Respondents have agreed to a limited waiver of privilege with respect to certain communications between the Respondents and their counsel in support of a defence of legal advice;

AND WHEREAS the parties are in agreement as to the scope of the limited waiver of privilege;

AND WHEREAS Staff brought a motion before the Commission to challenge the Respondents’ application of the limited waiver of privilege and, more specifically, whether redactions to 22 documents and the time entry records (“dockets”) of counsel to Mr. Walter were proper given the agreed scope of the limited waiver of privilege (“Staff’s Motion”);

AND WHEREAS Staff and counsel for the Respondents appeared before the Commission on September 19, 2012, and made submissions with respect to Staff’s Motion;

AND WHEREAS counsel to the Respondents provided the Panel with redacted and unredacted copies of the 22 documents at issue as well as the dockets at issue without providing such unredacted documents and dockets to Staff;

AND WHEREAS having reviewed the 22 documents at issue in redacted and unredacted form, the Panel is satisfied that all redactions were appropriately made as falling outside the agreed scope of the limited waiver of privilege as documented in correspondence between the parties;

AND WHEREAS upon counsel to Mr. Walter advising that her client would produce one further docket entry which had not previously been produced, namely a

docket entry of Mr. Bill Gula for July 27, 2010, Staff abandoned their challenge to the redactions in the dockets;

AND WHEREAS on the agreement of all counsel, the Panel, at the conclusion of the hearing of Staff’s Motion, returned to Mr. Walter’s counsel the unredacted copies of the 22 documents and the dockets at issue;

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

IT IS ORDERED THAT:

1. Staff’s Motion is dismissed;
2. Those portions of the transcript of the September 19, 2012, hearing in which the Panel conducted a review of the contents of the redactions and Mr. Walter’s counsel made submissions regarding the contents of the redactions and/or responded to the Panel’s enquiries regarding same shall be permanently sealed and may not be accessed by the public, Staff or the Commission in order to preserve the privilege of the contents of such redactions; and
3. The confidentiality of the following materials shall be preserved, subject to any final disposition of the issue that may otherwise be made by a Panel of the Commission at the hearing of this matter on the merits:
 - (a) the productions contained at Tabs 2(E) and 2(F) of Staff’s Motion Record;
 - (b) the references to the redacted documents and dockets in paragraphs 35-36, 39-40 and 48-50 of Staff’s Memorandum of Fact and Law filed for the motion; and
 - (c) those portions of the hearing transcript of the September 19, 2012, motion in which the contents of (a) and (b) above are discussed.

DATED at Toronto this 19th day of September, 2012

“Christopher Portner”

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Eric Kaplan et al.

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

AND

IN THE MATTER OF
ERIC KAPLAN, WILLIAM RUSSELL,
QUARTZ CAPITAL GROUP LTD., AND BLYTHCO INC.

SETTLEMENT AGREEMENT

Introduction

1. This settlement agreement (the **Settlement Agreement**) relates to the registration status under the *Securities Act* (Ontario) (the **Act**) of Eric Kaplan (**Kaplan**), William Russell (**Russell**), and the acquisition by Blythco Inc. (**Blythco**) of all of the issued and outstanding shares of Quartz Capital Group Ltd. (**Quartz**), a firm registered under the Act as a dealer in the category of exempt market dealer, from Kaplanco Inc. (**Kaplanco**).
2. On January 31, 2012, Quartz gave notice under section 11.10 of National Instrument 31-103 – *Registration Requirements, Exemptions, and Ongoing Registrant Obligations* (**NI 31-103**) that Blythco intended to acquire all of the issued and outstanding shares of Quartz from Kaplanco (the **Proposed Acquisition**). On March 6, 2012, Russell applied for registration as a dealing representative in the category of exempt market dealer, sponsored by Quartz (the **Application**).
3. As more particularly described below, staff of the Ontario Securities Commission (**Staff**) identified conduct on the part of Kaplan, Quartz, and Russell which it considered to be breaches of Ontario securities law. As a result, Staff informed Kaplan, through his counsel, that it would recommend to the Director that the registration of Kaplan and Quartz be suspended. Staff also informed Russell, through his counsel, that it would recommend that the Application be refused. Finally, Staff informed Quartz and Blythco, through their counsel, that it would recommend to the Director that the Director object to the Proposed Acquisition. Section 31 of the Act provides Kaplan, Quartz, and Russell with the right to request an opportunity to be heard before any decision could be made by the Director with regards to Staff's recommendation regarding their registration status, and subsection 11.10(7) of NI 31-103 provides Blythco with the right to request an opportunity to be heard in respect of any objection by the Director to the Proposed Acquisition.
4. In order to resolve this matter without recourse to the opportunity to be heard process, Kaplan, Quartz, Russell, Blythco (collectively, the **Settling Parties**) and Staff have agreed to the statement of facts and joint recommendation to the Director set out in this Settlement Agreement.

Agreed Statement of Facts

Quartz and Kaplan

5. Quartz has been registered under the Act as an exempt market dealer since September 28, 2011. Since its inception, Kaplan has been the ultimate designated person, chief compliance officer, and sole dealing representative of Quartz.
6. At the time of the events described in this Settlement Agreement, Kaplan was twenty-seven years old and had never previously been registered under the Act.
7. Kaplanco owns all of the issued and outstanding shares of Quartz. Kaplanco is a corporation incorporated pursuant to the laws of Ontario.
8. Kaplan is the sole officer, director, and shareholder of Kaplanco.

Blythco

9. Blythco is a corporation incorporated pursuant to the laws of Ontario. Blythco is not registered under the Act.
10. Peter Wallace (**Wallace**) is the sole officer, director, and shareholder of Blythco.

Russell

11. Russell is an individual who is not currently registered under the Act, but who has previously been registered as follows:
 - (a) November 1996 to August 2002 – salesperson in the category of mutual fund dealer and limited market dealer with Investors Group;
 - (b) October 2002 to January 2005 – salesperson in the category of investment dealer sponsored by RBC Dominion Securities Inc.;
 - (c) February 2005 to January 2008 – salesperson in the category of investment dealer sponsored by Cumberland Private Wealth Management Inc.;
 - (d) February 2008 to September 2009 – associate advising representative in the category of investment counsel and portfolio manager sponsored by Newport Private Wealth Inc. (**Newport**);
 - (e) September 2009 to April 2010 – associate advising representative in the category of portfolio manager sponsored by Newport; and
 - (f) March 2011 to January 2012 – associate advising representative in the category of portfolio manager sponsored by BloombergSen Inc. (**BloombergSen**).

The Proposed Acquisition

12. On January 31, 2012, Staff received a notice under section of 11.10 of NI 31-103 that Blythco proposed to acquire all of the issued and outstanding shares of Quartz from Kaplanco (i.e., the Proposed Acquisition).
13. In a letter dated February 13, 2012 delivered to Staff in connection with the Proposed Acquisition, Kaplan advised that upon closing of the Proposed Acquisition, he would resign as a director of Quartz, and would be replaced by a new board of directors including, among other individuals, Russell, Wallace, Craig Loverock (**Loverock**), and Michael Svetkoff (**Svetkoff**). Kaplan's letter also advised that Russell, Loverock, and Svetkoff would seek registration as dealing representatives with Quartz, and that Kaplan would remain the chief compliance officer of Quartz following the closing of the Proposed Acquisition.
14. In the documents submitted to Staff as part of the Proposed Acquisition, Kaplan represented that neither Loverock nor Svetkoff would engage in any registerable activities until they became registered under the Act.
15. On the basis of the documents submitted to Staff as part of the Proposed Acquisition, including the representations made by Kaplan that Loverock and Svetkoff would not engage in any registerable activity without registration, on March 20, 2012, the Director issued a letter to Kaplan notifying him that she did not object to the Proposed Acquisition (the **Non-Objection Letter**). The Non-Objection Letter was expressly conditional on the accuracy of the factual representations made by the filer in respect of the Proposed Acquisition.
16. Subsequent to the issuance of the Non-Objection Letter, Staff discovered that Kaplan was also an officer of Trend Auto Lease GP Inc., the general partner of Trend Auto Lease LP (**Trend**). This outside business activity had not previously been disclosed by Kaplan, as required by National Instrument 33-109 – *Registration Information (NI 33-109)*.
17. Also subsequent to the issuance of the Non-Objection Letter, Staff was informed by Kaplan, for the first time, that he planned to be replaced by Loverock as the chief compliance officer of Quartz, and upon being replaced as the chief compliance officer, he would assume full-time duties with Trend.
18. In light of the apparent irregularities that had emerged with respect to Kaplan's registration filings and the submissions made in respect of the Proposed Acquisition, Staff determined that it would be appropriate to review the matter further, and informed Kaplan, through his counsel, that the Proposed Acquisition should not be closed pending the completion of that review.

The Application

19. On January 16, 2012, Staff received a notice pursuant to NI 33-109 that BloombergSen had terminated Russell's employment, and had alleged cause for the termination. The notice delivered by BloombergSen included an allegation that Russell had been acting on behalf of Quartz while he was employed by BloombergSen.
20. Russell does not agree with all aspects of BloombergSen's description of the circumstances surrounding his termination, but he admits to the facts set out in this Settlement Agreement.
21. On March 6, 2012, Russell submitted the Application. As the Application was sponsored by Quartz, and as the information relating to Russell's termination alleged that Russell had been actively engaged with Quartz, Staff included its review of the Application as part of its review of the Proposed Acquisition.

Review by Staff

22. On May 1, 2012, Staff met with a representative of BloombergSen, and from information provided by BloombergSen, Staff has determined the following:
 - (a) Russell's employment duties at BloombergSen consisted of selling securities of investment funds managed and distributed by BloombergSen. (It appears that Russell was registered in the incorrect category while employed by BloombergSen. Russell understood that he was to be registered as a dealing representative in the category of exempt market dealer when he joined BloombergSen.)
 - (b) While he was employed by BloombergSen, Russell referred a number of individuals to three issuers which were not offered or approved for sale by BloombergSen: Equity Premium Finance LP, Skyline REIT, and Morrison Laurier Mortgage Corporation (the **Unauthorized Issuers**). BloombergSen has informed Staff that it was not aware that Russell was referring individuals to the Unauthorized Issuers;
 - (c) In some of his communication with investors and potential investors regarding the Equity Premium Finance LP, Russell provided them with the offering memorandum for the issuer, offered his views on the merits of the issuer, and directed the investor as to where to send their subscription funds;
 - (d) During the time that he was employed with BloombergSen, Russell was in communication with a number of individuals regarding Quartz, and emails sent and received by Russell during this time relate to the Proposed Acquisition; and
 - (e) It was anticipated that Russell would be employed by Quartz once the Proposed Acquisition was complete.
23. On May 3, 2012, Staff conducted a voluntary interview of Kaplan, during which he gave evidence, under oath, regarding Quartz, Trend, the Proposed Acquisition, and the Application. During the course of this interview, in response to questions by Staff, Kaplan represented that nobody other than himself had performed any registerable activity on behalf of Quartz.
24. On May 7, 2012, Staff conducted voluntary interviews of Wallace, Loverock, Svetkoff, and Russell regarding Quartz and its related business activities, as well as the Proposed Acquisition, and the Application.
25. During the course of these interviews, Svetkoff and Russell informed Staff that they had met with a number of potential investors in Trend and Canadian First Financial Centres Ltd. (**CFFC**), another issuer distributed by Quartz. Some of these meetings were held in the absence of Kaplan, and were for the purpose of soliciting investments in Trend and CFFC on behalf of Quartz. A number of the individuals with whom Svetkoff and Russell met invested in Trend and CFFC, and Svetkoff and Russell anticipated receiving compensation for these sales from Quartz. It appears to Staff that Svetkoff and Russell may have engaged in the business of trading in securities without registration, contrary to representations to Staff made by Kaplan.
26. On June 13, 2012, in response to a May 4, 2012 request by Staff, Kaplan provided Staff with the subscription agreements and new client application forms for Trend investors. Based on these documents, Staff determined that approximately seven investors had not met with Kaplan at all, or had not met with him prior to their decision to invest in Trend. In addition, for a number of investors, the new client application form, in which know-your-client (KYC) information was to be recorded, had been completed several weeks or months after the investment was made.
27. During its review of this matter, Staff did not identify any breaches of the Act on the part of Wallace or Loverock.

28. During the time that the conduct described in this Settlement Agreement occurred, Quartz was being advised by a third-party compliance consultant (the **Initial Consultant**).

Acknowledgement of Wrongdoing

29. Kaplan admits that in permitting Svetkoff and Russell to trade in securities on behalf of Quartz without registration, and by allowing Trend securities to be distributed by Quartz to investors without properly collecting their KYC information in order to determine trade suitability, Kaplan failed to discharge his duties as the chief compliance officer and ultimate designated person of Quartz, as set out in Part 5 of NI 31-103.
30. Kaplan admits that in representing to Staff that he was the only person doing registerable activity on behalf of Quartz, he made an untrue statement about a material fact.
31. Kaplan acknowledges the seriousness of his wrongdoing in this matter and accepts full responsibility for, and is remorseful for, his actions.
32. Russell admits that in trading in securities of the Unauthorized Issuers, he was not acting on behalf of BloombergSen, and accordingly he was engaged in the business of trading in securities without registration, contrary to paragraph 25(1)(b) of the Act.
33. Russell admits that in trading in securities of Trend and CFFC when he was not registered under the Act in any capacity, he was engaged in the business of trading in securities without registration, contrary to paragraph 25(1)(b) of the Act.
34. Russell acknowledges the seriousness of his wrongdoing in this matter and accepts full responsibility for, and is remorseful for, his actions.
35. Quartz has represented to Staff that neither Svetkoff nor Russell shall receive any form of compensation for their sales of securities of Trend or CFFC.

Agreed Terms and Joint Recommendation to Director

36. In order to resolve this matter without recourse to the opportunity to be heard process, and on the basis of the agreed statement of facts set out in this Settlement Agreement, the Settling Parties and Staff have agreed to the following terms, and make the following joint recommendation to the Director:
- (a) Kaplan's registration in all categories will be suspended;
 - (b) Kaplan will not apply for reinstatement of registration as a dealing representative in the category of exempt market dealer for a period of eighteen months from the date his registration is suspended, after which Staff will not recommend to the Director that his application be refused, unless Staff becomes aware after the date of this Settlement Agreement of conduct impugning Kaplan's suitability for registration, and provided he meets all other applicable criteria for registration at the time he applies for registration;
 - (c) Kaplan will not apply for reinstatement of registration as the ultimate designated person or chief compliance officer of any registered firm for a period of five years from the date his registration is suspended, after which Staff will not recommend to the Director that his application be refused, unless Staff becomes aware after the date of this Settlement Agreement of conduct impugning Kaplan's suitability for registration, and provided he meets all other applicable criteria for registration at the time he applies for registration;
 - (d) Kaplan will successfully complete the *Conduct and Practices Handbook Course* before applying for registration in any capacity;
 - (e) The registration of Quartz shall be made subject to terms and conditions:
 - (i) requiring that it not trade in securities or open new client accounts until such time as it has a registered ultimate designated person, chief compliance officer, and dealing representative; and
 - (ii) requiring that it will retain, at its expense, a third-party compliance consultant other than the Initial Consultant, satisfactory to Staff, to design and implement a compliance program for Quartz, and to monitor the implementation of this program for a period of three months and submit monthly reports to Staff regarding the firm's adherence to the program.

- (f) The Application will be withdrawn;
 - (g) Russell will not apply for registration as a dealing representative in the category of exempt market dealer for a period of twelve months from March 6, 2012, the date he submitted the Application, after which Staff will not recommend to the Director that his application be refused, unless Staff becomes aware after the date of this Settlement Agreement of conduct impugning Russell's suitability for registration, and provided he meets all other applicable criteria for registration at the time he applies for registration;
 - (h) Russell will successfully complete the *Conduct and Practices Handbook Course* before applying for registration in any capacity;
 - (i) Staff will not recommend to the Director that the Director object to the Proposed Acquisition in light of the following:
 - (i) Quartz has agreed to amend the terms of the Proposed Acquisition as follows:
 - (A) Wallace will apply to be the ultimate designated person of Quartz. As of the date of this Settlement Agreement, Staff has not identified any basis upon which it would recommend to the Director that Wallace's application for registration as ultimate designated person be refused;
 - (B) Loverock will apply to be the chief compliance officer of Quartz. As of the date of this Settlement Agreement, Staff has not identified any basis upon which it would recommend to the Director that Loverock lacks the requisite integrity or solvency for registration, and his proficiency will be assessed by Staff in the normal course following receipt of his application for registration;
 - (C) None of Svetkoff, Russell, or Kaplan will, directly or indirectly, be employed by, or act on behalf of, Quartz following the closing of the Amended Proposed Acquisition until such time as they may be registered under the Act with Quartz; and
 - (D) Quartz will retain, at its expense, a third-party compliance consultant other than the Initial Consultant, satisfactory to Staff, to design and implement a compliance program for Quartz, and to monitor the implementation of this program for a period of three months and submit monthly reports to Staff regarding the firm's adherence to the program.
 - (ii) On the basis of the amended terms of the Proposed Acquisition agreed to by Quartz, Staff is of the view that the Proposed Acquisition is not:
 - (A) Likely to give rise to a conflict of interest;
 - (B) Likely to hinder the registered firm in complying with securities legislation;
 - (C) Inconsistent with an adequate level of investor protection; or
 - (D) Otherwise prejudicial to the public interest.
37. The Settling Parties and Staff submit that their joint recommendation is reasonable, having regard to the following factors:
- (a) Previous decisions of the Commission and the Director;
 - (b) Kaplan's relative youth and inexperience at the time of the events described herein;
 - (c) Kaplan and Russell have no prior disciplinary issues as part of their registration history;
 - (d) It appears that no investors have suffered any losses as a result of the activity described herein;
 - (e) Kaplan and Russell have accepted full responsibility for their misconduct and have expressed remorse for that misconduct; and
 - (f) By agreeing to this Settlement Agreement, Kaplan, Quartz, Russell, and Blythco have saved Staff the time and resources that would have been required for an opportunity to be heard.

38. The Settling Parties and Staff acknowledge that if the Director does not accept this joint recommendation:
- (a) This joint recommendation and all discussions and negotiations between the Settling Parties and Staff in relation to this matter shall be without prejudice to the parties; and
 - (b) The Settling Parties will be entitled to an opportunity to be heard in accordance with section 31 of the Act or subsection 11.10(7) (as the case may be) in respect of any recommendation that may be made by Staff regarding their registration status or the Proposed Acquisition.

Mark Skuce
Mark Skuce,
Legal Counsel, Compliance and Registrant Regulation

October 11, 2012
Date

Melissa MacKewn
Melissa MacKewn
Counsel for Eric Kaplan and Quartz Capital Group, Ltd.

October 10, 2012
Date

Peter Greene
Peter Greene
Counsel for William Russell and Blythco Inc.

October 10, 2012
Date

Decision of the Director

Having reviewed and considered the agreed statement of facts, agreed terms, representations, and submissions contained in the settlement agreement entered into between Eric Kaplan, William Russell, Quartz Capital Group, Ltd., Blythco Inc., and staff of the Ontario Securities Commission (**Staff**), and on the basis of those agreed facts, agreed terms, representations, and submissions, I, Erez Blumberger, in my capacity as Director under the *Securities Act* (Ontario) (the **Act**), accept the joint recommendation of the parties, and make the following decision:

- (i) Effective immediately, Eric Kaplan's registration as ultimate designated person, chief compliance officer, and dealing representative of Quartz Capital Group, Ltd. is suspended pursuant to section 28 of the Act;
- (ii) Eric Kaplan will not apply for reinstatement of registration as a dealing representative in the category of exempt market dealer for a period of eighteen months from the date of this decision;
- (iii) Eric Kaplan will not apply for reinstatement of registration as the ultimate designated person or chief compliance officer of any registered firm for a period of five years from the date of this decision;
- (iv) Eric Kaplan shall successfully complete the *Conduct and Practices Handbook Course* before applying for reinstatement of registration in any category;
- (v) Effective immediately, the registration of Quartz Capital Group, Ltd. is subject to the following terms and conditions pursuant to section 28 of the Act:
 - 1. Until such time as an ultimate designated person, chief compliance officer, and dealing representative is registered with Quartz Capital Group, Ltd., neither Quartz Capital Group, Ltd. nor anyone acting on its behalf shall, directly or indirectly:
 - (I) Trade in any security that is offered for sale by Quartz Capital Group, Ltd.; or
 - (II) Open any new client accounts.
 - 2. Quartz Capital Group, Ltd. will retain, at its own expense, a third-party compliance consultant other than the "Initial Consultant" as that term is defined in the settlement agreement between staff of the Ontario Securities Commission ("Staff"), Eric Kaplan, William Russell, Quartz Capital Group, Ltd., and Blythco Inc., satisfactory to Staff, to design and implement a compliance program for Quartz Capital Group, Ltd., and to monitor the implementation of this program for a period of three months and submit monthly reports to Staff regarding the firm's adherence to the program.
- (vi) I do not object to the acquisition by Blythco Inc. of all of the issued and outstanding shares of Quartz Capital Group, Ltd. from Kaplanco Inc. as described in the notice delivered by Quartz Capital Group, Ltd. dated January 31, 2012, amended by further correspondence dated January 31, 2012, February 13, 2012, February 14, 2012, February 29, 2012, March 7, 2012, and September 19, 2012 (collectively, the **Notice**) pursuant to National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. If there is a material change to the acquisition or if it is completed in a manner that is materially inconsistent with the description in the Notice, Quartz shall provide Staff with prompt written notice of the change or inconsistency, so that the Director may consider whether it affects Quartz's ongoing suitability for registration or causes its registration to become otherwise objectionable.

October 12, 2012

Date

Erez Blumberger

Erez Blumberger

Deputy Director

Compliance and Registrant Regulation

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

| Company Name | Date of Temporary Order | Date of Hearing | Date of Permanent Order | Date of Lapse/Revoke |
|--|-------------------------|-----------------|-------------------------|----------------------|
| China Wind Power International Corp. | 03 Oct 12 | 15 Oct 12 | 15 Oct 12 | |
| Ivaco Inc. | 03 Oct 12 | 15 Oct 12 | 15 Oct 12 | |
| Action Energy Inc. | 04 Oct 12 | 16 Oct 12 | 16 Oct 12 | |
| Liberty Silver Corp. | 12 Oct 12 | 18 Oct 12 | | |
| Diadem Resources Ltd. | 09 Oct 12 | 22 Oct 12 | | |
| Armadillo Resources Ltd. | 12 Oct 12 | 24 Oct 12 | | |
| Churchill 10 Real Estate Limited Partnership | 12 May 11 | 24 May 11 | 24 May 11 | 12 Oct 12 |
| OutdoorPartner Media Corporation | 08 July 11 | 20 July 11 | 20 July 11 | 15 Oct 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 |
|--|----------------------------------|-----------------|-------------------------|-----------------------|--------------------------------|
| Canadian Oil Recovery & Remediation Enterprises Ltd. | 31 Aug 12 | 12 Sept 12 | 12 Sept 12 | 12 Oct 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 |
|--|----------------------------------|-----------------|-------------------------|-----------------------|--------------------------------|
| Canadian Oil Recovery & Remediation Enterprises Ltd. | 31 Aug 12 | 12 Sept 12 | 12 Sept 12 | 12 Oct 12 | |
| Focus Graphite Inc. | 24 Sept 12 | 05 Oct 12 | 05 Oct 12 | | |
| Boyuan Construction Group, Inc. | 02 Oct 12 | 15 Oct 12 | 15 Oct 12 | | |
| McVicar Industries Inc. | 12 Sept 12 | 24 Sept 12 | 24 Sept 12 | | |

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Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see www.carswell.com).

This chapter contains a weekly summary of insider transactions of Ontario reporting issuers in the System for Electronic Disclosure by Insiders (SEDI). The weekly summary contains insider transactions reported during the seven days ending Sunday at 11:59 pm.

To obtain Insider Reporting information, please visit the SEDI website (www.sedi.ca).

Chapter 8

Notice of Exempt Financings

REPORTS OF TRADES SUBMITTED ON FORMS 45-106F1 AND 45-501F1

| Transaction Date | No. of Purchasers | Issuer/Security | Total Purchase Price (\$) | No. of Securities Distributed |
|-----------------------------|-------------------|--|---------------------------|-------------------------------|
| 09/18/2012 | 5 | ABC Schools Partnership - Bonds | 87,203,000.00 | 8,720,300.00 |
| 09/19/2012 | 13 | Aben Resources Ltd. - Flow-Through Units | 181,799.94 | 2,597,142.00 |
| 09/28/2012 | 35 | Ashburton Ventures Inc. - Units | 477,950.00 | 6,372,666.00 |
| 08/24/2012 | 24 | Athabasca Uranium Inc. - Special Shares | 636,000.00 | 4,500,000.00 |
| 10/02/2012 | 3 | Atlanta Gold Inc. - Units | 499,999.98 | 16,666,666.00 |
| 08/30/2012 | 39 | Auracle Resources Ltd. - Units | 659,800.00 | 6,598,000.00 |
| 09/21/2012 | 1 | Avcorp Industries Inc. - Common Shares | 54,073.25 | 992,169.00 |
| 09/12/2012 | 2 | AXA Infrastructure Fund III S.C.A., SICAR - Common Shares | 21,386,000.00 | 1,700,000.00 |
| 10/03/2012 | 1 | BacTech Environmental Corporation - Units | 1,450,000.00 | 9,666,666.00 |
| 09/28/2012 | 3 | Baker & Taylor Acquisitions Corp. - Notes | 31,720,640.00 | 3.00 |
| 09/07/2012 | 21 | Bergen Resources Inc. - Common Shares | 2,995,000.00 | 7,487,500.00 |
| 08/28/2012 | 19 | Bergen Resources Inc. - Common Shares | 4,089,000.00 | 10,222,500.00 |
| 08/28/2012 | 10 | Bergen Resources Inc. - Common Shares | 2,148,000.32 | 4,475,001.00 |
| 09/07/2012 | 1 | Bergen Resources Inc. - Flow-Through Units | 240,000.00 | 500,000.00 |
| 10/02/2012 | 1 | Black Widow Resources Inc. - Units | 50,000.00 | 50,000.00 |
| 09/25/2012 | 1 | Bold Ventures Inc. - Flow-Through Shares | 180,000.00 | 1,125,000.00 |
| 09/26/2012 | 26 | Brixton Metals Corporation - Flow-Through Shares | 387,250.00 | 2,581,667.00 |
| 09/26/2012 | 74 | Brixton Metals Corporation - Units | 1,029,193.89 | 7,916,953.00 |
| 10/05/2012 | 3 | Canada Carbon Inc. (Formerly Bolero Resources Corp.) - Units | 700,000.00 | 7,000,000.00 |
| 09/25/2012 | 2 | Capital Bank Financial Corp. - Common Shares | 2,152,080.00 | 122,000.00 |
| 10/04/2012 | 19 | Challenger Deep Resources Corp. - Units | 800,500.20 | 2,668,334.00 |
| 08/27/2012 to 08/31/2012 | 9 | Colwood City Centre Limited Partnership - Notes | 790,000.00 | 790,000.00 |
| 09/04/2012 | 1 | Colwood City Centre Limited Partnership - Notes | 91,000.00 | 91,000.00 |
| 05/22/2012 to 05/25/2012 | 13 | Colwood City Centre Limited Partnership - Notes | 490,029.00 | 490,029.00 |

Notice of Exempt Financings

| Transaction Date | No. of Purchasers | Issuer/Security | Total Purchase Price (\$) | No. of Securities Distributed |
|--------------------------|--------------------------|---|----------------------------------|--------------------------------------|
| 09/27/2012 | 7 | Delavaco Real Estate Opportunities Corp. - Notes | 3,189,550.00 | 4.00 |
| 10/02/2012 | 3 | Detour Gold Corporation - Common Shares | 4,996,800.00 | 180,000.00 |
| 08/31/2012 | 8 | Diablo Technologies Inc. - Preferred Shares | 13,391,302.81 | 12,013,270.00 |
| 09/12/2012 to 09/20/2012 | 2 | Emerald City of OZ, LLC. - Units | 125,000.00 | 125,000.00 |
| 09/27/2012 | 42 | Entourage Metals Ltd. - Units | 923,250.00 | 5,877,800.00 |
| 09/25/2012 | 1 | Ethiopian Potash Corp. - Common Shares | 321,000.00 | 2,140,000.00 |
| 09/21/2012 | 4 | Fleet Leasing Receivables Trust - Notes | 606,761,936.36 | 4.00 |
| 08/28/2012 to 08/31/2012 | 59 | Gatineau Centre Development Limited Partnership - Units | 4,221,500.00 | 4,221,500.00 |
| 09/04/2012 to 09/07/2012 | 4 | Gatineau Centre Development Limited Partnership - Units | 426,000.00 | 426,000.00 |
| 09/25/2012 | 6 | General Cable Corporation - Notes | 20,517,000.00 | 6.00 |
| 10/01/2012 | 3 | General Electric Company - Notes | 34,316,817.57 | 3.00 |
| 08/16/2012 | 16 | Global Met Caol Corporation - Units | 228,340.00 | 3,262,000.00 |
| 09/25/2012 | 12 | Golden Valley Mines Ltd. - Flow-Through Units | 919,220.00 | N/A |
| 10/01/2012 | 4 | HDTFS, Inc. - Notes | 4,422,150.00 | 4.00 |
| 09/26/2012 to 10/01/2012 | 60 | Huldra Silver Inc. - Units | 2,856,759.30 | 1,716,118.00 |
| 09/21/2012 | 15 | IAMGold Corporation - Notes | 46,331,500.00 | 325,000.00 |
| 08/20/2012 | 35 | Integra Gold Corp. - Units | 3,299,675.58 | 10,753,632.00 |
| 09/12/2012 | 2 | Jarden Corporation - Notes | 3,902,800.00 | 40,000.00 |
| 09/04/2012 | 61 | Kensington Limited Partnership - Units | 3,327,000.00 | 3,327.00 |
| 09/30/2012 | 5 | Kingwest Avenue Portfolio - Units | 21,400.00 | 732.59 |
| 09/30/2012 | 6 | Kingwest High Income Fund - Units | 812,000.00 | 138,201.00 |
| 07/18/2011 | 27 | Lago Dourado Minerals Ltd. - Units | 5,069,099.20 | 9,216,544.00 |
| 07/23/2012 to 07/27/2012 | 8 | League IGW Real Estate Investment Trust - Units | 151,915.00 | 192,297.00 |
| 07/23/2012 to 07/27/2012 | 29 | League IGW Real Estate Investment Trust - Units | 954,014.84 | 5,000.00 |
| 09/28/2012 | 28 | LeoNovus Inc. - Units | 1,029,375.00 | 6,862,500.00 |
| 09/04/2012 | 44 | Logan Resources Ltd. - Units | 1,000,000.00 | 10,030,000.00 |
| 09/11/2012 | 46 | Loma Vista Capital Inc. - Special Shares | 306,350.00 | 6,127,000.00 |
| 09/07/2012 | 2 | LyondellBasell Industries N.V. - Special Shares | 4,089,505.74 | 89,100.00 |

Notice of Exempt Financings

| Transaction Date | No. of Purchasers | Issuer/Security | Total Purchase Price (\$) | No. of Securities Distributed |
|-----------------------------|--------------------------|--|----------------------------------|--------------------------------------|
| 09/14/2012 | 5 | MGM Resorts International - Notes | 37,480,600.00 | 38,600.00 |
| 09/28/2012 | 3 | Michael Kors Holdings Limited - Common Shares | 14,859,900.00 | 285,000.00 |
| 09/28/2012 | 4 | MM Realty Partners LP - Units | 4,780,000.00 | 478,000.00 |
| 09/11/2012 | 2 | M/I Homes, Inc. - Notes | 4,375,800.00 | 2.00 |
| 09/20/2012 | 47 | National Grid Electricity Transmission plc - Notes | 750,000,000.00 | 47.00 |
| 09/25/2012 | 55 | NeuLion, Inc. - Common Shares | 4,556,534.80 | 22,782,674.00 |
| 09/11/2012 | 8 | NorthIsle Copper and Gold Inc. - Units | 821,355.00 | 4,831,500.00 |
| 09/10/2012 | 2 | NVR, Inc. - Notes | 8,804,741.40 | 2.00 |
| 09/28/2012 | 7 | NWM Mining Corporation - Common Shares | 770,000.00 | 12,833,334.00 |
| 09/27/2012 | 5 | OPEL Technologies Inc. - Units | 1,000,000.00 | 5,000,000.00 |
| 08/17/2012 to 08/27/2012 | 7 | Oremex Silver Inc - Units | 78,410.00 | 1,568,200.00 |
| 09/18/2012 | 14 | Organic Potash Corporation - Debentures | 300,000.00 | 30.00 |
| 06/27/2012 | 2 | Pathfinder Metals Inc. - Common Shares | 52,500.00 | 1,312,500.00 |
| 09/28/2012 | 3 | PetroNova Inc. - Units | 516,134.45 | 794,053.00 |
| 09/26/2012 to 10/04/2012 | 32 | PJX Resources Inc. - Common Shares | 1,485,720.00 | N/A |
| 09/24/2012 | 1 | Poynt Corporation - Common Shares | 60,000.00 | 1,200,000.00 |
| 09/26/2012 | 1 | Revolution Resources Corp. - Common Shares | 130,000.00 | 1,000,000.00 |
| 09/26/2012 | 8 | Richmont Mines Inc. - Common Shares | 25,980,549.00 | 5,972,540.00 |
| 10/03/2012 | 2 | ROI Capital - Units | 775,260.00 | 775,260.00 |
| 09/28/2012 | 1 | ROI Capital - Units | 460,240.00 | 460,240.00 |
| 09/28/2012 | 2 | ROI Capital - Units | 23,459.02 | 23,459.02 |
| 09/25/2012 | 15 | Royal Bank of Canada - Notes | 1,400,000.00 | 14,000.00 |
| 09/25/2012 | 4 | Royal Bank of Canada - Notes | 2,344,800.00 | 24,000.00 |
| 09/27/2012 | 1 | Sabre Inc. - Note | 5,078,745.00 | 1.00 |
| 09/28/2012 | 2 | SBA Communications Corporation - Notes | 1,475,550.00 | 2.00 |
| 09/14/2012 | 5 | Seadrill Limited - Notes | 22,527,200.00 | 5.00 |
| 10/01/2012 | 1 | Serta Simmons Holdings, LLC - Note | 17,197,250.00 | 1.00 |
| 10/01/2012 | 6 | Shoal Point Energy Ltd. - Units | 121,000.00 | 1,210,000.00 |
| 10/01/2012 | 1 | Shoal Point Energy Ltd. - Flow-Through Shares | 12,000.00 | 100,000.00 |
| 09/28/2012 | 2 | Sky Growth Acquisition Corporation - Notes | 2,852,730.00 | 2.00 |

Notice of Exempt Financings

| Transaction Date | No. of Purchasers | Issuer/Security | Total Purchase Price (\$) | No. of Securities Distributed |
|-------------------------|--------------------------|---|----------------------------------|--------------------------------------|
| 09/04/2012 | 51 | Skyline Commercial Real Estate Investment Trust - Units | 4,456,420.00 | 445,642.00 |
| 09/24/2012 | 10 | Solomon Resources Limited - Common Shares | 328,200.00 | 6,564,000.00 |
| 09/27/2012 | 4 | Sotheby's - Notes | 6,869,800.00 | 4.00 |
| 09/25/2012 | 4 | Spirit Realty Capital, Inc. - Common Shares | 5,129,250.00 | 325,000.00 |
| 09/27/2012 | 11 | Spruce Ridge Resources Ltd. - Flow-Through Units | 196,500.00 | 1,572,000.00 |
| 09/27/2012 | 18 | Spruce Ridge Resources Ltd. - Units | 492,900.00 | 4,929,000.00 |
| 09/06/2012 | 1 | Starz, LLC and Starz Finance Corp. - Notes | 245,625.00 | 250.00 |
| 09/27/2012 | 69 | Summit Industrial Income RIET (formerly Proventure Income Fund) - Units | 30,000,000.15 | 66,666,667.00 |
| 09/25/2012 | 8 | Summit Industrial Income RIET (formerly Proventure Income Fund) - Units | 2,624,000.00 | 8,200,000.00 |
| 10/04/2012 | 3 | The PRP 2012 Limited Partnership - Units | 225,000.00 | 9.00 |
| 08/23/2012 | 5 | The PRP 2012 Partnership - Units | 525,000.00 | 21.00 |
| 09/21/2012 | 21 | Tigray Resources Inc. - Common Shares | 1,971,780.00 | 9,858,900.00 |
| 09/04/2012 | 1 | Toronto Christian Resource Centre - Debentures | 6,390,910.00 | 6,390,910.00 |
| 09/21/2012 | 33 | Treasury Metals Inc. - Flow-Through Shares | 6,000,000.00 | N/A |
| 09/01/2012 | 2 | Value Contrarian Canadian Equity Fund - Units | 572,960.44 | 235.04 |
| 09/26/2012 | 7 | Vodafone Group Public Limited Company - Notes | 16,473,204.40 | 7.00 |
| 09/21/2012 | 13 | VVC Exploration Corporation - Units | 230,075.00 | 4,801,500.00 |
| 09/13/2012 | 5 | Walgreen Co. - Notes | 43,400,850.00 | 5.00 |
| 08/23/2012 | 26 | Walton Alliston Development IC - Preferred Shares | 369,750.00 | 36,975.00 |
| 08/23/2012 | 18 | Walton Alliston Development LP - Limited Partnership Units | 1,629,750.00 | 162,975.00 |
| 08/23/2012 | 16 | Walton GA Yargo Township LP - Limited Partnership Units | 1,221,390.00 | 123,000.00 |
| 09/10/2012 | 3 | WellPoint, Inc. - Notes | 5,866,593.60 | 3.00 |
| 09/17/2012 | 4 | Well.ca Inc. - Preferred Shares | 1,000,000.20 | 169,242.00 |
| 10/01/2012 | 11 | Wheels Group Inc. - Common Shares | 2,000,000.00 | 2,000,000.00 |

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Argent Energy Trust
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 9, 2012
NP 11-202 Receipt dated October 9, 2012

Offering Price and Description:

\$110,000,000.00 - 11,000,000 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.
NATIONAL BANKFINANCIAL INC.
CANACCORD GENUITY CORP.
FIRSTENERGY CAPITAL CORP.
ACUMEN CAPITAL FINANCE PARTNERS LIMITED
CORMARK SECURITIES INC.
DUNDEE SECURITIES LTD.
GMP SECURITIES L.P.

Promoter(s):

ASTON HILL FINANCIAL INC.

Project #1968085

Issuer Name:

BMO S&P 500 Index ETF
BMO S&P/TSX Equal Weight Global Gold Index ETF
BMO S&P/TSX Equal Weight Industrials Index ETF
BMO S&P/TSX Laddered Preferred Share Index ETF
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated October 9, 2012
NP 11-202 Receipt dated October 10, 2012

Offering Price and Description:

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

BMO Asset Management Inc.

Project #1968311

Issuer Name:

C2C Industrial Properties Inc. (formerly Sargasso Capital Corporation)
Principal Regulator - Ontario

Type and Date:

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

Offering Price and Description:

\$17,500,000.00 - 6.75% Convertible Unsecured Subordinated Debentures
Price: \$1,000.00 per Debenture

Underwriter(s) or Distributor(s):

GMP SECURITIES L.P.
DESJARDINS SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
MACQUARIE CAPITAL MARKETS CANADA LTD.
DUNDEE SECURITIES LTD.

Promoter(s):

David Wright
Brian Spence
Richard McGraw
Stathallen Capital Corp.

Project #1968390

Issuer Name:

Chrysalis Capital VIII Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated October 5, 2012
NP 11-202 Receipt dated October 9, 2012

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

Robert Munro

Project #1967658

Issuer Name:

Crius Energy Trust
Principal Regulator - Ontario

Type and Date:

Amended and Restated Preliminary Long Form Prospectus dated October 12, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

C\$ * - * Units

Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

SCOTIA CAPITAL INC.
RBC DOMINION SECURITIES INC.
UBS SECURITIES CANADA INC.
NATIONAL BANK FINANCIAL INC.
MACQUARIE CAPITAL MARKETS CANADA LTD.
RAYMOND JAMES LTD.
DESJARDINS SECURITIES INC.
GMP SECURITIES L.P.

Promoter(s):

Crius Energy, LLC

Project #1963640

Issuer Name:

First Capital Realty Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Shelf Prospectus dated October 9, 2012
NP 11-202 Receipt dated October 10, 2012

Offering Price and Description:

\$500,000,000.00: Common Shares, Warrants to Purchase
Common Shares, Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1968172

Issuer Name:

GrowthWorks Commercialization Fund Ltd.
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated October 12, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

Class A Shares, 14 Series

Underwriter(s) or Distributor(s):

Growthworks Capital Ltd.
GrowthWorks Capital Ltd.

Promoter(s):

-

Project #1969146

Issuer Name:

Harvest Sustainable Income Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated October 12, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

Series A, F and R Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Harvest Portfolios Group Inc.

Project #1969007

Issuer Name:

Horizons S&P/TSX 60 Index ETF
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated October 10, 2012 to Final Long Form
Prospectus dated August 22, 2012

NP 11-202 Receipt dated October 10, 2012

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1934266

Issuer Name:

Newalta Corporation
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated October 12, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

\$70,000,000.00 - 5,000,000 Common Shares Price: \$14.00
per Offered Share

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.
CIBC WORLD MARKETS INC.
CANACCORD GENUITY CORP.
NATIONAL BANK FINANCIAL INC.
BMO NESBITT BURNS INC.

Promoter(s):

-

Project #1969171

Issuer Name:

Petrowest Corporation
Principal Regulator - Alberta

Type and Date:

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

Offering Price and Description:

\$7,500,000.00 - 15,000,000 Class A Common Shares
\$0.50 per Offered Share

Underwriter(s) or Distributor(s):

BEACON SECURITIES LIMITED
PARADIGM CAPITAL INC.

Promoter(s):

-

Project #1968328

Issuer Name:

PMI Gold Corporation
Principal Regulator - British Columbia

Type and Date:

Amended and Restated Preliminary Short Form Prospectus
dated October 10, 2012
NP 11-202 Receipt dated October 10, 2012

Offering Price and Description:

C\$ * - * Common Shares Price: C\$ * per Common Share

Underwriter(s) or Distributor(s):

CLARUS SECURITIES INC.
RBC DOMINION SECURITIES INC.
CANACCORD GENUITY CORP.
GMP SECURITIES L.P.
RAYMOND JAMES LTD.

Promoter(s):

-

Project #1967962

Issuer Name:

PMI Gold Corporation
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated October 9, 2012
NP 11-202 Receipt dated October 9, 2012

Offering Price and Description:

C\$100,002,000.00 - 119,050,000 Common Shares
Price: C\$0.84 per Offered Share

Underwriter(s) or Distributor(s):

CLARUS SECURITIES INC.
RBC DOMINION SECURITIES INC.
CANACCORD GENUITY CORP.
GMP SECURITIES L.P.
RAYMOND JAMES LTD.

Promoter(s):

-

Project #1967962

Issuer Name:

Primero Mining Corp.
Principal Regulator - British Columbia

Type and Date:

Amendment dated October 5, 2012 to Final Short Form
Prospectus dated October 1, 2012
NP 11-202 Receipt dated

Offering Price and Description:

\$44,217,915.00 - 8,422,460 Common Shares Price \$5.25
per Offered Share

Underwriter(s) or Distributor(s):

SCOTIA CAPITAL INC.
CANACCORD GENUITY CORP.

Promoter(s):

-

Project #1963138

Issuer Name:

SilverCrest Mines Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated October 12, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

\$30,000,750.00 - 11,765,000 Common Shares Price:
\$2.55 per Offered Share

Underwriter(s) or Distributor(s):

Dundee Securities Ltd.
Canaccord Genuity Corp.

Promoter(s):

-

Project #1969148

Issuer Name:

Transeuro Energy Corp.
Principal Regulator - Alberta

Type and Date:

Amendment dated October 9, 2012 to Preliminary Shelf
Prospectus dated October 9, 2012
NP 11-202 Receipt dated October 9, 2012

Offering Price and Description:

NOK\$100,000,000.00 - * Common Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1929862

Issuer Name:

Aston Hill Capital Growth Class
Aston Hill Capital Growth Fund (formerly Tax Optimized
Return Oriented Securities Trust)
Aston Hill Growth & Income Class
Aston Hill Growth & Income Fund (formerly Navina Income
& Growth Fund)
Aston Hill Money Market Class
Aston Hill Money Market Fund
Aston Hill Shareholder Yield Class
Aston Hill Shareholder Yield Fund
Aston Hill Strategic Yield Class (formerly Aston Hill Global
Convertible Bond Class)
Aston Hill Strategic Yield Fund (formerly Aston Hill Global
Convertible Bond Fund)
Aston Hill Strategic Yield Trust (formerly Aston Hill Global
Convertible Bond Trust)
Principal Regulator - Ontario

Type and Date:

Amendment dated September 28, 2012 to Final Simplified
Prospectus Facts dated August 17, 2012
NP 11-202 Receipt dated October 9, 2012

Offering Price and Description:

Series A, F and I Shares and Series A, F and I Units @ Net
Asset Value

Underwriter(s) or Distributor(s):

Aston Hill Asset Management Inc.
Aston Hill Asset Management Inc.

Promoter(s):

Aston Hill Asset Management Inc.

Project #1931632

Issuer Name:

Bauer Performance Sports Ltd.
Principal Regulator - Ontario

Type and Date:

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

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES INC.
PARADIGM CAPITAL INC.
GMP SECURITIES L.P.
NATIONAL BANK FINANCIAL INC.
SCOTIA CAPITAL INC.

Promoter(s):

-

Project #1966583

Issuer Name:

DeeThree Exploration Ltd.
Principal Regulator - Alberta

Type and Date:

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

Offering Price and Description:

\$15,015,000.00 - 2,730,000 Common Shares Price: \$5.50
per Common Share; and \$5,005,000.00 - 770,000 Flow-
Through Shares Price: \$6.50 per Flow-Through Share

Underwriter(s) or Distributor(s):

MACQUARIE CAPITAL MARKETS CANADA LTD.
CORMARK SECURITIES INC.
DUNDEE SECURITIES LTD.
CASIMIR CAPITAL LTD.
STIFEL NICOLAUS CANADA INC.
RAYMOND JAMES LTD.

Promoter(s):

-

Project #1967019

Issuer Name:

Dynamic Blue Chip Balanced Fund (formerly Dynamic Focus+ Balanced Fund)
Dynamic Blue Chip Equity Fund (formerly Dynamic Focus+ Equity Fund)
Dynamic Dividend Fund
Dynamic Dividend Income Fund
Dynamic Energy Income Fund (formerly Dynamic Focus+ Energy Income Trust Fund)
Dynamic Equity Income Fund (formerly Dynamic Focus+ Diversified Income Fund)
Dynamic Strategic Yield Fund
Dynamic Advantage Bond Fund
Dynamic Canadian Bond Fund (formerly Dynamic Income Fund)
Dynamic Corporate Bond Strategies Fund
Dynamic High Yield Bond Fund
Dynamic Real Return Bond Fund
Dynamic Short Term Bond Fund
Dynamic Strategic Global Bond Fund
Dynamic Power American Currency Neutral Fund
Dynamic Power American Growth Fund
Dynamic Power Balanced Fund
Dynamic Power Global Growth Fund
Dynamic Power Small Cap Fund
Dynamic Alternative Yield Fund
Dynamic Diversified Real Asset Fund
Dynamic Financial Services Fund (formerly Dynamic Focus+ Wealth Management Fund)
Dynamic Focus+ Resource Fund
Dynamic Global Infrastructure Fund
Dynamic Global Real Estate Fund (formerly Dynamic Focus+ Real Estate Fund)
Dynamic Strategic Income Portfolio (formerly Dynamic Strategic All Income Portfolio)
Dynamic Strategic Growth Portfolio (formerly Dynamic Fund of Funds)
Dynamic American Value Fund
Dynamic Canadian Dividend Fund
Dynamic Dividend Advantage Fund (formerly Dynamic Dividend Value Fund)
Dynamic European Value Fund
Dynamic Far East Value Fund
Dynamic Global Asset Allocation Fund (formerly Dynamic Global Value Balanced Fund)
Dynamic Global Discovery Fund
Dynamic Global Dividend Fund (formerly Dynamic Global Dividend Value Fund)
Dynamic Global Value Fund (formerly Dynamic International Value Fund)
Dynamic Value Balanced Fund
Dynamic Value Fund of Canada
DynamicEdge Balanced Portfolio
DynamicEdge Balanced Growth Portfolio
DynamicEdge Defensive Portfolio
DynamicEdge Equity Portfolio
DynamicEdge Growth Portfolio
DynamicEdge 2020 Portfolio
DynamicEdge 2025 Portfolio
DynamicEdge 2030 Portfolio
Dynamic Aurion Total Return Bond Fund
Dynamic Blue Chip U.S. Balanced Class (formerly Dynamic Blue Chip Balanced Class)

Dynamic Dividend Income Class
Dynamic Strategic Yield Class
Dynamic Advantage Bond Class
Dynamic Power American Growth Class
Dynamic Power Balanced Class
Dynamic Power Canadian Growth Fund
Dynamic Power Global Balanced Class
Dynamic Power Global Growth Class
Dynamic Power Global Navigator Class
Dynamic American Value Class
DMP Canadian Dividend Class
Dynamic Canadian Value Class
Dynamic Dividend Advantage Class
Dynamic EAFE Value Class
Dynamic Global Asset Allocation Class
Dynamic Global Discovery Class
Dynamic Global Dividend Class (formerly Dynamic Global Dividend Value Class)
Dynamic Global Value Class
Dynamic Value Balanced Class
Dynamic Emerging Markets Class
Dynamic Strategic Energy Class (formerly Dynamic Global Energy Class)
Dynamic Strategic Gold Class
Dynamic Strategic Resource Class
DynamicEdge Balanced Class Portfolio
DynamicEdge Growth Class Portfolio
DynamicEdge Conservative Class Portfolio
DynamicEdge Equity Class Portfolio
DynamicEdge Balanced Growth Class Portfolio
DynamicEdge 2020 Class Portfolio
DynamicEdge 2025 Class Portfolio
DynamicEdge 2030 Class Portfolio
Dynamic Aurion Canadian Equity Class
Dynamic Aurion Tactical Balanced Class
Dynamic Aurion Total Return Bond Class
Principal Regulator - Ontario

Type and Date:

Amendment #5 dated September 28, 2012 to Final Simplified Prospectus, Annual Information Form and Fund Facts dated January 27, 2012
NP 11-202 Receipt dated October 15, 2012

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

GCIC LTD.
GCIC Ltd.

Promoter(s):

GCIC LTD.

Project #1824809

Issuer Name:

Giant Exploration Inc.
Principal Regulator - British Columbia

Type and Date:

Final Long Form Prospectus dated October 10, 2012
NP 11-202 Receipt dated October 10, 2012

Offering Price and Description:

\$1,145,000.00 OF UNITS AND FLOW-THROUGH
SHARES (MINIMUM OFFERING)

\$3,500,000.00 OF UNITS AND FLOW-THROUGH
SHARES (MAXIMUM OFFERING)

PRICE: \$0.15 PER UNIT

PRICE: \$0.20 PER FLOWTHROUGH SHARE

Underwriter(s) or Distributor(s):

Jones, Gable & Company Limited

Promoter(s):

David A Stadnyk
George Tsafalas
Project #1932431

Issuer Name:

iShares Broad Commodity Index Fund (CAD-Hedged)

iShares Natural Gas Commodity Index Fund

Principal Regulator - Ontario

Type and Date:

Amendment #3 dated October 1, 2012 to Final Long Form
Prospectus dated November 18, 2011

NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

BlackRock Investments Canada Inc.
Claymore Investments, Inc.

Promoter(s):

CLAYMORE INVESTMENTS, INC.
Project #1818813

Issuer Name:

iShares Broad Commodity Index Fund (CAD-Hedged)

iShares Managed Futures Index Fund

iShares Natural Gas Commodity Index Fund

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated October 10, 2012

NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

Common Units and Advisor Class Units

Underwriter(s) or Distributor(s):

Claymore Investments, Inc.

Promoter(s):

-

Project #1940461

Issuer Name:

Manitok Energy Inc.

Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated October 10, 2012

NP 11-202 Receipt dated October 10, 2012

Offering Price and Description:

\$17,203,000.00 - 2,631,579 Offered Common Shares;

1,430,000 CDE Flow-through Shares; 4,000,000 CEE

Flow-through Shares: \$1.90 per Offered Common Share;

\$2.10 per CDE Flow-through; hare

\$2.30 per CEE Flow-through Share

Underwriter(s) or Distributor(s):

INTEGRAL WEALTH SECURITIES LIMITED

DUNDEE SECURITIES LTD.

NATIONAL BANK FINANCIAL INC.

RBC DOMINION SECURITIES INC.

TD SECURITIES INC.

HAYWOOD SECURITIES INC.

ACUMEN CAPITAL FINANCE PARTNERS LIMITED

Promoter(s):

-

Project #1966647

Issuer Name:

Marquis Balanced Class Portfolio

Marquis Balanced Growth Class Portfolio

Principal Regulator - Ontario

Type and Date:

Amendment #3 dated September 28, 2012 to Final

Simplified Prospectus dated March 21, 2012

NP 11-202 Receipt dated October 15, 2012

Offering Price and Description:

Series A, Series I and Series T Shares

Underwriter(s) or Distributor(s):

GCIC Ltd.

GCIC Ltd.

Promoter(s):

GCIC Ltd.

Project #1861301

Issuer Name:

Marquis Balanced Growth Portfolio
Marquis Balanced Income Portfolio
Marquis Balanced Portfolio
Marquis Equity Portfolio
Marquis Growth Portfolio
Marquis Institutional Balanced Growth Portfolio
Marquis Institutional Balanced Portfolio
Marquis Institutional Bond Portfolio
Marquis Institutional Canadian Equity Portfolio
Marquis Institutional Equity Portfolio
Marquis Institutional Global Equity Portfolio
Marquis Institutional Growth Portfolio
Principal Regulator - Ontario

Type and Date:

Amendment #5 dated September 28, 2012 to Final
Simplified Prospectus dated December 7, 2011
NP 11-202 Receipt dated October 15, 2012

Offering Price and Description:

Series A, Series G, Series I, Series O, Series T and Series
V Units

Underwriter(s) or Distributor(s):

GCIC LTD.
GCIC Ltd.

Promoter(s):

GCIC LTD.

Project #1818180

Issuer Name:

ONE Financial All-Weather Profit Canada Fund
ONE Financial All-Weather Profit U.S. Fund
ONE Financial All-Weather Profit Europe & Asia Fund
ONE Financial All-Weather Profit Emerging Markets Fund
ONE Financial All-Weather Profit Commodities Fund
ONE Financial All-Weather Profit Global Diversified Fund
ONE Financial All-Weather Profit Global Diversified Growth
Fund
ONE Financial All-Weather Profit Growth & Income
Balanced Fund
ONE Financial All-Weather Profit Monthly Tax-Efficient
Bond Fund
ONE Financial All-Weather Profit Tax-Efficient Short-term
Savings Fund
ONE Financial All-Weather Profit Conservative Growth
2022 Protected Portfolio
ONE Financial All-Weather Profit Monthly ROC Income
2022 Protected Portfolio
Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated October 10, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

Series A, F, I, O, Embedded-Wrap, Flex-Wrap, T6(ROC),
T9(ROC), F6(ROC), F9(ROC), Embedded-Wrap T6(ROC),
Embedded-Wrap T9(ROC), Flex-Wrap T6(ROC), and Flex-
Wrap T9(ROC) Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

One Financial Corporation
Project #1845211

Issuer Name:

ONE Financial All-Weather Profit Canada Investment Pool
ONE Financial All-Weather Profit Commodities Investment Pool
ONE Financial All-Weather Profit Conservative Growth 2022 Principal-Protected Investment Pool
ONE Financial All-Weather Profit Emerging Markets Investment Pool
ONE Financial All-Weather Profit Europe & Asia Investment Pool
ONE Financial All-Weather Profit Global Diversified Growth Investment Pool
ONE Financial All-Weather Profit Global Diversified Investment Pool
ONE Financial All-Weather Profit Growth & Income Balanced Investment Pool
ONE Financial All-Weather Profit Monthly ROC Income 2022 Principal-Protected Investment Pool
ONE Financial All-Weather Profit Monthly Bond Investment Pool
ONE Financial All-Weather Profit Short-term Savings Investment Pool
ONE Financial All-Weather Profit U.S. Investment Pool
Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated October 11, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

One Financial Corporation

Project #1934969

Issuer Name:

Primero Mining Corp.
Principal Regulator - British Columbia

Type and Date:

Amendment dated October 5, 2012 to Final Short Form Prospectus dated October 1, 2012
NP 11-202 Receipt dated October 9, 2012

Offering Price and Description:

\$44,217,915.00 - 8,422,460 Common Shares Price \$5.25 per Offered Share

Underwriter(s) or Distributor(s):

SCOTIA CAPITAL INC.
CANACCORD GENUITY CORP.

Promoter(s):

-

Project #1963138

Issuer Name:

Sarama Resources Ltd.
Principal Regulator - British Columbia

Type and Date:

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

Offering Price and Description:

\$12,000,000.00 - 13,333,334 Units Price: \$0.90 per Unit

Underwriter(s) or Distributor(s):

GMP SECURITIES L.P.
CORMARK SECURITIES INC.
BMO NESBITT BURNS INC.
RAYMOND JAMES LTD.

Promoter(s):

-

Project #1966628

Issuer Name:

Titan Medical Inc.
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated October 15, 2012
NP 11-202 Receipt dated October 15, 2012

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1927801

Issuer Name:

Union Gas Limited
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated October 11, 2012
NP 11-202 Receipt dated October 12, 2012

Offering Price and Description:

\$800,000,000.00 - MEDIUM TERM NOTE DEBENTURES (UNSECURED)

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #1966852

Issuer Name:

Vanguard Canadian Aggregate Bond Index ETF
Vanguard Canadian Short-Term Bond Index ETF
Vanguard MSCI Canada Index ETF
Vanguard MSCI EAFE Index ETF (CAD-hedged)
Vanguard MSCI Emerging Markets Index ETF
Vanguard MSCI U.S. Broad Market Index ETF (CAD-hedged)
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated October 2, 2012 to Final Long Form
Prospectus dated November 8, 2011
NP 11-202 Receipt dated October 11, 2012

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Promoter(s):

Vanguard Investments Canada Inc.

Project #1788883

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Chapter 12

Registrations

12.1.1 Registrants

| Type | Company | Category of Registration | Effective Date |
|---|--|--|------------------|
| Change of Registration Category | Greenrock Capital Partners Inc. | From: Exempt Market Dealer To: Exempt Market Dealer Portfolio Manager | October 10, 2012 |
| Change of Registration Category | Bennington Investment Management Inc. | From: Portfolio Manager, Exempt Market Dealer, Investment Fund Manager, Commodity Trading Counsel and Commodity Trading Manager To: Commodity Trading Counsel and Commodity Trading Manager | October 12, 2012 |
| Consent to Suspension (Pending Surrender) | Pathway Investment Counsel Inc. | Portfolio Manager | October 12, 2012 |
| Consent to Suspension (Pending Surrender) | Limited Market Dealer Inc. | Exempt Market Dealer | October 12, 2012 |
| Voluntary Surrender | OMERS Portfolio Management Investment Inc. | Portfolio Manager and Exempt Market Dealer | October 12, 2012 |
| Consent to Suspension (Pending Surrender) | Mineralfields Fund Management Inc. | Investment Fund Manager | October 12, 2012 |
| Voluntary Surrender | Joel Raby Asset Management Inc. | Portfolio Manager and Exempt Market Dealer | October 16, 2012 |

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Chapter 25

Other Information

25.1 Exemptions

25.1.1 ONE Financial All-Weather Profit Canada Fund et al. – 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 granted to an investment fund 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.

October 10, 2012

Fasken Martineau DuMoulin LLP

Attention: Daniel Fuke

Dear Sirs/Mesdames:

Re: ONE Financial All-Weather Profit Canada Fund, ONE Financial All-Weather Profit U.S. Fund, ONE Financial All-Weather Profit Europe & Asia Fund, ONE Financial All-Weather Profit Emerging Markets Fund, ONE Financial All-Weather Profit Commodities Fund, ONE Financial All-Weather Profit Global Diversified Fund, ONE Financial All-Weather Profit Global Diversified Growth Fund, ONE Financial All-Weather Profit Growth & Income Balanced Fund, ONE Financial All-Weather Profit Monthly Tax-Efficient Bond Fund, ONE Financial All-Weather Profit Tax-Efficient Short-term Savings Fund, ONE Financial All-Weather Profit Conservative Growth 2022 Protected Portfolio and ONE Financial All-Weather Profit Monthly ROC Income 2022 Protected Portfolio (collectively, the Funds)

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

Application No. 2011/0198 SEDAR Project No. 1845211

By letter dated March 27, 2012 (the Application), the Funds 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 Funds' prospectus, provided the Funds' final prospectus is filed no later than October 31, 2012.

Yours very truly,

"Sonny Randhawa"
Manager, Investment Funds Branch

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Index

| | |
|---|------|
| 2012 CSA Investor Index | |
| News Release..... | 9405 |
| Action Energy Inc. | |
| Cease Trading Order | 9465 |
| Ahluwalia, Balbir | |
| Notice from the Office of the Secretary | 9411 |
| Order – ss. 127 of the Act and Rule 6.2(e) of the OSC Rules of Procedure..... | 9441 |
| Ahluwalia, Mohinder | |
| Notice of Hearing, Statement of Allegations and Agreed Statement of Facts – ss. 37, 127 127.1 | 9399 |
| Notice from the Office of the Secretary | 9411 |
| Notice from the Office of the Secretary | 9413 |
| Order – ss. 127 of the Act and Rule 6.2(e) of the OSC Rules of Procedure..... | 9441 |
| Armadillo Resources Ltd. | |
| Cease Trading Order | 9465 |
| Bennington Investment Management Inc. | |
| Change of Registration Category..... | 9541 |
| Blythco Inc. | |
| Settlement Agreement | 9457 |
| Borland, Brent | |
| Notice from the Office of the Secretary | 9408 |
| Order – ss. 127(1), 127.1 | 9437 |
| Boyuan Construction Group, Inc. | |
| Cease Trading Order | 9465 |
| C.A.D.E Resources Group Inc. | |
| Notice from the Office of the Secretary | 9409 |
| Order – s. 127 | 9437 |
| Caldwell Global Financial Services Fund | |
| Decision | 9434 |
| Caldwell Investment Management Ltd. | |
| Decision | 9434 |
| Caldwell Meisels Canada Fund | |
| Decision | 9434 |
| Canadian Oil Recovery & Remediation Enterprises Ltd. | |
| Cease Trading Order | 9465 |
| Canyon Acquisitions International, LLC | |
| Notice from the Office of the Secretary | 9408 |
| Order – ss. 127(1), 127.1 | 9437 |
| Canyon Acquisitions, LLC | |
| Notice from the Office of the Secretary | 9408 |
| Order – ss. 127(1), 127.1 | 9437 |
| Caruso, Marco | |
| Notice from the Office of the Secretary | 9408 |
| Order – ss. 127(1), 127.1 | 9437 |
| Chan, Allen | |
| Notice from the Office of the Secretary | 9412 |
| Notice from the Office of the Secretary | 9413 |
| Temporary Order – ss. 127(7), 127(8)..... | 9443 |
| Order | 9443 |
| China International Capital Group | |
| News Release | 9407 |
| China Wind Power International Corp. | |
| Cease Trading Order..... | 9465 |
| Churchill 10 Real Estate Limited Partnership | |
| Order – s. 144 | 9451 |
| Cease Trading Order..... | 9465 |
| Colby Cooper Capital Inc. | |
| Notice from the Office of the Secretary | 9414 |
| Order – s. 127 | 9453 |
| Colby Cooper Inc. | |
| Notice from the Office of the Secretary | 9414 |
| Order – s. 127 | 9453 |
| Copal Resort Development Group, LLC | |
| Notice from the Office of the Secretary | 9408 |
| Order – ss. 127(1), 127.1 | 9437 |
| Cotton, Caroline Frayssignes | |
| Notice of Hearing – ss. 127, 127.1 | 9388 |
| Notice from the Office of the Secretary | 9409 |
| Deschamps, Eric | |
| Notice from the Office of the Secretary | 9408 |
| Order – ss. 127(1), 127.1 | 9437 |
| Diadem Resources Ltd. | |
| Cease Trading Order..... | 9465 |
| Driscoll, Ryan J. | |
| Notice from the Office of the Secretary | 9408 |
| Order – s. 127 of the Act and Rule 6.7 of the OSC Rules of Procedure | 9436 |
| Enerkem Inc. | |
| Decision..... | 9419 |

| | | | |
|--|------|---|------|
| FFI First Fruit Investments Inc. | | Ip, Albert | |
| Notice from the Office of the Secretary | 9408 | Notice from the Office of the Secretary | 9412 |
| Order – ss. 127(1), 127.1 | 9437 | Notice from the Office of the Secretary | 9413 |
| Fidelity Financial Group | | Temporary Order – ss. 127(7), 127(8)..... | 9443 |
| Notice from the Office of the Secretary | 9409 | Order | 9443 |
| Order – s. 127 | 9437 | Ivaco Inc. | |
| Focus Graphite Inc. | | Cease Trading Order..... | 9465 |
| Cease Trading Order | 9465 | Joel Raby Asset Management Inc. | |
| Frontenac Mortgage Investment Corporation | | Voluntary Surrender | 9541 |
| Decision | 9417 | Kaplan, Eric | |
| Gillani, Nazim | | Settlement Agreement..... | 9457 |
| Notice from the Office of the Secretary | 9408 | Knowledge First Financial Inc. | |
| Order – s. 127 of the Act and Rule 6.7 | | Notice from the Office of the Secretary | 9410 |
| of the OSC Rules of Procedure..... | 9436 | Order | 9438 |
| Greenrock Capital Partners Inc. | | Liberty Silver Corp. | |
| Change of Registration Category..... | 9541 | Notice of Hearing – ss. 127(1), 127(5), 127(10) | 9398 |
| Greenstone Financial Group | | Notice from the Office of the Secretary | 9412 |
| Notice from the Office of the Secretary | 9409 | Notice from the Office of the Secretary | 9414 |
| Order – s. 127 | 9437 | Endorsement..... | 9445 |
| HEIR Home Equity Investment Rewards Inc. | | Temporary Order – ss. 127(1), 127(5), 127(10) | 9446 |
| Notice from the Office of the Secretary | 9408 | Cease Trading Order..... | 9465 |
| Order – ss. 127(1), 127.1 | 9437 | Limited Market Dealer Inc. | |
| Heritage Education Funds Inc. | | Consent to Suspension (Pending Surrender)..... | 9541 |
| Notice from the Office of the Secretary | 9410 | Marquest Asset Management Inc. | |
| Order..... | 9440 | Decision..... | 9426 |
| Ho, George | | Mason, John Douglas Lee | |
| Notice from the Office of the Secretary | 9412 | Notice from the Office of the Secretary | 9414 |
| Notice from the Office of the Secretary | 9413 | Order – s. 127 | 9453 |
| Temporary Order – ss. 127(7), 127(8) | 9443 | MBS Group (Canada) Ltd. | |
| Order..... | 9443 | Notice from the Office of the Secretary | 9411 |
| Horsley, David | | Order – ss. 127 of the Act and Rule 6.2(e) | |
| Notice from the Office of the Secretary | 9412 | of the OSC Rules of Procedure | 9441 |
| Order..... | 9443 | McVicar Industries Inc. | |
| Hung, Alfred C.T. | | Cease Trading Order..... | 9465 |
| Notice from the Office of the Secretary | 9412 | Mineralfields Asset Management Inc. | |
| Notice from the Office of the Secretary | 9413 | Decision..... | 9426 |
| Temporary Order – ss. 127(7), 127(8) | 9443 | Mineralfields Fund Management Inc. | |
| Order..... | 9443 | Consent to Suspension (Pending Surrender)..... | 9541 |
| International Strategic Investments Inc. | | New Hudson Television LLC, | |
| Notice from the Office of the Secretary | 9408 | Notice of Hearing – ss. 127, 127.1 | 9394 |
| Order – s. 127 of the Act and Rule 6.7 | | Notice from the Office of the Secretary | 9411 |
| of the OSC Rules of Procedure..... | 9436 | New Solutions Capital Inc. | |
| International Strategic Investments | | Notice from the Office of the Secretary | 9415 |
| Notice from the Office of the Secretary | 9408 | Order – s. 127(1), 127(7), 127(8) | 9454 |
| Order – s. 127 of the Act and Rule 6.7 | | New Solutions Financial (II) Corporation | |
| of the OSC Rules of Procedure..... | 9436 | Notice from the Office of the Secretary | 9415 |
| | | Order – s. 127(1), 127(7), 127(8) | 9454 |

| | | | |
|--|------|---|------|
| New Solutions Financial (III) Corporation | | ONE Financial All-Weather Profit Monthly ROC Income 2022 Protected Portfolio | |
| Notice from the Office of the Secretary | 9415 | Exemption – s. 19.1 of NI 41-101 | |
| Order – s. 127(1), 127(7), 127(8) | 9454 | General Prospectus Requirements | 9543 |
| New Solutions Financial (VI) Corporation | | ONE Financial All-Weather Profit Monthly Tax- Efficient Bond Fund | |
| Notice from the Office of the Secretary | 9415 | Exemption – s. 19.1 of NI 41-101 | |
| Order – s. 127(1), 127(7), 127(8) | 9454 | General Prospectus Requirements | 9543 |
| New Solutions Financial Corporation | | ONE Financial All-Weather Profit Tax-Efficient Short-term Savings Fund | |
| Notice from the Office of the Secretary | 9415 | Exemption – s. 19.1 of NI 41-101 | |
| Order – s. 127(1), 127(7), 127(8) | 9454 | General Prospectus Requirements | 9543 |
| Oliveira, Antonio Carlos Neto David | | ONE Financial Corporation | |
| Notice from the Office of the Secretary | 9409 | Decision..... | 9428 |
| Order – s. 127 | 9437 | OutdoorPartner Media Corporation | |
| OMERS Portfolio Management Investment Inc. | | Order – s. 144 | 9447 |
| Voluntary Surrender..... | 9541 | Cease Trading Order..... | 9465 |
| ONE Financial All- Weather Profit Global Diversified Fund | | Ovenden, Ron | |
| Exemption – s. 19.1 of NI 41-101 | | Notice from the Office of the Secretary | 9415 |
| General Prospectus Requirements | 9543 | Order – s. 127(1), 127(7), 127(8) | 9454 |
| ONE Financial All- Weather Profit U.S. Fund | | Pac West Minerals Limited | |
| Exemption – s. 19.1 of NI 41-101 | | Notice from the Office of the Secretary | 9414 |
| General Prospectus Requirements | 9543 | Order – s. 127 | 9453 |
| ONE Financial All-Weather Profit Canada Fund | | Pathway Investment Counsel Inc. | |
| Exemption – s. 19.1 of NI 41-101 | | Consent to Suspension (Pending Surrender)..... | 9541 |
| General Prospectus Requirements | 9543 | Petrobank Energy and Resources Ltd. | |
| ONE Financial All-Weather Profit Commodities Fund | | Decision..... | 9430 |
| Exemption – s. 19.1 of NI 41-101 | | Piper Jaffray & Co. | |
| General Prospectus Requirements | 9543 | Decision..... | 9422 |
| ONE Financial All-Weather Profit Conservative Growth 2022 Protected Portfolio | | Placencia Estates Development, Ltd. | |
| Exemption – s. 19.1 of NI 41-101 | | Notice from the Office of the Secretary | 9408 |
| General Prospectus Requirements | 9543 | Order – ss. 127(1), 127.1 | 9437 |
| ONE Financial All-Weather Profit Emerging Markets Fund | | Placencia Hotel and Residences Ltd. | |
| Exemption – s. 19.1 of NI 41-101 | | Notice from the Office of the Secretary | 9408 |
| General Prospectus Requirements | 9543 | Order – ss. 127(1), 127.1 | 9437 |
| ONE Financial All-Weather Profit Europe & Asia Fund | | Placencia Marina, Ltd. | |
| Exemption – s. 19.1 of NI 41-101 | | Notice from the Office of the Secretary | 9408 |
| General Prospectus Requirements | 9543 | Order – ss. 127(1), 127.1 | 9437 |
| ONE Financial All-Weather Profit Global Diversified Growth Fund | | Quartz Capital Group Ltd. | |
| Exemption – s. 19.1 of NI 41-101 | | Settlement Agreement..... | 9457 |
| General Prospectus Requirements | 9543 | Rendezvous Island, Ltd. | |
| ONE Financial All-Weather Profit Growth & Income Balanced Fund | | Notice from the Office of the Secretary | 9408 |
| Exemption – s. 19.1 of NI 41-101 | | Order – ss. 127(1), 127.1 | 9437 |
| General Prospectus Requirements | 9543 | Ridley, Anne Marie | |
| | | Notice from the Office of the Secretary | 9409 |
| | | Order – s. 127 | 9437 |

Robbins, Wayne D.

Notice from the Office of the Secretary 9408
Order – ss. 127(1), 127.1 9437

Robertson, Archibald

Notice from the Office of the Secretary 9408
Order – ss. 127(1), 127.1 9437

Russell, William

Settlement Agreement 9457

Sage Investment Group

Notice from the Office of the Secretary 9409
Order – s. 127 9437

Salganov, Dmitry James

Notice of Hearing – ss. 127, 127.1 9394
Notice from the Office of the Secretary 9411

Sino-Forest Corporation

Notice from the Office of the Secretary 9412
Notice from the Office of the Secretary 9413
Temporary Order – ss. 127(7), 127(8) 9443
Order 9443

Somin Holdings Inc.

Notice from the Office of the Secretary 9408
Order – s. 127 of the Act and Rule 6.7
of the OSC Rules of Procedure 9436

Waheed, Jowdat

Notice from the Office of the Secretary 9415
Order 9455

Walter, Bruce

Notice from the Office of the Secretary 9415
Order 9455

Wealth Building Mortgages Inc.

Notice from the Office of the Secretary 9408
Order – ss. 127(1), 127.1 9437

Yeung, Simon

Notice from the Office of the Secretary 9412
Notice from the Office of the Secretary 9413
Temporary Order – ss. 127(7), 127(8) 9443
Order 9443